COVER SHEET

AS093-7946
S.E.C. Registration Number

ALLIANCE GLOBAL GROUP, INC.
AND SUBSIDIARIES

(Company's Full Name)

7TH FLOOR, 1880 EASTWOOD
AVENUE, EASTWOOD CITY
CYBERPARK, 188 E. RODRIGUEZ
JR. AVENUE, BAGUMBAYAN,
QUEZON CITY

(Business Address : No. Street City / Town / Province)

DINA INTING	8709-2038 to 41
Contact Person	Company Telephone Number

12	31	17-Q	3rd Thursday of June
Month	*Day*	FORM TYPE	Annual Meeting

Fiscal Year

(QUARTERLY REPORT FOR MARCH 31, 2021)

Certificate of Permit to Offer Securities for Sale
Secondary License Type, If Applicable

SEC	N/A
Dept. Requiring this Doc.	Amended Articles Number/Section

Total Amount of Borrowings

999		
Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. *For the quarterly period ended* **March 31, 2021**

2. *SEC Identification Number* **AS093-7946**

3. *BIR Tax Identification No*. **003-831-302-000**

4. *Exact name of issuer as specified in its charter* **ALLIANCE GLOBAL GROUP, INC.**

5. **METRO MANILA, PHILIPPINES**
   Province, country or other jurisdiction of incorporation or organization

6. (*SEC Use Only)*
   Industry classification code

7. **7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark**
   188 E. Rodriguez Jr. Ave., Bagumbayan, 1110 Quezon City
   Address of principal office

8. **(632) 870920-38 to -41**
   Registrant's telephone number, including area code

9. *Securities registered pursuant to Sections 8 and 12 of the SRC, or secs. 4 and 8 of the RSA*

Title of Each Class	*Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding*
Common	**9,669,352,779** (net of 600,475,200 buyback shares held by AGI)

10. *Are any or all of these securities listed on a Stock Exchange?* **Yes, on the Philippine Stock Exchange.**

11. *(a) AGI has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months.*

    (b) AGI has been subject to such filing requirements for the past ninety (90) days.

PART I – FINANCIAL INFORMATION

1. FINANCIAL STATEMENTS

Consolidated Statements of Financial Position
Consolidated Statements of Comprehensive Income
Consolidated Statements of Changes in Equity
Consolidated Statements of Cash Flows
Notes to Interim Consolidated Financial Statements
Schedule of Financial Soundness Indicators
Aging Schedule of Trade and Other Receivables Under Current Assets

The interim consolidated financial statements ("ICFS") have been prepared in accordance with the Philippine Financial Reporting Standards ("PFRS") and Philippine Accounting Standard 34, *Interim Financial Reporting*. As such, they do not include all of the information and disclosures required for full annual consolidated financial statements, and thus should be read in conjunction with the audited consolidated financial statements of the Group as at and for the year ended December 31, 2020 ("ACFS"). The accounting policies and methods used in the ICFS are consistent with those applied in ACFS. There were no amendments to existing standards adopted by the Group effective January 1, 2021. Accounting estimates, assumptions and judgments are used in preparing these statements; and while these are believed to be reasonable under the circumstances, actual results may ultimately differ from such estimates (see Note 3 to both the ACFS and ICFS).

The ICFS comprise the financial statements of the Company and its subsidiaries, after elimination of material intercompany transactions. In addition, shares of stock of the Company acquired by any of these subsidiaries are recognized as treasury shares and presented at cost as part of Treasury Shares in the consolidated statements of changes in equity. Any changes in their market values as recognized separately by the subsidiaries are likewise eliminated in full. Gain or loss on the sale of these treasury shares is presented as addition to or deduction from additional paid-in capital.

Business Segments

The Group is organized into four major business segments, which aptly correspond to its operating subsidiaries, namely Megaworld, Emperador, Travellers or RWM, and GADC, which in turn represent the main products and services provided by the Group and the lines of business in which the Group operates, i.e. real estate property development and leasing, manufacture and distribution of distilled spirits, tourism-entertainment and gaming, and quick-service restaurants operations (see Note 4 to the ICFS).

The Group disaggregates revenues recognized from contracts with customers into these segments that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. This same disaggregation is used in earnings releases, annual reports and investor presentations.

Please refer to Note 1 to the ICFS and ACFS for a comprehensive list of subsidiaries, associates and joint ventures.

2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF INTERIM FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The COVID-19 pandemic[1] is continuing globally in 2021. Several variants or mutations, claimed to be more infectious and more contagious, have emerged and are now being monitored. COVID-19 cases are declining in most parts of the world while other parts are seeing spikes or resurgence.

The year opened with Metro Manila ("MM"), Batangas, Iloilo City, Tacloban City, Davao City, Iligan City, Davao del Norte, Lanao del Sur, Santiago City and Isabela still under GCQ (the third phase of community quarantine) while the rest of the country was under the lower MGCQ. The rising infection in March prompted the government to place MM plus its neighboring Cavite, Laguna, Rizal and Bulacan ("NCR Plus") into a Stricter GCQ bubble for two weeks starting March 22. Going in and out of the bubble was restricted except for essential needs, longer curfew hours were imposed, mass gatherings were limited to 10 persons, and dining places were allowed take-out and 50% al-fresco dining only. With infection cases shooting up, NCR Plus reverted to ECQ for two weeks from March 29[2] while most of the country are under GCQ with very few under MECQ. Spain and UK experienced similar tightening of lockdown restrictions. Vaccination has started worldwide, including the Philippines which started on March 1.

Key Performance Indicators – Top Five

In Million Pesos	Q1 2021	Q1 2020	YoY	%
REVENUES	31,807	38,034	(6,227)	-16.4%
NET PROFIT	3,204	3,987	(783)	-19.6%
NET PROFIT TO OWNERS	2,564	2,960	(397)	-13.4%
Net profit rate	10.1%	10.5%		
NP Attributable to Owners	8.1%	7.8%		
Return on investment/assets [NP/TA]	0.5% 3mos	0.6% 3mos		
	Mar31, 2021	Dec 31, 2020	Growth	
TOTAL ASSETS	669,465	668,493	0.2%	
CURRENT ASSETS	316,881	316,397	0.2%	
CURRENT LIABILITIES	144,867	155,833	-7.0%	
Current ratio	2.2	2.0		
Quick ratio	1.0	0.9		
	Q1 2021	Q1 2020	Growth	
Profit before tax and interest	6,268	7,391	-15.2%	
Interest expense	1,751	1,675	4.6%	
Interest coverage rate	3.6	4.4		

[1] *From a public health emergency of international concern in January 2020, the outbreak was declared as a pandemic on March 11, 2020 by WHO. On March 9, President Duterte declared a state of public health emergency and on March 17, put the Philippines under state of calamity. Partial lockdown began on March 12, 2020 in MM which expanded to entire Luzon and its associated islands being put under total lockdown [called Enhanced Community Quarantine ("ECQ")] beginning March 16, which lasted for two months. This paralyzed all non-essential activities and public transportation. The whole country transitioned to four phases of community quarantines ("CQ") with easing degrees of restrictions, depending on the severity of infection cases in the locality – i) ECQ, ii)Modified ECQ ("MECQ"), iii) General CQ ("GCQ"), iv) Modified GCQ ("MGCQ"). Spain, UK and Mexico, where the Group principally operate, experienced similar lockdown restrictions.*

[2] *NCR Plus eased to MECQ for about five weeks from April 12 and then to 'GCQ with heightened restrictions' from May 15 while most of the country are under GCQ with a handful under MECQ.*

- Revenue growth – measures the percentage change in sales/revenues over a designated period. Performance is measured in terms of both amount and volume, where applicable.
- Net profit growth – measures the percentage change in net profit over a designated period of time
- Net profit rate – computed as percentage of net profit to revenues - measures the operating efficiency and success of maintaining satisfactory control of costs
- Return on investment [or capital employed] – the ratio of net profit to total assets - measures the degree of efficiency in the use of resources to generate net income
- Current ratio – computed as current assets divided by current liabilities – measures the ability of the business to meet its current obligations. To measure immediate liquidity, quick assets [cash, marketable securities, accounts receivables] is divided by current liabilities
- Interest coverage ratio - computed as profit before tax and interest expense divided by interest expense -measures the business' ability to meet its interest payments.

Results of Operations – First Three Months 2021 vs 2020

The Group ended the first quarter with P31.8 billion consolidated revenues and other income, P3.2 billion net profit and P2.6 billion net profit to owners, respectively slipping 16%, 20% and 13% year-on-year amid lockdown restrictions during the current quarter as compared to normal business until mid-March last year. The recovery momentum that had started in second half last year had to slow down towards later part of March this year when NCR Plus was put back into stricter quarantine restrictions.

By business segments, as represented by the major subsidiary groups:

In Million Pesos	Contri-bution	2021 Pre Conso	Q1 2021 Conso	2020 Pre Conso	Q1 2020 Conso	YoY	YoY %	Q4 2020 Conso	QoQ %
Revenues and other income	100%	34,644	**31,807**	38,286	**38,034**	**(6,227)**	**-16.37%**	37,009	-14%
Megaworld	32%	10,109	10,053	15,081	14,976	(4,923)	-32.87%	10,711	-6%
Emperador	38%	12,022	12,017	10,610	10,605	1,412	13.31%	18,386	-35%
Travellers	12%	3,768	3,765	5,406	5,404	(1,639)	-30.33%	3,345	13%
Golden Arches	18%	5,680	5,680	6,775	6,775	(1,095)	-16.16%	6,314	-10%
Others	1%	3,064	292	413	274	18	6.47%	(1,718)	117%
Net Profit	100%	5,974	**3,204**	4,120	**3,987**	**(783)**	**-19.63%**	3,906	-18%
Megaworld	76%	2,491	2,435	3,801	3,696	(1,261)	-34.13%	2,434	0.01%
Emperador	66%	2,099	2,127	1,421	1,453	674	46.36%	2,470	-14%
Travellers	-34%	(1,097)	(1,099)	(1,006)	(958)	(141)	14.73%	(109)	-911%
Golden Arches	3%	69	98	105	131	(33)	-25.48%	353	-72%
Others	-11%	2,412	(356)	(201)	(335)	(20)	6.12%	(1,243)	71%
Net Profit to Owners	100%	5,836	**2,564**	3,867	**2,960**	**(397)**	**-13.41%**	3,001	-15%
Megaworld	63%	2,362	1,611	3,507	2,407	(796)	-33.07%	2,052	-22%
Emperador	70%	2,084	1,788	1,457	1,258	530	42.10%	2,106	-15%
Travellers	-21%	(1,096)	(544)	(1,005)	(448)	(95)	21.28%	(77)	-602%
Golden Arches	3%	73	64	108	79	(15)	-18.59%	164	-61%
Others	-14%	2,412	(356)	(201)	(335)	(21)	6.17%	(1,244)	71%

Megaworld, one of the country's property giants, posted quarter revenues and other income of P10.1 billion, net profit of P2.5 billion and net profit to its owners of P2.4 billion which fell 33%, 34% and 33% year-on-year. As compared to previous quarter, revenues and other income were at same level while net profit inched 1% up.

Real estate sales shrank 39% year-on-year to P5.9 billion but it expanded 2% quarter-on-quarter as construction activities increased and reservation sales rose 16% to P20.7 billion from P20.5 billion a quarter ago. The current brand mix for Megaworld-GERI-Empire East-Suntrust/SLI was 55%-15%-18%-12%. About 66% of sales were for Metro Manila projects, 17% Cavite-Laguna-Batangas-Rizal and 9% Iloilo. Rental income slid 27% year-on-year to P3.1 billion yet it rose 32% quarter-on-quarter. Mall rentals increased due to digital transformation and al-fresco dining innovations. Office rentals were buoyed by the resilient onshoring/offshoring sector. Hotel revenues dropped 39% year-on-year to P0.3 billion yet it picked up 7% quarter-on-quarter from in-city bookings.

These operating results brought in 32%, 76% and 63% to AGI's consolidated revenues and other income, net profit and net profit attributable to owners, respectively.

Emperador, the world's largest brandy company and owner of the world's 5th largest Scotch whisky manufacturer, opened the year very strongly, surpassing comparable periods in 2020 (when pandemic was just starting) and 2019 (pre-pandemic), further attesting to the strength of its diversified brands, global footprint and operations. First quarter revenues jumped 13% year-on-year to P12.1 billion with net profit soaring 48% to P2.1 billion and net profit to owners surging 43% to P2.1 billion, bolstered by a strong international business. Net profit margin attributable to its owners (17%) improved from a year ago (14%) while gross profit margin (33%) remained stable.

The Brandy segment escalated revenues from external customers to P8.2 billion, and both net profit and net profit to EMP's owners to P1.4 billion, up 8%, 26% and 20% year-on-year, respectively, as the segment adapted to the lockdown restrictions. Brandy sales picked up both locally and offshore, particularly to USA, UK and Mexico. 'Emperador', 'Fundador' and 'Harveys Bristol Cream' showed sales increases during the quarter. The segment's gross profit margin slightly moved to 28% due to product mix and spike in cost inputs from abroad.

The Scotch Whisky segment had a very good starting quarter as well with revenues from external customers expanding 27% to P3.9 billion, and net profit skyrocketing 122% to P0.7 billion as compared to a year ago. The UK business continued to grow in off-premise and e-commerce channels while on-trade remained shut throughout the quarter. 'Jura' is now the no. 1 malt brand in the UK Off-trade, with 38% volume growth, followed by 'Tamnavulin' in the no. 2 spot, with 80% growth year-on-year. Most markets were returning, with Asia leading the growth, followed by Europe, USA (tariffs are currently suspended) and developing markets. Travel Retail was still behind last year with travel restrictions/bans still on this year especially in Europe and Middle East, yet Asia was ahead of last year already. Gross profit margin improved to 41% from 34% a year ago due mainly to product mix.

For the first three months of the year, Emperador group contributed 38% to AGI's consolidated revenues and other income, 66% to consolidated net profit, and 70% to consolidated net profit attributable to AGI owners.

Travellers, the owner and operator of Resorts World Manila (RWM), among all AGI's business segments, was hit the hardest by the continuing pandemic-related restrictions in Metro Manila which began on March 16, 2020, that temporarily stopped or limited most businesses categorized as non-essentials in RWM. As a result, revenures decreased 30% to P3.8 billion and net loss dipped 9% further to -P1.1 billion. Quarter-on-quarter, revenues jumped 5% but Travellers was caught unexpectedly by the resumption of stricter restrictions in later part of March that left it with higher marketing spend than preceding quarter.

Gaming net revenues slid 23% year-on-year to P3.1 billion due to mobility restrictions, travel restrictions for foreign tourists, and capacity limitation that reduced visitations. Quarter-on-quarter, net gaming revenues had improved 6% as restrictions had eased a bit since December. Non-gaming revenues (from hotel, food, beverage and other businesses, rentals and other operating revenues) halved year-on-year to P0.6 billion due to less foot traffic as people were restricted from going out and dine-in capacity limited; yet, it grew 1% quarter-on-quarter due to easement of restrictions until before NCR Plus bubble in March. Hotel occupancy rates in RWM ranged 35% to 73% for the first quarter. The Iloilo hotel registered a 6% occupancy rate. Other operating revenues decreased 61% to P0.1 billion due to suspension of live shows and cinemas while mall operations were limited, yet it had rebounded strongly quarter-on-quarter.

Travellers group accounted for 12% of AGI's consolidated revenues and other income, but took away 34% and 21% of consolidated net profit and consolidated net profit attributable to owners of AGI, respectively.

GADC, the master franchise holder of McDonald's in the Philippines and a strategic partnership with the George Yang group, shrank first quarter core revenues 16% year-on-year to P5.7 billion but grew 1% quarter-on-quarter. Net profit before tax soared 212% year-on-year and 107% quarter-on-quarter to P0.4 billion. Gross profit margin improved versus last quarter and first quarter last year.

Business had been performing ahead of budget until the reimposition of stricter quarantine restrictions in later part of March this year that affected store hours and dine-in service. Systemwide sales and same-store sales had jumped 1% and 3% quarter-on-quarter, yet 16% and 11%, respectively, behind first quarter last year. McDelivery and drive-through channels continued to be growth drivers, making up 56% of this quarter's systemwide sales from 27% a year ago and 55% last quarter. Digital channels through McDonald's Apps, Grab Food, Food Panda and LalaFood showed good support. McDonald's opened the year with Dine-In Exclusive Promo of free extra rice for lunch, and Chicken McSavers promotion offering of Chicken McDo and McCrispy Chicken Fillet at discounted prices. McDonald's continued with its exciting promotional campaigns which included free delivery fee wave 3 (for minimum order of P400), group order large delivery (great discounts for minimum food bill of P4,000), McDelivery PH App Coupons, and the Big Mac Campaign. Total store count stood at 665 at quarter-end, same as year-end as the group opened 3 stores and closed 3, all in Luzon, during the quarter. Stores were concentrated 82% in Luzon.

These operating results translated into 18% contribution to consolidated revenues and other income and 3% to both consolidated net profit and net profit to owners of AGI.

By profit and loss accounts:

The preceding discussions are reflected in the consolidated profit and loss accounts, as shown below:

First Three Months- In Million Pesos	2021	2020	Y-o-Y
REVENUES			
Sale of goods	17,994	20,238	-11.09%
Consumer goods	12,092	10,628	13.78%
Revenues from real estate (RE) sales	5,902	9,610	-38.59%
Rendering of services	12,866	16,951	-24.10%
Gaming	4,557	5,551	-17.92%
Less: Promotional allowance	1,426	1,495	-4.64%
Net Gaming	3,131	4,056	-22.81%
Sales by company-operated quick-service restaurants	5,135	6,093	-15.72%
Franchise revenues	524	660	-20.65%

First Three Months- In Million Pesos	2021	2020	Y-o-Y
Rental income	3,115	4,326	-27.99%
Others	962	1,817	-47.04%
Hotel operations	849	1,562	-45.67%
Other services	113	255	-55.47%
Share in net profits of associates and			
joint ventures	5	56	-91.32%
Finance and other income	941	788	19.43%
TOTAL	31,807	38,034	-16.37%
COSTS AND EXPENSES			
Cost of goods sold	11,226	12,395	-9.43%
Consumer goods sold	8,107	7,131	13.69%
RE sales	3,119	5,264	-40.74%
Cost of services	7,069	9,012	-21.56%
Gaming	1,706	2,252	-24.26%
Services	5,363	6,760	-20.67%
Other operating expenses	6,997	8,929	-21.64%
Selling and marketing	2,455	3,643	-32.60%
General and administrative	4,542	5,286	-14.08%
Finance costs and other charges	1,998	1,982	0.81%
TOTAL	27,290	32,318	-15.56%
TAX EXPENSE	1,313	1,729	-24.09%
NET PROFIT	3,204	3,987	-19.63%
NET PROFIT TO OWNERS	2,564	2,960	-13.41%

Note: Numbers may not add up due to rounding off.

Revenues and other income in the first quarter fell 16% or P6.2 billion year-on-year to P31.8billion under varying degrees of quarantine restrictions. **Sales of goods** (real estate, alcoholic beverages and snack products) dropped 11% or P2.2 billion year-on-year as real estate sales shrank 39% or P3.7 billion year-on-year while sales of consumer goods lifted up 14% or P1.5 billion year-on-year. **Service revenues** (gaming, hotels, quick-service restaurants, cinemas and theaters, leasing, hotels and other related services) descalated 24% or P4.1 billion year-on-year as net gaming revenues, sales of quick-service restaurants and franchised revenues, rental income and hotel revenues went down by 23% (-P0.9 billion), 16% (-P1.0 billion), 28% (-P1.2 billion), and 46% (P-0.7 billion), respectively. **Share in net profits of associates and joint ventures** was 91% or P0.05billion lower, reflecting lower net profit by associates and joint ventures. **Finance and other income** rose 19% or P0.2 billion from other gains reported.

Costs and expenses decreased 16% or P5.0 billion year-on-year to P27.3 billion during the current period. **Cost of goods sold** contracted 9% or P1.2 billion, **cost of services** shrank 22% or P1.9 billion and **other operating expenses** reduced 22% or P1.9 billion. **Finance and other charges** rose 1% or P0.02 billion.

Tax expense dropped 24% or P0.4 billion due to lower taxable income of Megaworld and Travellers which outweighed increase in GADC and Emperador.

Earnings before interest, taxes, depreciation and amortizations (EBITDA), computed as net profit before income taxes, interest expense, depreciation and amortizations went down 9% to P9.0 billion from P9.9 billion a year ago, exhibiting 28% and 26% EBITDA rate, respectively.

Net profit attributable to AGI owners amounted to P2.6 billion from P3.0 billion a year ago, slashed 13% year-on-year because of the foregoing.

Financial Condition

Consolidated total assets amounted to P669.5 billion at end of the interim period from P668.5 billion at beginning of year. The Group is liquid with **current assets** exceeding **current liabilities** 2.2 times and 2.0 times at the end and beginning of the year, respectively. Current assets amounted to P316.9 billion while current liabilities amounted to P144.9 billion at end of the interim period.

Cash and cash equivalents depleted by P5.1 billion or 7% ending at P64.6 billion from P69.7 billion at the beginning of the year, primarily due to net repayment of bank loans (-P3.0 billion), acquisition of treasury shares of Parent and Meg (-P1.1 billion) and payment of dividends (-P0.5billion). Net cash provided by operation and used in financing and investing activities during the period were presented in the interim consolidated statements of cash flows.

Contract assets which represent the reclassified portion of trade and other receivables relating to rights to payment which are conditioned upon the completion of units sold and represent excess of progress of work over the right to an amount of consideration, went down 2% or P0.3 billion for **currently** maturing assets while the **non-currently** maturing assets went up 5% or P0.3 billion.

Financial assets at fair value through profit or loss increased 12% or P1.1 billion due to acquisitions during the interim period.

Other current assets went up 5% or P0.8 billion mainly from higher deferred commissions of Megaworld and timing of general prepayments of Megaworld and Emperador, while **Other non-current assets** went down 19% or P1.5 billion from reductions in Megaworld's deferred commission, guarantee and other deposits, and deposit for cancellation of perpetual securities. In the first quarter, Megaworld reacquired back into the group through a wholly-owned subsidiary all the securities in the market, which were subsequently cancelled on April 1, 2021.

Current interest-bearing loans decelerated 20% or P9.9 billion from net repayments of loans by Travellers (-P7.0billion), Megaworld (-P2.1 billion) and Emperador (-P0.7 billion) while **non-current interest-bearing loans** accelerated 6% or P7.3 billion mainly from new net loan availments of Travellers (+P2.7 billion) and Megaworld (+P4.4 billion).

Contract liabilities represent MEG's excess of collection over the progress of work with **current** portion increasing 17% or P0.4 billion and **non-current portion** increasing 14% or P0.4 billion during the interim period.

Income tax payable dropped 11% or P0.2 billion due to reductions in Emperador and Megaworld.

Other current liabilities were reduced 7% or P1.9 billion primarily due to reduction in customers' deposits of Megaworld.

Retirement benefit obligation went down 8% or P0.2 billion due to the changes in financial assumptions and foreign exchange adjustments booked in UK in the interim period.

The **changes in equity components** are presented in detail in the interim consolidated statements of changes in equity.

Liquidity and Capital Resources

The consolidated statements of financial position showed strong liquidity with current assets exceeding current liabilities 2.2times. The interim period opened and closed with 1.2:1 and 1.3:1 total-liabilities-to-equity ratio and 0.7:1 interest-bearing-debt-to-equity ratio. Assets exceeded liabilities nearly 2times, and equity 2times as well at the beginning and end of the interim period.

In general, working capital and investing expenditures during the period were sourced internally from operations and externally through bank loans. The Group may also from time to time seek other sources of funding, if necessary, depending on its financing needs and market conditions.

Amounts in Million Pesos	March 31, 2021	Dec. 31, 2020
Cash and equivalents	64,642	69,698
FVTPL/AFS financial assets	11,323	10,185
Total Available	75,966	79,883
Interest-bearing debt –current	39,687	49,546
Interest-bearing debt- noncurrent	172,216	164,654
Equity-linked securities*	3,444	3,444
Total Debt	215,347	217,644
Net cash (-debt)	-139,382	-137,761
Available Cash and financial assets to Total Debt	35%	37%
Total Debt to Total Equity	72%	74%

*Presented under Other Non-current liabilities

Prospects for the future

As the COVID-19 pandemic continues, the disruptions it is bringing are still uncertain and evolving. The global health crisis has brought new learnings that modified product offerings and awakened skills to adapt to the changes in customer behavior and business environment. It brings out relentless creativity and innovation in executing, and modifying some, of the strategies to help businesses recover quickly and strongly.

The Group, with its diversified businesses, has a proven record of creating value over time and is confident in its ability to bounce back to deliver sustainable profitable growth and value for its stakeholders. AGI looks forward to resuming the growth trajectory of all the business segments towards the Group's success backed by its overall resilience, strong financial foundation and prudent operational management.

To heal as one nation in this pandemic time, the Group has contributed to various efforts in the Philippines' fight against COVID-19. Recently in May 2021, it has rolled out its vaccination program for employees. It is very optimistic that an accelerated vaccination rollout would allow business activities to pick up.

Others

There were no known material events subsequent to the end of the interim period that would have a material impact in the interim period.

There are no other known trends or demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way. The Company does not have nor anticipate having any cash flow or liquidity problems within the year. AGI and its subsidiaries are not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments.
There are no other known events that will trigger direct or contingent financial obligation that is currently considered material to the Company, including any default or acceleration of an obligation.

There are no other material off-balance sheet transactions, arrangements, obligations, and other relationships with unconsolidated entities or other persons created during the reporting period.

There are no other known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations. There are also no known events that will cause material change in the relationship between costs and revenues.

There are no other significant elements of income or loss that did not arise from continuing operations.

There were no other material issuances, repurchases or repayments of debt and equity securities.

The business has no seasonal aspects that had a material effect on the financial condition and results of operations of the Group.

SIGNATURE

Pursuant to the requirements of Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Alliance Global Group, Inc.
Issuer
By:

DINA D.R. INTING
Chief Financial Officer,
Corporate Information Officer,
& Duly Authorized Officer
(Principal Financial/Accounting Officer)
May 19, 2021

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
March 31, 2021

Ratio	Formula	3/31/2021	12/31/2020
Current ratio	Current assets / Current liabilities	2.19	2.03
Acid test ratio	Quick assets / Current liabilities (Quick assets include cash and cash equivalents, trade and other receivables and financial assets at fair value through profit or loss)	1.00	0.94
Debt-to-equity ratio	Total debt / Total stockholders' equity (Total debt includes interest bearing loans and borrowings, bonds payable and equity-linked debt securities)	0.72	0.74
Asset-to-equity ratio	Total assets / Total stockholders' equity	2.24	2.26
		3/31/2021	3/31/2020
Interest rate coverage ratio	EBIT / Total Interest (Non-recurring gain is excluded from EBIT)	3.58	4.41
Solvency ratio	EBITDA / Total debt (Total debt includes interest bearing loans and borrowings and bonds payable)	0.04	0.05
Return on investment	Net profit / Total stockholders' equity	0.01	0.01
Return on investment of equity owners	Net profit attributable to owners of the Parent Company / Equity attributable to the owners of the Parent Company	0.01	0.02
Return on assets	Net profit / Total assets	0.00	0.01
Net profit margin	Net profit / Total revenues	0.10	0.10

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2021 AND DECEMBER 31, 2020
(Amounts in Philippine Pesos)

		March 31, 2021 (UNAUDITED)		December 31, 2020 (AUDITED)
A S S E T S				
CURRENT ASSETS				
Cash and cash equivalents	P	64,642,188,387	P	69,697,688,432
Trade and other receivables - net		69,359,801,351		67,316,976,331
Contract assets		12,970,623,232		13,265,242,603
Financial assets at fair value through profit or loss		10,915,361,031		9,788,321,208
Inventories - net		141,914,209,909		140,025,856,105
Other current assets		17,078,588,099		16,302,863,173
Total Current Assets		316,880,772,009		316,396,947,852
NON-CURRENT ASSETS				
Trade and other receivables - net		16,380,335,302		16,176,300,006
Contract assets		6,393,990,970		6,115,483,710
Advances to landowners and joint operators		7,585,812,660		7,513,380,172
Financial assets at fair value through other comprehensive income		407,968,421		396,914,433
Investments in associates and joint ventures		6,765,681,735		6,760,790,295
Property, plant and equipment - net		140,824,067,214		140,156,527,643
Investment properties - net		116,976,169,272		116,364,208,432
Intangible assets - net		39,887,593,784		39,399,635,484
Deferred tax assets - net		5,974,801,715		6,351,607,385
Other non-current assets		6,396,192,785		7,869,369,362
Total Non-current Assets		347,592,613,858		347,104,216,922
NON-CURRENT ASSETS HELD FOR SALE		4,991,620,222		4,991,620,393
TOTAL ASSETS	P	669,465,006,089	P	668,492,785,167

		March 31, 2021 (UNAUDITED)		December 31, 2020 (AUDITED)
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Trade and other payables	**P**	**72,538,675,843**	P	72,161,288,500
Interest-bearing loans		**39,687,317,872**		49,545,524,642
Lease liabilities		**1,487,067,218**		1,427,669,658
Contract liabilities		**3,090,973,983**		2,647,780,045
Income tax payable		**1,619,323,705**		1,817,658,321
Redeemable preferred shares		**251,597,580**		251,597,580
Advances from related parties and joint operator partners		**2,268,702,093**		2,181,442,496
Other current liabilities		**23,923,698,924**		25,800,354,438
Total Current Liabilities		**144,867,357,218**		155,833,315,680
NON-CURRENT LIABILITIES				
Interest-bearing loans		**131,659,556,359**		124,371,416,317
Bonds payable		**40,556,498,686**		40,282,855,986
Lease liabilities		**15,592,385,929**		15,864,238,579
Contract liabilities		**3,644,968,134**		3,195,849,258
Retirement benefit obligation		**2,239,839,526**		2,432,312,926
Redeemable preferred shares		**1,499,987,353**		1,464,659,539
Deferred tax liabilities - net		**18,410,018,068**		17,792,304,155
Other non-current liabilities		**11,911,927,386**		11,436,372,526
Total Non-current Liabilities		**225,515,181,441**		216,840,009,286
Total Liabilities		**370,382,538,659**		372,673,324,966
EQUITY				
Equity attributable to owners of the parent company		**186,040,205,977**		183,276,765,473
Non-controlling interest		**113,042,261,453**		112,542,694,728
Total Equity		**299,082,467,430**		295,819,460,201
TOTAL LIABILITIES AND EQUITY	**P**	**669,465,006,089**	P	668,492,785,167

See Notes to Interim Consolidated Financial Statements.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(Amounts in Philippine Pesos)
(UNAUDITED)

	2021	2020
REVENUES AND INCOME		
Sale of goods	P 17,994,434,686	P 20,238,391,751
Rendering of services	12,866,416,402	16,951,291,987
Share in net profits of associates and joint ventures - net	4,891,951	56,356,917
Finance and other income	941,014,036	787,918,004
	31,806,757,075	38,033,958,659
COSTS AND EXPENSES		
Cost of goods sold	11,225,991,514	12,394,755,305
Cost of services	7,068,714,205	9,012,171,043
Other operating expenses	6,997,252,253	8,929,181,180
Finance costs and other charges	1,997,887,916	1,981,825,816
	27,289,845,888	32,317,933,344
PROFIT BEFORE TAX	4,516,911,187	5,716,025,315
TAX EXPENSE	1,312,507,948	1,728,981,662
NET PROFIT	3,204,403,239	3,987,043,653
OTHER COMPREHENSIVE INCOME (LOSS)		
Items that will not be reclassified subsequently to profit or loss		
Actuarial gains on remeasurement of retirement benefit obligation	181,566,000	104,066,351
Net unrealized fair value gain on financial assets at fair value through other comprehensive income	23,851,144	78,667,732
Deferred tax expense relating to components of other comprehensive income	(45,391,500)	(4,643,355)
	160,025,644	178,090,728
Items that will be reclassified subsequently to profit or loss		
Translation adjustments	534,383,187	(2,015,728,947)
Net unrealized fair value gain (loss) on cash flow hedge	111,480,610	(39,701,660)
Deferred tax expense relating to components of other comprehensive income	(6,148,429)	-
	639,715,368	(2,055,430,607)
TOTAL COMPREHENSIVE INCOME	P 4,004,144,251	P 2,109,703,774
Net profit attributable to:		
Owners of the parent company	P 2,563,526,869	P 2,960,469,942
Non-controlling interest	640,876,370	1,026,573,711
	P 3,204,403,239	P 3,987,043,653
Total comprehensive income attributable to:		
Owners of the parent company	P 2,972,628,767	P 1,918,975,176
Non-controlling interest	1,031,515,484	190,728,598
	P 4,004,144,251	P 2,109,703,774
Earnings Per Share for the Net Profit Attributable to Owners of the Parent Company:		
Basic	P 0.2695	P 0.3053
Diluted	P 0.2695	P 0.3053

See Notes to Interim Consolidated Financial Statements.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(Amounts in Philippine Pesos)
(UNAUDITED)

	Attributable to Owners of the Parent Company														
										Retained Earnings					
	Capital Stock	Additional Paid-in Capital	Treasury Shares – at Cost	Net Actuarial Losses on Retirement Benefit Plan	Net Fair Value Gains on Financial Assets at FVOCI	Accumulated Translation Adjustments	Revaluation Reserves on Cash Flow Hedge	Share Options	Other Reserves	Appropriated	Unappropriated	Total	Total	Noncontrolling Interest	Total Equity
Balance at January 1, 2021	P 10,269,827,979	P 34,518,916,029	(P 7,596,939,422)	(P 783,537,269)	P 504,426,943	(P 6,047,569,788)	(P 172,210,870)	P 620,625,162	P 9,436,023,550	P 3,993,550,000	P 138,533,653,159	P 142,527,203,159	P 183,276,765,473	P 112,542,694,728	P 295,819,460,201
Transactions with owners:															
Change in percentage of ownership	-	-	-	-	-	-	-	-	58,272,446	-	-	-	58,272,446	(141,313,672)	(83,041,226)
Acquisition of treasury shares	-	-	(625,665,280)	-	-	-	-	-	-	-	-	-	(625,665,280)	-	(625,665,280)
Dividend paid by investee	-	-	-	-	-	-	-	-	-	-	-	-	-	(543,638,051)	(543,638,051)
Gain on purchase of perpetual securities	-	-	-	-	-	-	-	-	-	-	332,442,730	332,442,730	332,442,730	151,814,706	484,257,436
Share-based compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	1,188,258	1,188,258
	-	-	(625,665,280)	-	-	-	-	-	58,272,446	-	332,442,730	332,442,730	(234,950,104)	(531,948,759)	(766,898,863)
Changes in legal reserves during the period	-	-	-	-	-	-	-	-	25,761,841	-	-	-	25,761,841	-	25,761,841
Total comprehensive income (loss)	-	-	-	115,012,983	(30,587,152)	248,144,628	76,531,439	-	-	-	2,563,526,869	2,563,526,869	2,972,628,767	1,031,515,484	4,004,144,251
Balance at March 31, 2021	**P 10,269,827,979**	**P 34,518,916,029**	**(P 8,222,604,702)**	**(P 668,524,286)**	**P 473,839,791**	**(P 5,799,425,160)**	**(P 95,679,431)**	**P 620,625,162**	**P 9,520,057,837**	**P 3,993,550,000**	**P 141,429,622,758**	**P 145,423,172,758**	**P 186,040,205,977**	**P 113,042,261,453**	**P 299,082,467,430**
Balance at January 1, 2020	P 10,269,827,979	P 34,518,916,029	(P 6,793,114,766)	(P 237,089,623)	P 399,058,137	(P 4,510,575,970)	(P 72,970,297)	P 620,625,162	P 11,001,806,871	P 3,931,650,000	P 130,245,674,104	P 134,177,324,104	P 179,373,807,626	P 117,742,987,878	P 297,116,795,504
Transactions with owners:															
Change in percentage of ownership	-	-	-	-	-	-	-	-	398,916,559	-	-	-	398,916,559	540,785,284	939,701,843
Acquisition of treasury shares	-	-	(44,215,614)	-	-	-	-	-	-	-	-	-	(44,215,614)	-	(44,215,614)
Share-based compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	4,450,562	4,450,562
	-	-	(44,215,614)	-	-	-	-	-	398,916,559	-	-	-	354,700,945	545,235,846	899,936,791
Changes in legal reserves during the period	-	-	-	-	-	-	-	-	(44,516,539)	-	-	-	(44,516,539)	-	(44,516,539)
Total comprehensive income (loss)	-	-	-	-	369,156,314	(1,383,913,295)	(26,737,784)	-	-	-	2,960,469,941	2,960,469,941	1,918,975,176	190,728,598	2,109,703,774
Balance at March 31, 2020	P 10,269,827,979	P 34,518,916,029	(P 6,837,330,380)	(P 237,089,623)	P 768,214,451	(P 5,894,489,265)	(P 99,708,081)	P 620,625,162	P 11,356,206,891	P 3,931,650,000	P 133,206,144,045	P 137,137,794,045	P 181,602,967,208	P 118,478,952,322	P 300,081,919,530

See Notes to Interim Consolidated Financial Statements.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(Amounts in Philippine Pesos)
(UNAUDITED)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**P 4,516,911,187**	P 5,716,025,315
Adjustments for:		
Depreciation and amortization	**2,740,075,258**	2,529,448,599
Interest expense	**1,750,916,957**	1,674,513,259
Interest income	**(492,922,447)**	(593,534,499)
Unrealized foreign currency loss (gain) - net	**109,173,721**	(87,967,636)
Dividend income	**(24,310,350)**	-
Loss (gain) on disposal of property, plant and equipment	**11,646,442**	(35,813,329)
Reversal of impairment losses - net	**(10,754,306)**	(36,232,966)
Share in net profits of associates and joint ventures	**(4,891,951)**	(56,356,917)
Stock option benefit expense	**1,188,258**	4,450,562
Operating profit before working capital changes	**8,597,032,769**	9,114,532,388
Decrease (increase) in trade and other receivables	**(1,898,983,790)**	6,197,881,200
Increase in inventories	**(1,740,825,283)**	(2,021,449,918)
Decrease (increase) in contract assets	**16,112,111**	(524,458,449)
Decrease (increase) in financial assets at fair value through profit or loss	**(480,647,406)**	103,725,955
Increase in other current assets	**(667,508,480)**	(976,684,216)
Increase (decrease) in trade and other payables	**421,786,360**	(804,525,062)
Increase in contract liabilities	**892,312,814**	144,693,474
Decrease in retirement benefit obligation	**(56,298,900)**	(194,119,679)
Decrease in other current liabilities	**(1,876,655,514)**	(1,013,514,176)
Increase in other non-current liabilities	**496,753,268**	227,781,046
Cash generated from operations	**3,703,077,949**	10,253,862,563
Cash paid for taxes	**(844,008,113)**	(1,046,567,613)
Net Cash From Operating Activities	**2,859,069,836**	9,207,294,950
Balance carried forward	**P 2,859,069,836**	P 9,207,294,950

	2021	2020
Balance brought forward	P 2,859,069,836	P 9,207,294,950
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Property, plant and equipment	(2,436,705,112)	(2,987,295,029)
Investment properties	(852,356,734)	(1,936,700,828)
Intangible assets	-	(13,345,925)
Decrease (increase) in other non-current assets	1,502,395,239	(457,954,635)
Interest received	442,931,340	336,899,870
Additional advances to landowners, joint ventures and other related parties - net	(72,432,488)	(40,885,559)
Proceeds from:		
Disposal of property, plant and equipment	25,227,796	94,610,798
Collections of advances from associates and other related parties	-	94,237,744
Cash dividends received	24,310,350	-
Additional advances granted to associates	(10,425,690)	(3,356,387)
Net Cash Used in Investing Activities	(1,377,055,299)	(4,913,789,951)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of interest-bearing loans	(11,648,019,261)	(5,454,554,563)
Proceeds from interest-bearing loans and bonds	8,666,600,000	6,620,930,266
Interest paid	(1,910,461,384)	(1,875,704,541)
Acquisition of treasury shares	(625,665,280)	(44,215,614)
Dividends paid	(543,638,051)	-
Buyback of shares from non-controlling interest by a subsidiary	(108,425,794)	(758,264,606)
Advances granted and paid to related parties	(291,472,509)	(277,507,443)
Payment of lease liabilities	(209,283,493)	(153,053,824)
Advances collected and received from related parties	132,851,190	12,702,469
Net Cash Used in Financing Activities	(6,537,514,582)	(1,929,667,856)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,055,500,045)	2,363,837,143
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	69,697,688,432	51,270,580,951
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P 64,642,188,387	P 53,634,418,094

Supplemental Information on Non-cash Investing and Financing Activities:

In the normal course of business, the Group enters into non-cash activities which are not reflected in the cash flows, including but not limited the following: (a) exchanges or purchases or sale on account of real estate and other assets that remain unpaid at end of period; (b) reclassifications or transfers of property between Inventories, Property, Plant and Equipment and Investment Properties; and, (c) borrowing costs under capitalized Inventories or Construction in Progress.

See Notes to Interim Consolidated Financial Statements.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020

(With Comparative Figures as of December 31, 2020)
(Amounts in Philippine Pesos)
(Unaudited)

1. CORPORATE INFORMATION

Alliance Global Group, Inc. (the "Company", "Parent Company", or "AGI") was registered with the Philippine Securities and Exchange Commission ("SEC") on October 12, 1993 and listed its shares in the Philippine Stock Exchange ("PSE") on April 19, 1999.

Currently, AGI is one of the leading conglomerates in the Philippines, with interests in real estate property development, food and beverage, tourism-entertainment and gaming, and quick–service restaurant. Its fifth leg, the infrastructure, has not yet started operations. The Company and its subsidiaries, associates and joint ventures (collectively referred to as the "Group") operate a diversified range of businesses that focus on developing products and services that generally cater to their target markets, under the following entities (see Note 4):

Subsidiaries/Associates/Joint Ventures	Short Name	Notes	Percentage of Effective Ownership of AGI **March 2021**	 December 2020
Subsidiaries				
Megaworld and subsidiaries				
Megaworld Corporation	"Megaworld"	(a)	**69%**	69%
Megaworld Resort Estates, Inc.		(b)	**84%**	84%
Townsquare Development, Inc.			**50%**	50%
Golden Panda-ATI Realty Corporation			**50%**	50%
Arcovia Properties, Inc.			**69%**	69%
Belmont Newport Luxury Hotels, Inc.			**69%**	69%
Davao Park District Holdings Inc.			**69%**	69%
Eastwood Cyber One Corporation			**69%**	69%
Global One Hotel Group, Inc.			**69%**	69%
Global One Integrated Business Services, Inc.			**69%**	69%
Hotel Lucky Chinatown, Inc.			**69%**	69%
Landmark Seaside Properties, Inc.			**69%**	69%
Luxury Global Hotels and Leisures, Inc.			**69%**	69%
Luxury Global Malls, Inc.			**69%**	69%
Mactan Oceanview Properties and Holdings, Inc.			**69%**	69%
Megaworld Cayman Islands, Inc.		(c)	**69%**	69%
Megaworld Cebu Properties, Inc.			**69%**	69%
Megaworld Land, Inc.			**69%**	69%
Citywalk Building Administration, Inc.			**69%**	69%
Forbestown Commercial Center Administration, Inc.			**69%**	69%
Iloilo Center Mall Administration, Inc.			**69%**	69%
Newtown Commercial Center Administration, Inc.			**69%**	69%
Paseo Center Building Administration, Inc.			**69%**	69%
San Lorenzo Place Commercial Center Administration, Inc.			**69%**	69%
Southwoods Lifestyle Mall Management, Inc.			**69%**	69%
Uptown Commercial Center Administration, Inc.			**69%**	69%
Valley Peaks Property Management, Inc.			**69%**	69%
Megaworld Newport Property Holdings, Inc			**69%**	69%

Subsidiaries/Associates/Joint Ventures	Short Name	Notes	Percentage of Effective Ownership of AGI March 2021	December 2020
Subsidiaries				
Megaworld and subsidiaries				
Oceantown Properties, Inc.			**69%**	69%
Piedmont Property Ventures, Inc.			**69%**	69%
Prestige Hotels and Resorts, Inc.			**69%**	69%
Richmonde Hotel Group International Ltd.		(d)	**69%**	69%
San Vicente Coast, Inc.			**69%**	69%
Savoy Hotel Manila, Inc.			**69%**	69%
Savoy Hotel Mactan, Inc.			**69%**	69%
Kingsford Hotel Manila, Inc.			**69%**	69%
Agile Digital Ventures, Inc.			**69%**	69%
MREIT Fund Managers, Inc.	“MFMI”	(o)	**69%**	-
MREIT Property Managers, Inc.	“MPMI”	(o)	**69%**	-
Megaworld Holdings, Inc.	“MHI”	(o)	**68%**	-
Stonehaven Land, Inc.			**69%**	69%
Streamwood Property, Inc.			**69%**	69%
Megaworld Bacolod Properties, Inc.			**63%**	63%
Manila Bayshore Property Holdings, Inc.			**62%**	62%
Megaworld Capital Town, Inc.			**52%**	52%
Megaworld Central Properties, Inc.			**52%**	52%
Soho Cafe and Restaurant Group, Inc.			**51%**	51%
La Fuerza, Inc.			**46%**	46%
Megaworld-Daewoo Corporation			**41%**	41%
Northwin Properties, Inc.			**41%**	41%
Gilmore Property Marketing Associates Inc.			**36%**	36%
Integrated Town Management Corporation			**34%**	34%
Maple Grove Land, Inc.			**34%**	34%
Megaworld Globus Asia, Inc.			**34%**	34%
Suntrust Properties, Inc.			**69%**	69%
Governor's Hills Science School, Inc.			**69%**	69%
Sunrays Properties Management, Inc.			**69%**	69%
Suntrust Ecotown Developers, Inc.			**69%**	69%
Suntrust One Shanata, Inc.			**69%**	69%
Suntrust Two Shanata, Inc.			**69%**	69%
Stateland, Inc.			**66%**	66%
Global-Estate Resorts, Inc.	“GERI”	(e)	**56%**	56%
Southwoods Mall Inc.			**62%**	62%
Twin Lakes Corp.			**62%**	62%
Twin Lakes Hotel, Inc.			**62%**	62%
Megaworld Global-Estate, Inc.			**61%**	61%
Fil-Estate Golf and Development, Inc			**56%**	56%
Golforce, Inc.			**56%**	56%
Southwoods Ecocentrum Corp.			**34%**	34%
Philippine Aquatic Leisure Corp.			**34%**	34%
Fil-Estate Properties, Inc.			**56%**	56%
Aklan Holdings Inc.			**56%**	56%
Blu Sky Airways, Inc.			**56%**	56%
Fil-Estate Subic Development Corp.			**56%**	56%
Fil-Power Concrete Blocks Corp.			**56%**	56%
Fil-Power Construction Equipment Leasing Corp.			**56%**	56%
Golden Sun Airways, Inc.			**56%**	56%
La Compaña De Sta. Barbara, Inc.			**56%**	56%
MCX Corporation			**56%**	56%
Pioneer L-5 Realty Corp.			**56%**	56%
Prime Airways, Inc.			**56%**	56%
Sto. Domingo Place Development Corp.			**56%**	56%
Fil-Estate Industrial Park, Inc.			**45%**	45%
Sherwood Hills Development Inc.			**31%**	31%
Fil-Estate Urban Development Corp.			**56%**	56%
Global Homes and Communities, Inc.			**56%**	56%
Savoy Hotel Boracay, Inc.			**56%**	56%
Belmont Hotel Boracay, Inc.			**56%**	56%
Novo Sierra Holdings Corp.			**56%**	56%
Elite Communities Property Services, Inc.			**56%**	56%
Oceanfront Properties, Inc.			**28%**	28%

Subsidiaries/Associates/Joint Ventures	Short Name	Notes	Percentage of Effective Ownership of AGI **March 2021**	 December 2020
Subsidiaries				
Megaworld and subsidiaries				
Empire East Land Holdings, Inc.	"EELHI"		**56%**	56%
Sonoma Premiere Land, Inc.		(f)	**74%**	74%
Pacific Coast Mega City, Inc.		(g)	**83%**	83%
20th Century Nylon Shirt, Inc.			**56%**	56%
Eastwood Property Holdings, Inc.			**56%**	56%
Empire East Communities, Inc.			**56%**	56%
Sherman Oak Holdings, Inc.			**56%**	56%
Valle Verde Properties, Inc.			**56%**	56%
Laguna BelAir School, Inc.			**41%**	41%
Emperador and subsidiaries				
Emperador Inc.	"EMP" or "Emperador"		**84%**	84%
Emperador Distillers, Inc.	"EDI"		**84%**	84%
Alcazar de Bana Holdings Company, Inc.			**84%**	84%
ProGreen AgriCorp, Inc.			**84%**	84%
South Point Science Park, Inc.			**84%**	84%
Anglo Watsons Glass, Inc.			**84%**	84%
Cocos Vodka Distillers Philippines, Inc.			**84%**	84%
The Bar Beverage, Inc.			**84%**	84%
Tradewind Estates, Inc.			**84%**	84%
BoozyLife, Inc.			**52%**	52%
Zabana Rum Company, Inc.			**84%**	84%
Emperador International Ltd.	"EIL"	(d)	**84%**	84%
Emperador Asia Pte Ltd.	"EA"	(i)	**84%**	84%
Grupo Emperador Spain, S.A.U.	"GES"	(i)	**84%**	84%
Bodega San Bruno, S.L.	"BSB"	(i)	**84%**	84%
Bodegas Fundador S.L.U.	"BFS"	(i)	**84%**	84%
Destilados de la Mancha S.L.	"DDLM"	(i)	**84%**	84%
Grupo Emperador Gestion S.L.	"GEG"	(i)	**84%**	84%
Domecq Bodega Las Copas, S.L.	"DBLC"	(h), (i)	**42%**	42%
Stillman Spirits, S.L.	"SSSL"	(i)	**84%**	84%
Domecq Distribucion De Bebidas S.A. de C.V.	"DDDB"	(h)	**42%**	42%
Pedro Domecq S.A. de C.V.	"PDSC"	(h)	**42%**	42%
Emperador Europe SARL	"EES"	(i)	**84%**	84%
Emperador Holdings (GB) Limited.	"EGB"	(i)	**84%**	84%
Emperador UK Limited	"EUK"	(i)	**84%**	84%
Whyte and Mackay Group Limited	"WMG"	(i)	**84%**	84%
Whyte and Mackay Global Limited	"WMGL"	(i)	**84%**	84%
Whyte and Mackay Limited	"WML"	(i)	**84%**	84%
Whyte and Mackay Warehousing Ltd.	"WMWL"	(i)	**84%**	84%
GADC and subsidiaries				
Golden Arches Development Corporation	"GADC"		**49%**	49%
Advance Food Concepts Manufacturing, Inc.			**49%**	49%
Red Asian Food Solutions, Inc.			**37%**	37%
Clark Mac Enterprises, Inc.			**49%**	49%
Golden Laoag Foods Corporation			**38%**	38%
Davao City Food Industries, Inc.			**37%**	37%
First Golden Laoag Ventures, Inc.			**34%**	34%
McDonald's Anonas City Center			**34%**	34%
McDonald's Puregold Taguig			**29%**	29%
Golden City Food Industries, Inc.			**29%**	29%
McDonald's Bonifacio Global City			**27%**	27%
Molino First Golden Foods, Inc.			**26%**	26%
GY Alliance Concepts, Inc.			**19%**	19%
Golden Arches Realty Corporation			**49%**	49%

Subsidiaries/Associates/Joint Ventures	Short Name	Notes	Percentage of Effective Ownership of AGI **March 2021**	 December 2020
Travellers and subsidiaries				
Travellers International Hotel Group, Inc.	"Travellers"	(j)	**50%**	50%
Agile Fox Amusement and Leisure Corporation			**50%**	50%
APEC Assets Limited			**50%**	50%
Aquamarine Delphinium Leisure and Recreation, Inc.			**50%**	50%
Bright Pelican Leisure and Recreation, Inc.			**50%**	50%
Brightleisure Management, Inc.			**50%**	50%
Brilliant Apex Hotels and Leisure Corporation			**50%**	50%
Captain View Group Limited			**50%**	50%
Coral Primrose Leisure and Recreation Corporation			**50%**	50%
Deluxe Hotels and Recreation, Inc.			**50%**	50%
Entertainment City Integrated Resorts & Leisure, Inc.			**50%**	50%
FHTC Entertainment & Productions, Inc.	"FHTC"		**50%**	50%
Golden Peak Leisure and Recreation, Inc.			**50%**	50%
Grand Integrated Hotels and Recreation, Inc.			**50%**	50%
Grandservices, Inc.			**50%**	50%
Grandventure Management Services, Inc.			**50%**	50%
Lucky Star Hotels and Recreation, Inc.			**50%**	50%
Lucky Panther Amusement and Leisure Corporation			**50%**	50%
Luminescent Vertex Hotels and Leisure Corporation			**50%**	50%
Magenta Centaurus Amusement and Leisure Corporation			**50%**	50%
Majestic Sunrise Leisure & Recreation, Inc.			**50%**	50%
Netdeals, Inc.			**50%**	50%
Newport Star Lifestyle, Inc.			**50%**	50%
Royal Bayshore Hotels & Amusement, Inc.			**50%**	50%
Sapphire Carnation Leisure and Recreation Corporation			**50%**	50%
Scarlet Milky Way Amusement and Leisure Corporation			**50%**	50%
Sparkling Summit Hotels and Leisure Corporation			**50%**	50%
Valiant Leopard Amusement and Leisure Corporation			**50%**	50%
Vermillion Triangulum Amusement and Leisure Corporation			**50%**	50%
Westside City Resorts World, Inc.	"WCRWI"	(k)	**49%**	49%
Purple Flamingos Amusement and Leisure Corporation			**49%**	49%
Red Falcon Amusement and Leisure Corporation			**49%**	49%
Westside Theatre Inc.			**50%**	50%
Corporate and Others				
Alliance Global Brands, Inc.			**100%**	100%
McKester Pik-nik International Limited	"MPIL"	(d)	**100%**	100%
Great American Foods, Inc.		(l)	**100%**	100%
New Town Land Partners, Inc.	"NTLPI"		**100%**	100%
Alliance Global Group Cayman Islands, Inc.		(c)	**100%**	100%
Boracay Newcoast Resorts, Inc.			**100%**	100%
Dew Dreams International, Inc.			**100%**	100%
First Centro, Inc.	"FCI"		**100%**	100%
ERA Real Estate Exchange, Inc.			**100%**	100%
Oceanic Realty Group International, Inc.			**100%**	100%
Greenspring Investment Holdings Properties Ltd.		(d)	**100%**	100%
Infracorp Development, Inc.			**100%**	100%
Shiok Success International, Inc.			**100%**	100%
Travellers Group Ltd.		(d)	**100%**	100%

Subsidiaries/Associates/Joint Ventures	Short Name	Notes	Percentage of Effective Ownership of AGI March 2021	December 2020
Corporate and Others				
Venezia Universal Ltd.		(d)	**100%**	100%
Dew Dreams International, Ltd.		(d)	**100%**	100%
Shiok Success International, Ltd.		(d)	**100%**	100%
Adams Properties, Inc.	"Adams"		**60%**	60%
Associates				
First Premiere Arches Restaurant Inc.			**49%**	49%
Bonifacio West Development Corporation			**32%**	32%
Suntrust Home Developers, Inc.	"SHDI"		**23%**	23%
Citylink Coach Services, Inc.			**6%**	6%
First Oceanic Property Management, Inc.			**6%**	6%
Palm Tree Holdings and Development Corporation			**27%**	27%
SWC Project Management Limited			**23%**	23%
WC Project Management Limited			**23%**	23%
Fil-Estate Network, Inc.			**11%**	11%
Fil-Estate Sales, Inc.			**11%**	11%
Fil-Estate Realty and Sales Associates, Inc.			**11%**	11%
Fil-Estate Realty Corp.			**11%**	11%
Nasugbu Properties, Inc.			**8%**	8%
Joint Ventures				
Bodegas Las Copas, S.L.	"BLC"	(m)	**42%**	42%
Front Row Theatre Management, Inc.		(n)	**25%**	25%

Explanatory notes:

(a) AGI's effective ownership interest is derived from its 46% direct ownership, 3% direct holdings of FCI, 18% direct holdings of NTLPI and 2% direct holdings of MPIL.
(b) AGI and Megaworld directly owns 49% and 51%, respectively.
(c) Foreign subsidiaries operating under the laws of the Cayman Islands.
(d) Foreign subsidiaries operating under the Business Companies Act of the British Virgin Islands ("BVI").
(e) AGI's effective ownership interest represents its indirect holdings through Megaworld, which owns 82% of GERI as of March 31, 2021 and December 31, 2020.
(f) A subsidiary through 60% and 40% direct ownership of EELHI and FCI, respectively.
(g) AGI's effective ownership interest is derived from its 60% direct ownership and the balance from indirect holdings (through Megaworld's subsidiary that holds 40% direct ownership).
(h) DBLC, a subsidiary of GES, is operating under the laws of Spain and its subsidiaries PDSC, BDSC and DDDB are operating under the laws of Mexico.
(i) Subsidiaries under EIL. EA is operating under the laws of Singapore while GES and its subsidiaries BSB, BFS, GEG, DBLC, SSSL and DDLM, are operating under the laws of Spain. EES is operating under the laws of Luxembourg. EGB (the ultimate UK parent) is operating under the laws of England and Wales. EUK, WMG, WML, WMWL and WMGL are operating under the laws of Scotland. EA, EES and EGB are direct subsidiaries of EIL.
(j) AGI's effective ownership is through Travellers' common and preferred shares in total, which are directly owned 16% by AGI, 3% by FCI, 1% by Megaworld, 49% by Adams, 30% by Genting Hongkong Limited ("GHL") and 0.3% by the public. The Group beneficially owns 49% of common shares.
(k) AGI's effective ownership is through 1% direct ownership, 47% through 95% ownership of Travellers, and 1% through ownership of other subsidiaries within the Group (i.e., FCI, Megaworld and Adams).
(l) Foreign subsidiary of MPIL operating under the laws of United States of America.
(m) A foreign joint venture under GES and operating under the laws of Spain.
(n) A joint venture through FHTC.
(o) MFMI, MPMI and MHI are newly incorporated subsidiaries of Megaworld. MFMI is engaged in the business of providing fund management services to real estate investment trust ("REIT") companies. MPMI is engaged in the business of providing services in relation to property management, lease management, marketing and project management. MHI is a holding company.

The Company, its subsidiaries, associates and joint ventures are incorporated and operating in the Philippines, except for such foreign subsidiaries and a joint venture as identified in the preceding table (see explanatory notes c, d, h, i, l and m above).

AGI's shares of stock and those of Megaworld, EMP, GERI, EELHI and SHDI are listed in and traded through the PSE as of March 31, 2021.

The principal activities of the Group are further described in Note 4.

The Company's registered office and primary place of business is located at 7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark, 188 E. Rodriguez, Jr. Avenue, Bagumbayan, Quezon City.

The Board of Directors ("BOD") approved on May 19, 2021, the release of the interim consolidated financial statements ("ICFS") of the Group as of and for the three months ended March 31, 2021 (including the comparative financial statements as of December 31, 2020, and for the three months ended March 31, 2020).

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these ICFS are consistent with those applied in the audited consolidated financial statements ("ACFS") as of and for the year ended December 31, 2020 (see Note 2.2).

2.1 Basis of Preparation of Interim Consolidated Financial Statements

These ICFS have been prepared in accordance with Philippine Accounting Standard ("PAS") 34, *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with Philippine Financial Reporting Standards ("PFRS"), and should be read in conjunction with the Group's ACFS as of and for the year ended December 31, 2020.

The ICFS are presented in Philippine pesos, the Company's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the ICFS of the Group are measured using the Company's functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

The presentation of the ICFS is consistent with the most recent ACFS presentation.

The Group presents all items of income and expense in a single consolidated statement of comprehensive income.

2.2 Adoption of Amended PFRS

(a) Effective Subsequent to 2021 but are not Adopted Early

There are amendments and annual improvements to existing standards effective for annual periods subsequent to 2021, which are adopted by the Financial Reporting Standards Council. Management will adopt the relevant pronouncements in accordance with their transitional provisions, as presented below and in the succeeding page.

PAS 1 (Amendments)	:	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current
PAS 16 (Amendments)	:	Property, Plant and Equipment – Proceeds Before Intended Use

PAS 37 (Amendments)	:	Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract
PFRS 3 (Amendments)	:	Business Combination – Reference to the Conceptual Framework
PFRS 10 and PAS 28 (Amendments)	:	Consolidated Financial Statements, and Investments in Associates and Joint Ventures – Sale or Contribution of Assets Between an Investor and its Associates or Joint Venture
Annual Improvements to PFRS (2018-2020 Cycle)		
PFRS 9 (Amendments)	:	Financial Instruments – Fees in the '10 per cent' Test for Derecognition of Liabilities
PFRS 16 (Amendments)	:	Leases – Lease Incentives

Management is currently assessing the impact of these amendments on the Group's consolidated financial statements and it will conduct a comprehensive study of the potential impact of these amendments prior to their mandatory adoption date to assess the impact of all changes.

3. JUDGMENTS AND ESTIMATES

The preparation of the Group's ICFS in accordance with PFRS requires management to make judgments, estimates and assumptions that affect the policies applied and amounts reported in the ICFS and related explanatory notes. Judgments and estimates are based on historical experience and management's best knowledge of current events and actions, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates. There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period.

The judgments, estimates and assumptions applied in the ICFS, including the key sources of estimation uncertainty, were the same as those applied in the ACFS for the year ended December 31, 2020.

4. SEGMENT INFORMATION

4.1 Business Segments

The Group is organized into major business segments, which are the major subsidiaries of the Group. These represent the main products and services provided by the Group and the line of business in which the Group operates. Presented below and in the succeeding page is the basis of the Group in reporting its primary segment information.

(a) The *Megaworld* segment consists of development of real estate, integrated resorts, leasing of properties and hotel operations business which is primarily undertaken by Megaworld Corporation and subsidiaries, the Group's forerunner in the real estate industry.

(b) The *Emperador* segment refers to the manufacture and distribution of distilled spirits, including the production of glass containers, which is undertaken by Emperador Inc. and subsidiaries.

(c) The *Travellers* segment relates to tourism-oriented business that integrates entertainment, hospitality and leisure, including gaming, as that of Resorts World Manila, which is operated by Travellers International Hotel Group, Inc. and subsidiaries.

(d) The *GADC* segment refers to operations of McDonald's restaurants in the Philippines in accordance with the franchise agreement between GADC and McDonald's Corporation, USA.

The Group disaggregates revenues recognized from contracts with customers into these segments that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. This same disaggregation is used in earnings releases, annual reports and investor presentations.

4.2 Segment Assets and Liabilities

Segment assets are allocated based on their physical location and use or direct association with a specific segment and they include all operating assets used by a segment and consist principally of operating cash and cash equivalents, trade and other receivables, inventories, property, plant and equipment, intangible assets and investment properties. Segment liabilities include all operating liabilities and consist principally of trade and other payables, interest-bearing loans and bonds payable.

4.3 Intersegment Transactions

Segment revenues, expenses and performance include sales and purchases between business segments. Such sales and purchases are eliminated in consolidation.

4.4 Analysis of Segment Information

Segment information can be analyzed as follows for three months ended March 31, 2021 and 2020.

	For three months ended March 31, 2021 (Unaudited)				
	Megaworld	Travellers	GADC	Emperador	Total
REVENUES					
Sales to external customers	P 9,338,356,070	P 3,759,965,801	P 5,670,152,156	P 11,858,051,012	P 30,626,525,039
Intersegment sales	56,194,315	3,533,490	-	5,213,999	64,941,804
Finance and other income	714,620,413	4,857,566	10,071,899	159,109,070	888,658,948
Segment revenues	10,109,170,798	3,768,356,857	5,680,224,055	12,022,374,081	31,580,125,791
Cost of sales and expenses excluding depreciation and amortization	(5,390,624,739)	(3,480,012,554)	(4,385,693,147)	(8,989,576,769)	(22,245,907,209)
	4,718,546,059	288,344,303	1,294,530,908	3,032,797,312	9,334,218,582
Depreciation and amortization	(850,910,816)	(871,775,232)	(614,761,060)	(429,149,986)	(2,766,597,094)
Finance costs and other charges	(751,209,570)	(510,927,525)	(258,396,414)	(109,552,899)	(1,630,086,408)
Profit (loss) before tax	3,116,425,673	(1,094,358,454)	421,373,434	2,494,094,427	4,937,535,080
Tax expense	(625,630,292)	(1,161,769)	(323,772,007)	(362,040,349)	(1,312,604,417)
SEGMENT PROFIT (LOSS)	**P 2,490,795,381**	**(P 1,095,520,223)**	**P 97,601,427**	**P 2,132,054,078**	**P 3,624,930,663**
SEGMENT ASSETS AND LIABILITIES					
Segment assets	**P 367,828,323,706**	**P 112,637,615,967**	**P 34,267,511,970**	**P 119,834,291,845**	**P 634,567,743,488**
Segment liabilities	**149,352,311,416**	**81,703,156,709**	**28,394,076,603**	**53,096,736,937**	**312,546,281,665**
OTHER SEGMENT INFORMATION					
Share in net profit (loss) of associates and joint ventures	**(66,338,460)**	**(384,434)**	**-**	**71,614,845**	**4,891,951**

	For three months ended March 31, 2020 (Unaudited)				
	Megaworld	Travellers	GADC	Emperador	Total
REVENUES					
Sales to external customers	P 14,413,819,345	P 5,374,188,190	P 6,759,041,777	P 10,374,063,665	P 36,921,112,977
Intersegment sales	104,949,099	2,717,050	-	5,080,102	112,746,251
Finance and other income	562,259,504	29,521,065	15,902,014	231,312,508	838,995,091
Segment revenues	15,081,027,948	5,406,426,305	6,774,943,791	10,610,456,275	37,872,854,319
Cost of sales and expenses excluding depreciation and amortization	(8,427,170,807)	(4,964,609,206)	(5,741,089,215)	(8,302,467,935)	(27,435,337,163)
	6,653,857,141	441,817,099	1,033,854,576	2,307,988,340	10,437,517,156
Depreciation and amortization	(737,766,953)	(832,272,123)	(634,997,432)	(350,473,457)	(2,555,509,965)
Finance costs and other charges	(722,916,558)	(537,828,975)	(246,970,568)	(210,473,731)	(1,718,189,832)
Profit (loss) before tax	5,193,173,630	(928,283,999)	151,886,576	1,747,041,152	6,163,817,359
Tax expense	(1,392,289,153)	(26,924,112)	(20,915,256)	(288,827,842)	(1,728,956,363)
SEGMENT PROFIT	P 3,800,884,477	(P 955,208,111)	P 130,971,320	P 1,458,213,310	P 4,434,860,996
OTHER SEGMENT INFORMATION					
Share in net profit (loss) of associates and joint ventures	3,384,686	(11,255)	-	52,983,486	56,356,917

The following presents the segment assets and liabilities of the Group as of December 31, 2020 (audited):

	Megaworld	Travellers	GADC	Emperador	Total
SEGMENT ASSETS AND LIABILITIES					
Segment assets	P 374,893,702,823	P 116,426,830,157	P 34,826,330,051	P 117,650,258,379	P 643,797,121,410
Segment liabilities	148,742,486,482	84,390,957,849	29,262,553,333	52,427,534,132	314,823,531,796

4.5 Reconciliations

Presented below is a reconciliation of the Group's segment information to the key financial information presented in its ICFS.

	March 31, 2021 (Unaudited)	March 31, 2020 (Unaudited)
Revenues		
Total segment revenues	**P 31,580,125,791**	P 37,872,854,319
Unallocated corporate revenue	**291,573,088**	273,850,591
Elimination of intersegment revenues	**(64,941,804)**	(112,746,251)
Revenues as reported in interim consolidated statements of comprehensive income	**P 31,806,757,075**	P 38,033,958,659
Profit or loss		
Segment operating profit	**P 3,624,930,663**	P 4,434,860,996
Unallocated corporate loss	**(355,585,620)**	(335,071,092)
Elimination of intersegment revenues	**(64,941,804)**	(112,746,251)
Profit as reported in interim consolidated statements of comprehensive income	**P 3,204,403,239**	P 3,987,043,653

	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Assets		
Segment assets	**P 634,567,743,488**	P 643,797,121,410
Unallocated corporate assets	**34,897,262,601**	24,695,663,757
Total assets reported in the interim consolidated statements of financial position	**P 669,465,006,089**	P 668,492,785,167
Liabilities		
Segment liabilities	**P 312,546,281,665**	P 314,823,531,796
Unallocated corporate liabilities	**57,836,256,994**	57,849,793,170
Total liabilities reported in the interim consolidated statements of financial position	**P 370,382,538,659**	P 372,673,324,966

Concentration of revenue is considered when at least 10% of total segment revenue is generated from a single customer. There is no concentration of the Group's revenue in a single customer as the 10% threshold has not been met in any of the periods presented.

5. PROPERTY, PLANT AND EQUIPMENT

The gross carrying amounts and accumulated depreciation, amortization and impairment of property, plant and equipment as of March 31, 2021 and December 31, 2020 are shown below.

	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Cost	**P 191,508,203,840**	P 188,816,790,558
Accumulated depreciation, amortization and impairment	**(50,684,136,626)**	(48,660,262,915)
Net carrying amount	**P 140,824,067,214**	P 140,156,527,643

A reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the reporting periods is shown below.

	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Balance at beginning of period, net of accumulated depreciation, amortization and impairment	**P 140,156,527,643**	P 136,262,546,247
Additions	**2,734,336,291**	13,772,388,935
Depreciation and amortization charges for the period	**(2,034,628,017)**	(8,590,876,408)
Disposals – net	**(36,874,238)**	(375,290,904)
Effect of lease modification	**-**	(32,482,473)
Impairment reversal (loss)	**10,754,306**	(41,635,693)
Reclassifications – net	**(6,048,771)**	(838,122,061)
Balance at end of period, net of accumulated depreciation, amortization and impairment	**P 140,824,067,214**	P 140,156,527,643

6. INVESTMENT PROPERTIES

The Group's investment properties include several parcels of land, buildings and improvements which are held for investment purposes only, either to earn rental income or for capital appreciation or both. The gross carrying amounts and accumulated depreciation of investment properties at the beginning and end of the reporting periods are shown below.

	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Cost	**P 133,343,844,274**	P 132,032,822,261
Accumulated depreciation	**(16,367,675,002)**	(15,668,613,829)
Net carrying amount	**P 116,976,169,272**	P 116,364,208,432

A reconciliation of the carrying amounts of investment properties at the beginning and end of the reporting periods is shown below.

	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Balance at beginning of period, net of accumulated depreciation	**P 116,364,208,432**	P 112,338,187,564
Additions	**1,311,022,013**	6,731,614,968
Depreciation charges for the period	**(699,061,173)**	(2,549,905,000)
Disposals – net	**-**	(793,598)
Reclassifications - net	**-**	(154,895,502)
Balance at end of period, net of accumulated depreciation	**P 116,976,169,272**	P 116,364,208,432

7. DIVIDENDS

There were no dividends declared and paid by the Company for the three-month periods ended March 31, 2021 and 2020.

8. EARNINGS PER SHARE

Earnings per share is computed as follows:

		March 31, 2021 (Unaudited)		March 31, 2020 (Unaudited)
Basic and Diluted:				
Net profit attributable to owners of the parent company	**P**	**2,563,526,869**	P	2,960,469,942
Divide by the weighted average number of outstanding common shares		**9,511,118,779**		9,695,951,179
	P	**0.2695**	P	0.3053

On September 19, 2017, the BOD approved a two-year share repurchase program of up to P5.0 billion worth of shares in the open market, to enhance shareholder value. On September 18, 2019, the BOD approved another share repurchase program for P2.5 billion over a 12-month period ended September 23, 2020. Further, on September 21, 2020, the BOD approved another one-year share repurchase program for P2.5 billion to end on September 23, 2021. The Company has repurchased 600,475,200 shares for P7.0 billion and 450,192,600 shares for P5.9 billion as of March 31, 2021 and 2020, respectively, which are reported as Treasury Shares.

Under the Revised Corporation Code of the Philippines, a stock corporation can repurchase or acquire its own shares provided that it has unrestricted retained earnings to cover the shares to be repurchased or acquired. Accordingly, the Parent Company's ongoing share repurchase program restricts the Parent Company's retained earnings for distribution as dividends up to the cost of the treasury shares.

There are 158.23 million shares held by subsidiaries with a total cost of P1.2 billion as of March 31, 2021 and 122.96 million shares with a total cost of P0.9 billion as of March 31, 2020 that were reported as part of Treasury Shares in the consolidated statements of changes in equity and taken out of outstanding common shares in computing EPS.

The basic and diluted earnings per share are the same for the three months ended March 31, 2021 and 2020, as the Company's Executive Stock Option Plan are considered to be antidilutive since their conversion to ordinary shares would increase earnings per share. Thus, the number of issued and outstanding common shares presented above does not include the effect of the potential common shares from the Executive Stock Option Plan.

9. RELATED PARTY TRANSACTIONS

The Group's related parties include its stockholders, associates, joint ventures, the Group's key management personnel and retirement fund, and others. The summary of the Group's transactions with its related parties for the periods ended March 31, 2021 and 2020, and the related outstanding balances as of March 31, 2021 and December 31, 2020 are as follows:

		Amount of Transaction		Receivable (Payable)	
Related Party Category	Notes	**March 31, 2021 (Unaudited)**	March 31, 2020 (Unaudited)	**March 31, 2021 (Unaudited)**	December 31, 2020 (Audited)
Subsidiaries' stockholders:					
Casino transactions	9.2	**P -**	P 5,269,195	**P -**	(P 66,579)
Management fees	9.3	**43,617,005**	34,683,720	**(133,927,095)**	(96,767,702)
Accounts payable	9.5	**-**	-	**(347,670,510)**	(347,670,510)
Related party under common ownership:					
Purchase of raw materials	9.1	**640,404,978**	841,448,985	**(660,275,941)**	(811,977,473)
Purchase of imported goods	9.1	**2,798,863**	4,699,985	**(229,901)**	(983,717)
Advances granted	9.4	**555,374**	(94,237,744)	**2,211,155,552**	2,210,600,178
Management services	9.1	**15,000,000**	15,000,000	**(99,000,000)**	(110,000,000)
Associates:					
Advances granted	9.4	**9,870,316**	3,356,387	**1,109,183,610**	1,099,313,294
Deposit from an associate	10.3(ii)	**-**	-	**(9,901,072,000)**	(9,901,072,000)
Others:					
Accounts receivable	9.5	**246,869,233**	137,265,712	**1,000,943,690**	754,074,457
Accounts payable	9.5	**(988,317)**	-	**(66,196,747)**	(65,208,430)
Advances from joint venture partners and others	9.6	**(87,259,597)**	(127,539,262)	**(2,268,702,093)**	(2,181,442,496)
Donations		**38,406,167**	46,158,363	**(12,743,954)**	(10,907,256)
Sale of investment property		**-**	-	**378,391,250**	378,391,250

Unless otherwise stated, the outstanding balances of the Group's transactions with its related parties are unsecured, noninterest-bearing and payable or collectible on demand.

9.1 Purchase of Goods and Management Agreement

Emperador imports finished goods and raw materials through Andresons Global, Inc., a related party under common ownership. These transactions are normally being paid within 30 days. Emperador also imports raw materials from Alcoholera dela Mancha Vinicola, S.L., a wholly owned subsidiary of BLC. Emperador had a management agreement with Consolidated Distillers of the Far East, Inc., a related party under common ownership, for the consultancy and advisory services in relation to the operation, management, development and maintenance of its distillery plant. The outstanding balances as of March 31, 2021 and December 31, 2020 are shown as part of Trade and Other Payables account in the consolidated statements of financial position.

9.2 Casino Transactions with GHL

Travellers recognized outstanding receivables from (payables to) GHL [see Note 1(j)] representing show money received by Travellers from foreign patrons which the counterparty will later remit to the other. There was no outstanding balance as of March 31, 2021.

9.3 Operations and Management Agreement with GHL

Some of Travellers' administrative functions are being handled by certain key officers and employees under the management of GHL as agreed by both parties under the Operations and Management Agreement. These transactions are presented under the Other Operating Expenses account in the consolidated statements of comprehensive income. The outstanding liability arising from this transaction is presented under Trade and Other Payables account in the consolidated statements of financial position.

9.4 Advances to Associates and Other Related Parties

Entities within the Group grant advances to associates and other related parties for working capital purposes. These advances to associates and other related parties are unsecured, noninterest-bearing and repayable upon demand. Settlement is generally made in cash or through offsetting arrangements.

The movements of the outstanding balances of Advances to associates and other related parties, which are shown as part of Trade and Other Receivables account in the consolidated statements of financial position, are presented as follows:

	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Balance at beginning of period	**P 3,309,913,472**	P 3,084,752,266
Cash advances granted	**10,425,690**	260,769,849
Collections	**-**	(35,608,643)
Balance at end of period	**P 3,320,339,162**	P 3,309,913,472

As of March 31, 2021 and December 31, 2020, based on management's assessment, the outstanding balances of advances to associates and other related parties are not impaired; hence, no impairment losses were recognized.

9.5 Due from/to Related Parties

Transactions with related parties include the following: financing of opening of letters of credit and payment of progress billings, royalty fees, rentals, interest and certain expenses in behalf of the entities within Group or other related parties. Settlement is generally made in cash or through offsetting arrangements.

The outstanding balances of the Due from/to Related Parties are included under Trade and Other Receivables and Trade and Other Payables accounts, respectively, in the consolidated statements of financial position, as presented in the succeeding page.

	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Due from Related Parties		
Balance at beginning of period	**P 754,074,457**	P 608,958,652
Additions	**291,472,509**	186,911,508
Collections	**(44,603,276)**	(41,795,703)
Balance at end of period	**P 1,000,943,690**	P 754,074,457
Due to Related Parties		
Balance at beginning of period	**P 412,878,940**	P 412,878,940
Additions	**988,317**	-
Balance at end of period	**P 413,867,257**	P 412,878,940

As of March 31, 2021 and December 31, 2020, based on management's assessment, no additional amount of impairment is necessary.

9.6 Advances from Related Parties and Joint Operator Partners

Certain expenses of entities within the Group are paid for by other related parties. The advances are unsecured, noninterest-bearing, with no repayment terms, and generally payable in cash or through offsetting arrangements. Advances from Joint Operator ("JO") partners pertain to advances from golf share partners and lot owners.

Details of Advances from Related Parties and JO Partners are presented as follows:

	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Advances from related parties	**P 1,991,486,856**	P 1,904,227,259
Advances from JO partners	**277,215,237**	277,215,237
	P 2,268,702,093	P 2,181,442,496

9.7 Transactions with the Retirement Plans

The Group has formal retirement plans established separately for each significant subsidiary, particularly Megaworld, GERI, EELHI, Travellers, GADC, EDI and WML. These plans are defined benefit post-employment plan maintained for qualified employees, administered and managed by trustee banks (except for GERI which is still an unfunded plan) that are legally separated from the Group. The retirement funds do not provide any guarantee or surety for any obligation of the Group and their investments are not covered by any restrictions or liens.

10. COMMITMENTS AND CONTINGENCIES

10.1 Tax Contingencies of Travellers' Casino Operations

Travellers is subject to 25% and 15% license fees, inclusive of franchise tax and in lieu of all taxes, with reference to the income component of the gross gaming revenues, as provided under the Provisional License Agreement with Philippine Amusement and Gaming Corporation ("PAGCOR"). In April 2013, however, the BIR issued RMC 33-2013 declaring that PAGCOR, its contractees and its licensees are no longer exempt from corporate income tax under the National Internal Revenue Code of 1997, as amended.

In August 2016, the Supreme Court ("SC") confirmed that "all contractees and licensees of PAGCOR, upon payment of the 5% franchise tax, shall be exempted from all other taxes, including income tax realized from the operation of casinos." The SC Decision has been affirmed with finality by the SC in a Resolution dated November 28, 2016, when it denied the Motion for Reconsideration filed by the Bureau of Internal Revenue. Consistent with the decision of SC, on June 13, 2018, the Office of the Solicitor General issued a legal opinion stating that the tax exemption and imposition of 5% franchise tax in lieu of all other taxes and fees for gaming operations that was granted to PAGCOR extended to all PAGCOR contractees and licensees.

10.2 Skytrain Project

On October 2017, the Group submitted an unsolicited proposal to the government to build Skytrain that will link Uptown Fort Bonifacio to Guadalupe Station of Metro Rail Transit Line-3. The Group was granted an Original Proponent Status by the DOTr in May 2018 and its proposal is now undergoing review and evaluation at NEDA Board.

10.3 Co-Development Agreement between WCRWI and SHDI

The principal terms of the co-development agreement are as follows:

(i) WCRWI and Travellers shall lease the Project Site (i.e. "the site upon which the hotel casino is to be erected") to SHDI.

WCRWI and Travellers shall lease to SHDI the site upon which a hotel casino will be erected at an annual rental of US$10.6 million (P540.6 million), exclusive of VAT, until August 19, 2039. The lease shall automatically be renewed subject to applicable laws for another 25 years, unless otherwise agreed upon by the parties. The annual rental shall be payable upon the commencement of operation of the hotel casino.

In line with the foregoing, on February 21, 2020, WCRWI and Travellers entered into a lease agreement with SHDI.

(ii) SHDI shall finance the development and construction of a hotel casino.

SHDI shall finance the development and construction of a hotel casino on the leased area. SHDI shall also pay US$200.0 million (P10.2 billion) to WCRWI for usage of the properties and reimbursement of costs already incurred, and construction works that have already been accomplished on the Project Site.

In 2020, WCRWI received the payment of US$200.0 million (P9.9 billion) presented under Trade and Other Payables account in the consolidated statements of financial position. However, as of March 31, 2021, the Group has yet to comply with certain conditions specified in the CDA. (See Note 9).

(iii) WCRWI shall enter into an agreement with SHDI, for the latter to operate and manage a hotel casino.

WCRWI and SHDI shall enter into an agreement for the operations and management of a hotel casino for the period of the gaming Provisional License Agreement (i.e. up to July 11, 2033) as well as any extension or renewal of the Provisional License Agreement on terms of the operations and management agreement to be mutually agreed between the WCRWI and SHDI.

As of March 31, 2021, the hotel casino has not yet commenced its operation; hence, agreement above has not yet materialized.

(iv) WCRWI and the Travellers as warrantors

Fortune Noble Limited ("Fortune") [a wholly-owned subsidiary of Suncity Group Holdings Limited], the parent company of SHDI, conditionally agreed to subscribe to 2.55 billion new SHDI shares subject to the terms and conditions mutually agreed upon by the parties. WCRWI and Travellers agreed to act as the warrantors, wherein, a put option over the shares of SHDI was included. The put option enables Fortune to transfer ownership over SHDI to the warrantors in exchange for an option price, upon the happening of any of the put option events during the option period.

The option period commences from the date of the agreement up to the day immediately preceding the date on which the hotel casino first starts its operation. The put option events mainly pertains to the successful commencement of operations of the hotel casino, which include, among others, the termination or suspension of gaming license due to the default of the warrantors, termination of WCRWI's lease over Site A as applicable, or failure to acquire government consent for operation of hotel casino.

The option price is equivalent to the aggregate of: (a) the consideration for the acquisition by Fortune of the 1.1 billion SHDI shares as at the date of the agreement together with interest from the date of completion of the said acquisition up to the date of completion of the put option; and, (b) the aggregate of the shares subscription price for the subscription of 2.6 billion new SHDI shares including interest as well from the date of shares subscription completion up to the date of completion of the put option.

Management assessed that since the put option transfers significant risk to the Group as warrantors, it shall be accounted for as a financial guarantee to be measured under PFRS 9, *Financial Instruments*. Accordingly, the put option was initially recognized at the amount of premium received then, subsequently measured at the higher of the amount initially recognized or the amount using the expected credit loss model ("ECL").

Applying the ECL model, the option price that WCRWI and Travellers are committed to pay amounting to P3.7 billion was compared with the value of the collateral or the shares of stocks that they will receive. In determining the value of the shares, management assessed that the price of SHDI shares in the PSE as of March 31, 2021 amounting to P1.49 per share or a total value of P5.5 billion is a reasonable estimate of its value. In terms of probability of default, management assessed that it is unlikely or remote (see Note 11.2). As of March 31, 2021 and December 31, 2020, the value of the put option is still the amount initially recognized as the option price is fully secured by the value of SHDI shares and that the probability of default was assessed to be remote.

10.4 Purchase and Sale Commitment

On December 27, 2020, management approved the sale of certain land and buildings in Spain through the signed letter of intent with Global One. The letter of intent stated that the Group will sell and Global One will purchase the assets at a purchase price of €16.6 million (equivalent to P961.7 million), which is equivalent to the net book value of the property, at any time within the period from December 27, 2020 until three years after the COVID-19 pandemic has ended.

10.5 Other Commitments and Contingencies

There are other commitments, guarantees and contingent liabilities that arise in the normal course of operations of the Group which are not reflected in the accompanying ICFS. Management is of the opinion that losses, if any, from these items will not have any material impact on the ICFS.

In addition, there are no material off-balance sheet transactions, arrangements, obligations and other relationships of the Group with unconsolidated entities or other persons created during the reporting periods.

11. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group has various financial instruments such as cash and cash equivalents, financial assets at fair value through profit or loss (“FVTPL”), financial assets at fair value through other comprehensive income (“FVOCI”), interest-bearing loans, bonds payable, trade receivables and payables and derivative assets and liabilities which arise directly from the Group’s business operations. The financial debts were issued to raise funds for the Group’s capital expenditures.

The Group does not actively engage in the trading of financial assets for speculative purposes.

The Group is exposed to a variety of financial risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk.

11.1 Market Risk

(a) Foreign Currency Sensitivity

Most of the Group’s transactions are carried out in Philippine pesos, U.S. dollars, Euros and U.K. pounds, which are the functional currencies of the individual subsidiaries making the transactions.

The currency exchange risk arises from transactions carried out in currencies other than the functional currency of the subsidiaries at each entity level. The Group has no significant exposure to changes in foreign currency exchange rates for Euros and U.K. pounds since these currencies are not significant to the Group's consolidated financial statements.

Foreign currency denominated financial assets and liabilities, translated into Philippine pesos at period-end closing rate are as follows:

	March 31, 2021 (Unaudited)		December 31, 2020 (Audited)	
	U.S. Dollars	**HK Dollars**	U.S. Dollars	HK Dollars
Financial assets	**P 8,622,891,935**	**P 2,753,541,180**	P18,398,371,318	P 2,101,047,856
Financial liabilities	**(40,193,897,430)**	**(374,876,728)**	(40,502,064,230)	(327,936,484)
	(P 31,571,005,495)	**P 2,378,664,452**	(P22,103,692,912)	P 1,773,111,372

The sensitivity of the consolidated income before tax for the period with regard to the Group's financial assets and financial liabilities and the U.S. dollar – Philippine peso exchange rate assumes +/- 4.99% and +/- 6.34% changes in exchange rate for the three months ended March 31, 2021 and for the year ended December 31, 2020, respectively. The HK dollar – Philippine peso exchange rate assumes +/- 4.98% and +/- 6.44% changes in exchange rate for the three months ended March 31, 2021 and for the year ended December 31, 2020, respectively. These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months estimated at 95% level of confidence. The sensitivity analysis is based on the Group's foreign currency financial instruments held at each reporting periods.

If the Philippine peso had strengthened (or weakened) against the U.S. dollar, with all other variables held constant, consolidated profit before tax would have increased (or decreased) by P1.6 billion for the three-month period ended March 31, 2021 and P1.4 billion for the year ended December 31, 2020. If the Philippine peso had strengthened (or weakened) against the HK dollar, with all other variables held constant, consolidated profit before tax would have decreased (or increased) by P0.1 billion for the three-month period ended March 31, 2021 and for the year ended December 31, 2020.

The Group periodically reviews the trend of the foreign exchange rates and monitors its non-functional currency cash flows.

Exposures to foreign exchange rates vary during the period depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's currency risk.

(b) *Interest Rate Sensitivity*

The Group's interest risk management policy is to minimize interest rate cash flow risk exposures to changes in interest rates. At present, the Group is exposed to changes in market interest rates through certain bank borrowings and cash and cash equivalents, which are subject to variable interest rates. The Group maintains a debt portfolio unit of both fixed and variable interest rates. All other financial assets are subject to variable interest rates.

The sensitivity of the consolidated profit before tax for the period to a reasonably possible change in interest rates of +/- 1.38% for Philippine peso and +/- 1.48% for U.S. dollar in 2021, and +/- 2.05% for Philippine peso and +/- 2.13% for U.S. dollar in 2020 with effect from the beginning of the period. These percentages have been determined based on the average market volatility in interest rates, using standard deviation, in the previous 12 months estimated at 95% level of confidence.

The sensitivity analysis is based on the Group's financial instruments held at March 31, 2021 and December 31, 2020, with effect estimated from the beginning of the period. All other variables held constant, the consolidated profit before tax would have increased by P0.4 billion for the three-month period ended March 31, 2021, and P0.6 billion for the year ended December 31, 2020. Conversely, if the interest rates decreased by the same percentage, consolidated profit before tax would have been lower by the same amount.

11.2 Credit Risk

Generally, the Group's credit risk is attributable to trade and other receivables arising mainly from transactions with approved franchisees, installment sales receivables, rental receivables and other financial assets. The carrying values of these financial assets subject to credit risk are disclosed in Note 12.

The Group maintains defined credit policies and continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. Where available at a reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. Franchisees are subject to stringent financial, credit and legal verification process. The Group's policy is to deal only with creditworthy counterparties. In addition, for a significant portion of sales, advance payments are received to mitigate credit risk.

With respect to credit risk arising from the other financial assets of the Group, composed significantly of cash and cash equivalents, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Cash and cash equivalents in banks in the Philippines are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P500,000 per depositor per banking institution. The credit risk for cash and cash equivalents are considered negligible since the counterparties are reputable banks with high quality external credit ratings.

To measure the expected credit losses, trade receivables and other receivables have been grouped based on shared credit risk characteristics and the days past due (age buckets). The other receivables relate to receivables from both third and related parties other than trade receivables and have substantially the same risk characteristics as the trade receivables. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the other receivables.

The expected loss rates are based on the payment profiles of sales. Further, the historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group identifies headline inflation rate and bank lending rate to be the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in these factors.

ECL for advances to associates and other related parties are measured and recognized using the liquidity approach. Management determines possible impairment based on the related party's ability to repay the advances upon demand at the reporting date taking into consideration the historical defaults from the related parties.

Except for real estate sales, contract assets and rental receivables, the Group's financial assets are not covered with any collateral or credit enhancement. Accordingly, the Group manages credit risk by setting limits on the amount of risk in relation to a particular customer including requiring payment of any outstanding receivable before a new credit is extended. Such risk is monitored on a regular basis and subject to an annual or more frequent review. Approval for credit limits are secured from the credit manager.

The Group considers credit enhancements in determining the expected credit loss. Trade receivables from real estate sales are collateralized by the real properties sold while rental receivables are secured to the extent of advanced rental and security deposits received from lessees. Further, customers are required to issue post-dated checks, which provide additional credit enhancement.

Trade and other receivables that are past due but not impaired are presented below.

	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Not more than 30 days	**P 2,218,539,998**	P 1,900,321,575
31 to 60 days	**910,184,311**	1,702,476,239
Over 60 days	**3,612,447,461**	4,499,027,092
	P 6,741,171,770	P 8,101,824,906

Moreover, the management has assessed that risk over the put option has not increased significantly, as the related probability of any of the put option event from happening is low or remote under the circumstances. Hence, in accordance with the general approach of ECL, the value of the put option was measured on a 12-month basis.

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery of the financial asset. Indicators that there is no reasonable expectation of recovery include the cessation of enforcement activity and where the value of any assets that the Group may get from the customers is less than the outstanding contractual amounts of the financial assets to be written-off.

11.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a three-month and one-year period are identified monthly. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of loans, bonds, and preferred shares.

The Group maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash are invested in time deposits, mutual funds or short-term marketable securities. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets. In addition, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities, in case any requirements arise. Fund raising activities may include bank loans and capital market issues.

As of March 31, 2021, the Group's financial liabilities (excluding lease liabilities) have contractual maturities which are presented below.

	Current		**Non-current**	
	Within 6 Months	**6 to 12 Months**	**1 to 5 Years**	**Later than 5 Years**
Trade and other payables	P 45,428,132,707	P 17,626,643,395	P -	P -
Interest-bearing loans	18,634,702,823	22,507,551,705	133,810,222,970	2,276,537,120
Bonds payable	-	1,535,889,125	29,293,888,375	18,012,691,813
Equity-linked debt securities (ELS)	3,443,750,000	-	-	-
Advances from related parties and JO partners	-	2,268,702,093	-	-
Redeemable preferred shares	-	257,384,324	251,597,580	1,248,389,773
Subscription payable	-	1,114,665,008	-	-
Guaranty deposits	100,618,584	20,449,948	484,537,549	157,420,692
Accrued rent	-	-	11,538,105	-
Derivative liabilities	869,466,440	-	-	-
Other liabilities	-	2,988,958,382	3,181,978,907	-
	P68,476,670,554	**P 48,320,243,980**	**P167,033,763,486**	**P 21,695,039,398**

As of December 31, 2020, the Group's financial liabilities (excluding lease liabilities) have contractual maturities which are presented below.

	Current		Non-current	
	Within 6 Months	6 to 12 Months	1 to 5 Years	Later than 5 Years
Trade and other payables	P 45,205,848,778	P 15,140,777,051	P -	P -
Interest-bearing loans	27,993,950,057	25,580,114,668	132,026,258,559	809,092,749
Bonds payable	-	1,846,322,250	29,154,792,750	18,199,639,500
ELS	99,750,000	3,443,750,000	-	-
Advances from related parties and JO partners	-	2,181,442,496	-	-
Redeemable preferred shares	-	257,384,324	251,597,580	1,574,159,348
Subscription payable	-	1,114,665,008	-	-
Guaranty deposits	-	18,471,898	424,524,542	454,344,271
Accrued rent	-	-	11,538,105	-
Derivative liabilities	1,049,127,427	-	78,333,347	-
Other liabilities	-	3,164,723,364	3,255,223,656	-
	P 74,348,676,262	P 52,747,651,059	P165,202,268,539	P 21,037,235,868

The contractual maturities reflect the gross cash flows, which may differ from the carrying values of the liabilities at the end of the reporting periods.

11.4 Other Price Risk Sensitivity

The Group's market price risk arises from its investments carried at fair value. It manages its risk arising from changes in market price by monitoring the changes in the market price of the investments.

For equity securities listed in the Philippines, the observed volatility rates of the fair values of the Group's investments held at fair value and their impact on the equity as of March 31, 2021 and December 31, 2020 are summarized in the succeeding page.

	Observed Volatility Rates		Impact on Equity	
	Increase	**Decrease**	**Increase**	**Decrease**
2021 - Investment in quoted equity securities at:				
FVOCI	**+47.36%**	**-47.36%**	**P 16,233,490**	**(P 16,233,490)**
FVTPL	**+47.36%**	**-47.36%**	**1,336,541,900**	**(1,336,541,900)**
2020 - Investment in quoted equity securities at:				
FVOCI	+66.28%	-66.28%	P 39,004,393	(P 39,004,393)
FVTPL	+66.28%	-66.28%	1,860,908,480	(1,860,908,480)

The maximum additional estimated gain or loss in 2021 and 2020 is to the extent of the carrying value of the securities held as of these reporting dates with all other variables held constant. The estimated change in quoted market price is computed based on volatility of listed companies at the PSE for the past three months in 2021 and 12 months in 2020, at 95% confidence level.

The investments in listed equity securities are considered long-term strategic investments. In accordance with the Group's policies, no specific hedging activities are undertaken in relation to these investments. The investments are continuously monitored and voting rights arising from these equity instruments are utilized in the Group's favor.

12. CATEGORIES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The carrying amounts and fair values of the categories of financial assets and financial liabilities presented in the consolidated statements of financial position are shown below and in the succeeding page.

	March 31, 2021 (Unaudited)		December 31, 2020 (Audited)	
	Carrying Values	**Fair Values**	Carrying Values	Fair Values
Financial Assets				
Financial assets at amortized cost:				
Cash and cash equivalents	**P 64,642,188,387**	**P 64,642,188,387**	P 69,697,688,432	P 69,697,688,432
Trade and other receivables	**61,513,369,466**	**61,510,814,547**	59,944,535,257	59,947,974,952
Other financial assets	**5,657,216,060**	**5,588,886,040**	5,775,913,038	5,803,974,011
	P 131,812,773,913	**P 131,741,888,974**	P135,418,136,727	P 135,449,637,395
Financial assets at FVTPL – Marketable debt and equity securities	**P 10,915,361,031**	**P 10,915,361,031**	P 9,788,321,208	P 9,788,321,208
Financial assets at FVOCI – Equity securities	**P 407,968,421**	**P 407,968,421**	P 396,914,433	P 396,914,433
Financial Liabilities				
Financial liabilities at FVTPL – Derivative liabilities	**P 869,466,440**	**P 869,466,440**	P 1,108,228,040	P 1,108,228,040
Financial liabilities at amortized cost:				
Current:				
Trade and other payables	**P 63,054,776,102**	**P 63,054,776,102**	P 60,529,715,231	P 60,529,715,231
Interest-bearing loans	**39,687,317,872**	**39,720,451,330**	49,545,524,642	50,353,603,335
Subscription payable	**1,114,665,008**	**1,114,665,008**	1,114,665,008	1,114,665,008
Redeemable preferred shares	**251,597,580**	**251,597,580**	251,597,580	251,597,580
Advances from related parties and JO partners	**2,268,702,093**	**2,268,702,093**	2,181,442,496	2,181,442,496
ELS	**3,443,750,000**	**3,443,750,000**	3,443,750,000	3,443,750,000
Commission payable	**2,988,958,382**	**2,988,958,382**	3,164,723,364	3,164,723,364
	P 112,809,767,037	**P 112,842,900,495**	P 120,231,418,321	P121,039,497,014

	March 31, 2021 (Unaudited)		December 31, 2020 (Audited)	
	Carrying Values	**Fair Values**	Carrying Values	Fair Values
Financial liabilities at amortized cost:				
Non-current:				
Bonds payable	**P 40,556,498,686**	**P 43,191,228,450**	P 40,282,855,986	P 43,032,299,663
Interest-bearing loans	**131,659,556,359**	**127,742,307,914**	124,371,416,317	121,262,609,744
Redeemable preferred shares	**1,499,987,353**	**1,696,269,122**	1,464,659,539	1,688,949,585
Retention payable	**3,182,546,117**	**3,182,546,117**	3,255,790,866	3,255,790,866
Security deposits	**763,026,773**	**750,195,945**	759,328,648	794,092,056
Accrued rent	**11,538,105**	**11,538,105**	11,538,105	11,538,105
	P 177,673,153,393	**P 176,574,085,653**	P170,145,589,461	P 170,045,280,019

13. FAIR VALUE MEASUREMENT AND DISCLOSURES

13.1 Fair Value Hierarchy

The hierarchy groups financial assets and financial liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and financial liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets or for identical assets or liabilities;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the resource or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or financial liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Group uses valuation techniques, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

13.2 Financial Instruments Measured at Fair Value

The table in the succeeding page shows the fair value hierarchy of the Group's classes of financial assets and financial liabilities measured at fair value in the consolidated statements of financial position on a recurring basis as of March 31, 2021 and December 31, 2020.

	March 31, 2021 (Unaudited)			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets:				
Financial assets at FVTPL – Debt and equity securities	P 10,915,361,031	P -	P -	P 10,915,361,031
Financial assets at FVOCI – Equity securities	34,276,795	139,200,000	234,491,626	407,968,421
	P 10,949,637,826	**P 139,200,000**	**P 234,491,626**	**P 11,323,329,452**
Financial liabilities:				
Financial liability at FVTPL – Derivative liabilities	**P -**	**P 869,466,440**	**P -**	**P 869,466,440**

	December 31, 2020 (Audited)			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at FVTPL – Debt and equity securities	P 9,788,321,208	P -	P -	P 9,788,321,208
Financial assets at FVOCI – Equity securities	58,847,908	127,200,000	210,866,525	396,914,433
	P 9,847,169,116	P 127,200,000	P 210,866,525	P 10,185,235,641
Financial liabilities:				
Financial liability at FVTPL – Derivative liabilities	P -	P 1,108,228,040	P -	P 1,108,228,040

13.3 *Financial Instruments Measured at Amortized Cost for Which Fair Value is Disclosed*

The table below and in the succeeding page shows the fair value hierarchy of the Group's classes of financial assets and financial liabilities measured at fair value in the consolidated statements of financial position on a recurring basis as of March 31, 2021 and December 31, 2020.

	March 31, 2021 (Unaudited)			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets:				
Cash and cash equivalents	P 64,642,188,387	P -	P -	P 64,642,188,387
Trade and other receivables	-	82,227,672	61,428,586,875	61,510,814,547
Other financial assets	3,077,607,181	-	2,511,278,859	5,588,886,040
	P 67,719,795,568	**P 82,227,672**	**P 63,939,865,734**	**P 131,741,888,974**
Financial liabilities:				
Current:				
Trade and other payables	P -	P -	P 63,054,776,102	P 63,054,776,102
Interest-bearing loans	-	-	39,720,451,330	39,720,451,330
Subscription payable	-	-	1,114,665,008	1,114,665,008
Advances from related parties and JO partners	-	-	2,268,702,093	2,268,702,093
Redeemable preferred shares	-	-	251,597,580	251,597,580
ELS	-	-	3,443,750,000	3,443,750,000
Commission payable	-	-	2,988,958,382	2,988,958,382
Non-current:				
Bonds payable	43,191,228,450	-	-	43,191,228,450
Interest-bearing loans	-	-	127,742,307,914	127,742,307,914
Redeemable preferred shares	-	-	1,696,269,122	1,696,269,122
Retention payable	-	-	3,182,546,117	3,182,546,117
Security deposits	-	-	750,195,945	750,195,945
Accrued rent	-	-	11,538,105	11,538,105
	P 43,191,228,450	**P -**	**P246,225,757,698**	**P 289,416,986,148**

	December 31, 2020 (Audited)			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Cash and cash equivalents	P 69,697,688,432	P -	P -	P 69,697,688,432
Trade and other receivables	-	89,627,074	59,858,347,878	59,947,974,952
Other financial assets	3,077,607,181	-	2,726,366,830	5,803,974,011
	P 72,775,295,613	P 89,627,074	P 62,584,714,708	P 135,449,637,395
Financial liabilities:				
Current:				
Trade and other payables	P -	P -	P 60,529,715,231	P 60,529,715,231
Interest-bearing loans	-	-	50,353,603,335	50,353,603,335
Subscription payable	-	-	1,114,665,008	1,114,665,008
Advances from related parties	-	-	2,181,442,496	2,181,442,496
Redeemable preferred shares	-	-	251,597,580	251,597,580
ELS	-	-	3,443,750,000	3,443,750,000
Commission payable	-	-	3,164,723,364	3,164,723,364
Non-current:				
Bonds payable	43,032,299,663	-	-	43,032,299,663
Interest-bearing loans	-	-	121,262,609,744	121,262,609,744
Redeemable preferred shares	-	-	1,688,949,585	1,688,949,585
Retention payable	-	-	3,255,790,866	3,255,790,866
Security deposits	-	-	794,092,056	794,092,056
Accrued rent	-	-	11,538,105	11,538,105
	P 43,032,299,663	P -	P248,052,477,370	P 291,084,777,033

For financial assets and financial liabilities with fair values included in Level 1, management considers that the carrying amounts of those short-term financial instruments approximate their fair values.

The fair values of the financial assets and financial liabilities included in Level 2 and Level 3 above which are not traded in an active market is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market value of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

13.4 Investment Property Measured at Cost for which Fair Value is Disclosed

The fair value of the Group's investment properties earning rental income was determined through discounted cash flows valuation technique. The Group uses assumptions that are mainly based on market conditions existing at each reporting period, such as: the receipt of contractual rentals; expected future market rentals; void periods; maintenance requirements; and appropriate discount rates. These valuations are regularly compared to actual market yield data and actual transactions by the Group and those reported by the market. The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

The Group determines the fair value of idle properties through appraisals by independent valuation specialists using market-based valuation approach where prices of comparable properties are adjusted for specific market factors such as location and condition of the property.

As of March 31, 2021, the fair value of the Group's investment property amounting to P454.2 billion is classified within Level 3 of the fair value hierarchy. The Level 3 fair value of investment properties earning rental income was determined using the income approach which is performed with values derived using a discounted cash flow model. The income approach uses future free cash flow projections and discounts them to arrive at a present value. The discount rate is based on the level of risk of the business opportunity and costs of capital. The most significant inputs into this valuation approach are the estimated annual cash inflow and outgoing expenses, anticipated increase in market rental, discount rate and terminal capitalization rate.

14. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Group's capital management objective is to ensure its ability to continue as a going concern; to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk; and to maintain strong and healthy financial position to support its current business operations and drive its expansion and growth in the future.

There were no changes in the Group's approach to capital management during the periods presented.

		March 31, 2021 (Unaudited)		December 31, 2020 (Audited)
Total liabilities	**P**	**370,382,538,659**	P	372,673,324,966
Total equity		**299,082,467,430**		295,819,460,201
Liabilities-to-equity ratio	**P**	**1.24:1**	P	1.26:1

15. SEASONAL FLUCTUATIONS

For Travellers, casino operations tend to experience seasonality in visitations during public holidays, festivals in the Philippines and around South East Asian region. During the COVID-19 pandemic, however, large gatherings are not allowed.

There were no seasonal aspects that had a material effect on the financial condition or results of operations of the Group.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
AGING SCHEDULE OF CURRENT TRADE AND OTHER RECEIVABLES
March 31, 2021
(Amounts in Philippine Pesos)

Current	P	61,617,685,891
1 to 30 days		2,218,539,998
31 to 60 days		910,184,311
Over 60 days		3,612,447,461
Total		68,358,857,661
Due from other related parties		1,000,943,690
Balance as at March 31, 2021	**P**	**69,359,801,351**