

 ALLIANCE GLOBAL

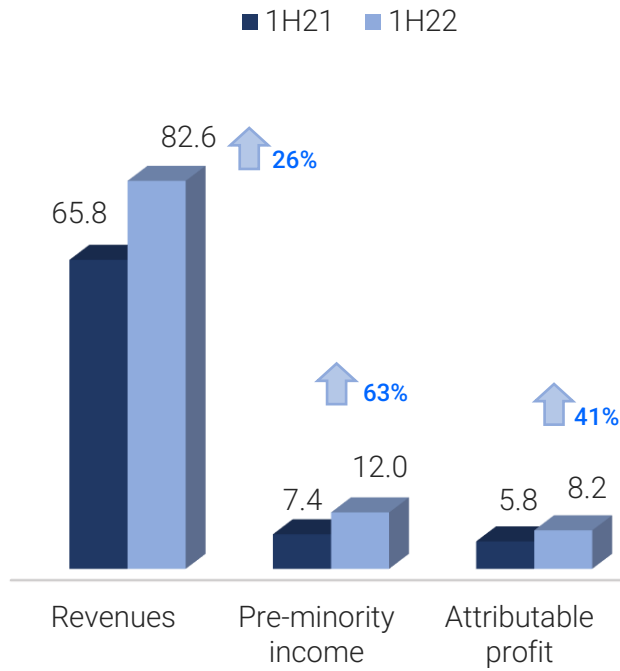
A **PREMIUM-LIFESTYLE**
CONGLOMERATE

1H2022 Analysts' Briefing
12 August 2022

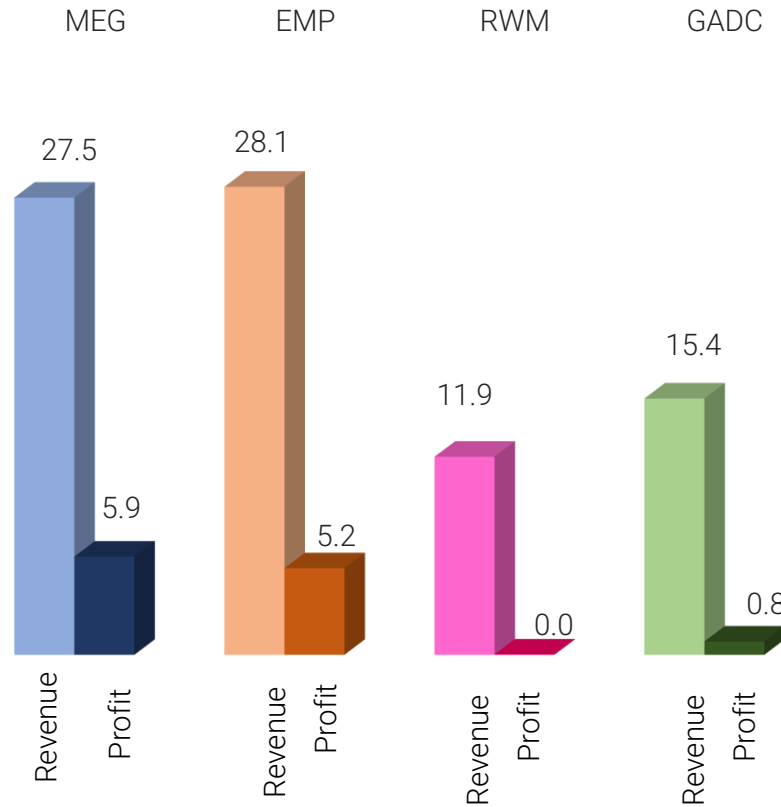


Performance highlights

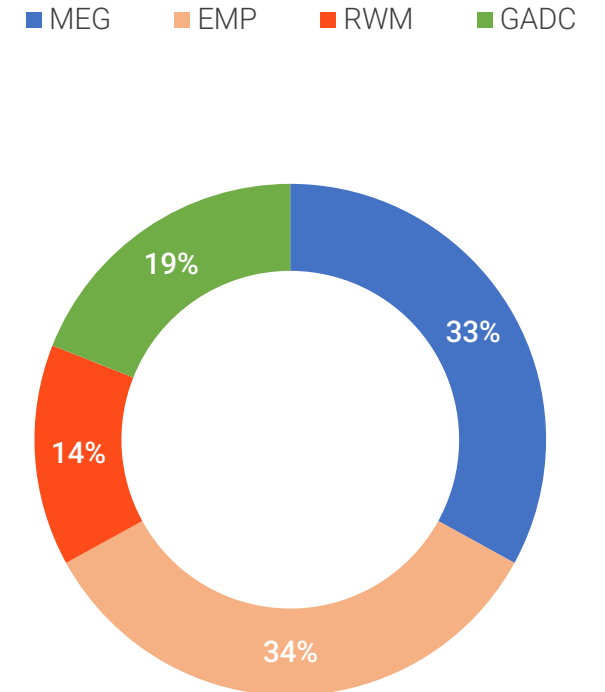
P&L Highlights*



P&L Highlights of subsidiaries

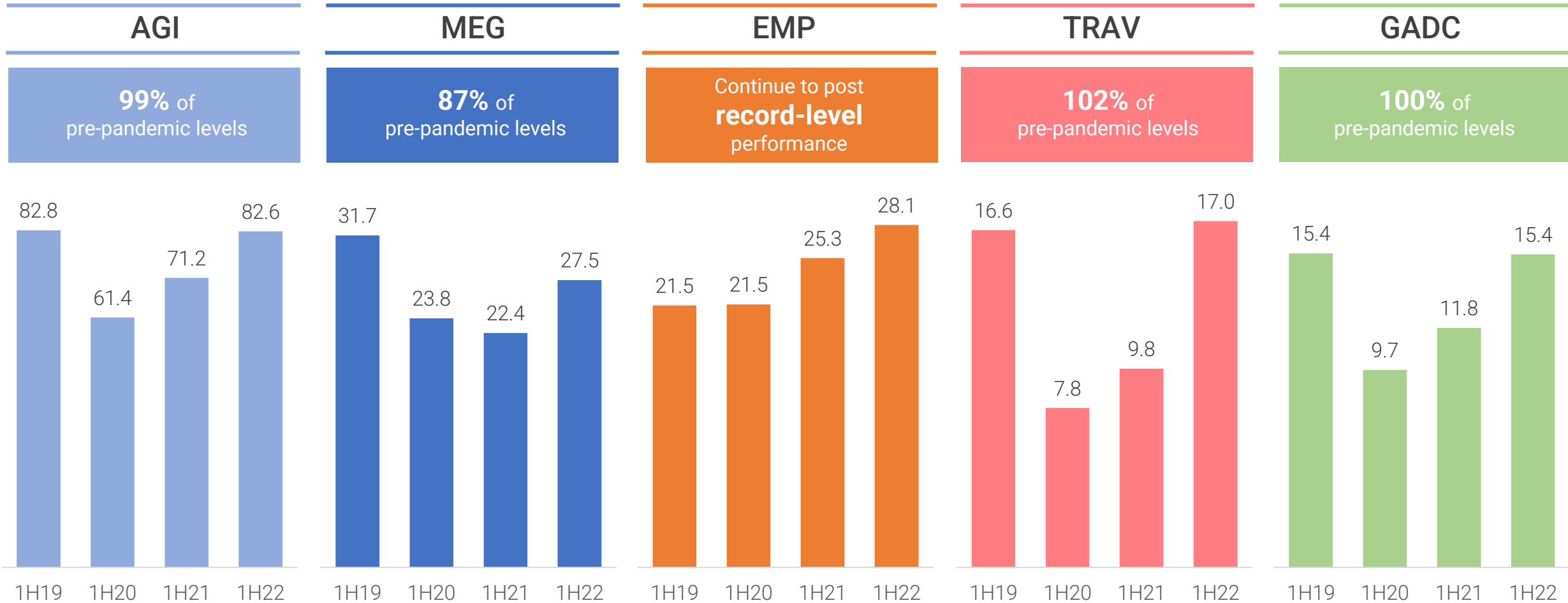


Revenue share*



* Excluding one time gain, interests and other income
All items are in billion pesos except revenue share.

AGI 1H22 performance vs pre-pandemic levels



2Q22/1H22 financial performance

in Pbn	2Q22	1Q22	QoQ chg	2Q21	YoY chg	1H22	1H21	YoY chg
Group revenues	45.1	37.5	20%	39.3	15%	82.6	71.2	16%
Megaworld	14.4	12.9	12%	11.9	21%	27.3	22.0	24%
Emperador	15.4	12.3	25%	13.3	16%	27.7	25.3	10%
Travellers	7.0	4.9	44%	8.0	-12%	11.9	11.8	1%
GADC	8.2	7.2	14%	6.1	34%	15.4	11.8	30%
Others	0.0	0.3	-95%	0.0	0%	0.3	0.3	-13%
Group costs/expenses	(36.8)	(30.4)	21%	(27.4)	34%	(67.2)	(54.7)	23%
Megaworld	(10.7)	(8.5)	25%	(8.5)	26%	(19.2)	(15.5)	24%
Emperador	(11.7)	(9.7)	20%	(8.9)	32%	(21.5)	(18.4)	17%
Travellers	(6.4)	(4.8)	33%	(3.9)	63%	(11.1)	(8.8)	27%
GADC	(7.6)	(6.7)	13%	(5.8)	30%	(14.3)	(11.1)	29%
Others	(0.6)	(0.6)	-15%	(0.3)	56%	(1.2)	(1.0)	19%
Attributable income	4.3	3.9	12%	5.9	-27%	8.2	8.5	-3%
Megaworld	1.7	2.4	-26%	1.7	0%	4.1	3.4	22%
Emperador	2.7	1.9	45%	2.6	5%	4.6	4.4	5%
Travellers	0.1	(0.1)	-	1.9	-93%	0.0	1.4	-99%
GADC	0.3	0.2	79%	0.0	1553%	0.4	0.1	441%
Others	(0.5)	(0.4)	37%	(0.3)	57%	(1.0)	(0.7)	33%
Core income	4.3	3.9	12%	3.3	33%	8.3	5.8	41%
Core income margin	9.7%	10.4%	-71bps	8.3%	+133bp	10.0%	8.2%	+177bps

- Further improvement in spending and mobility buoyed project completion, occupancy rates for malls, office and hotels, and QSR sales

- Stronger sales in brandy and whisky offset by higher input costs, freight and A&P, weighed by supply chain challenges.

- Continued recovery in GGR, boosted by VIP and mass; increased non-gaming revenues with higher MICE and hotel business.

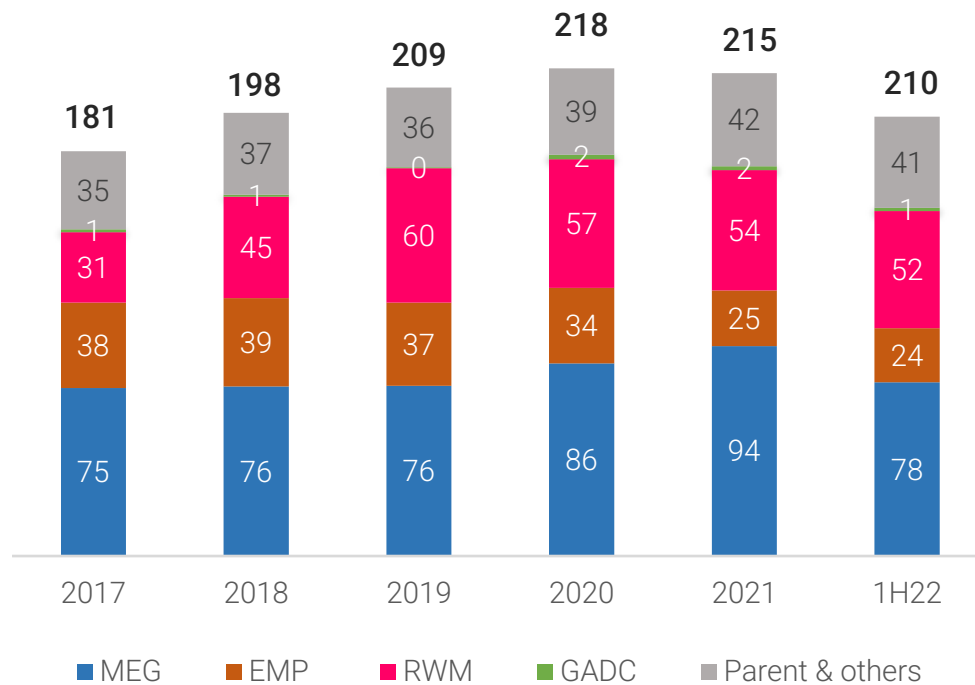
- Ongoing effective cost management measures across all business segments.

- One-time gain of P5.4bn boosted 1H2021 results. Ex-gains, core profit showed 41% YoY growth, mirroring overall stronger Group performance.

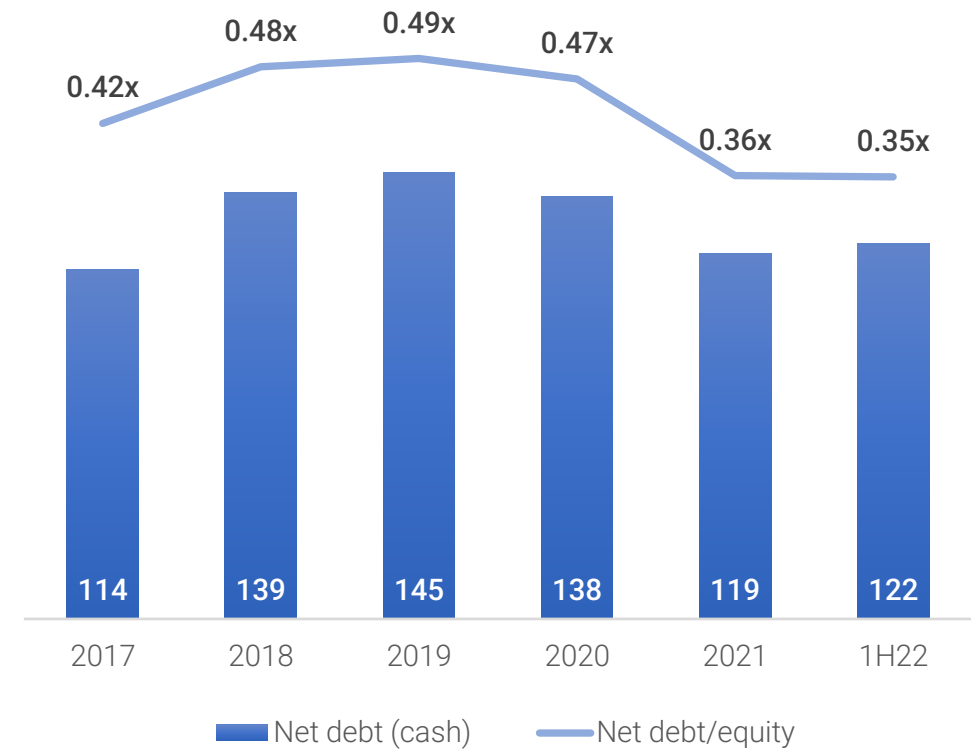
Group Borrowings

GROSS DEBTS

by key subsidiary

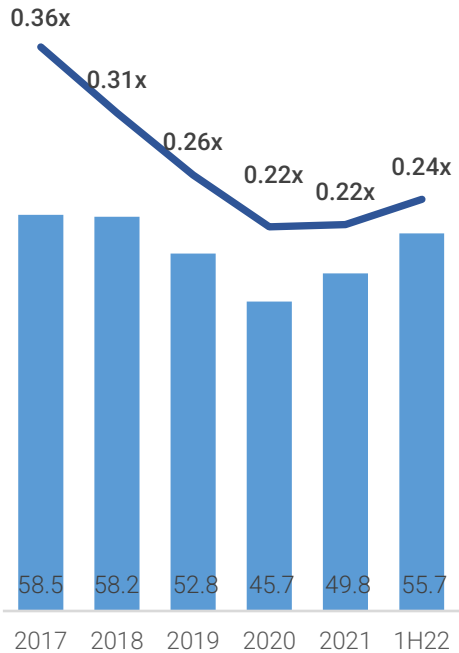


AGI GEARING

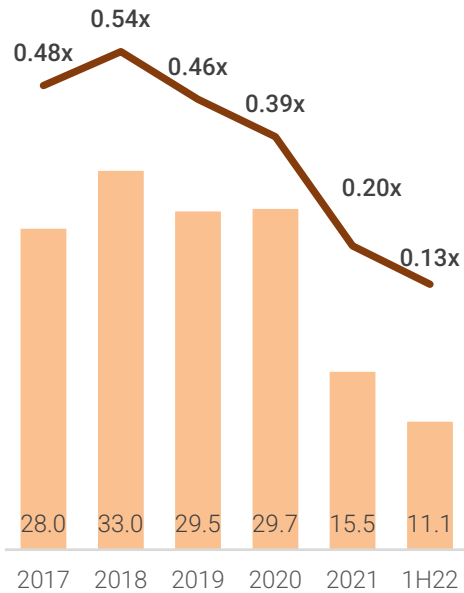


Group Gearing

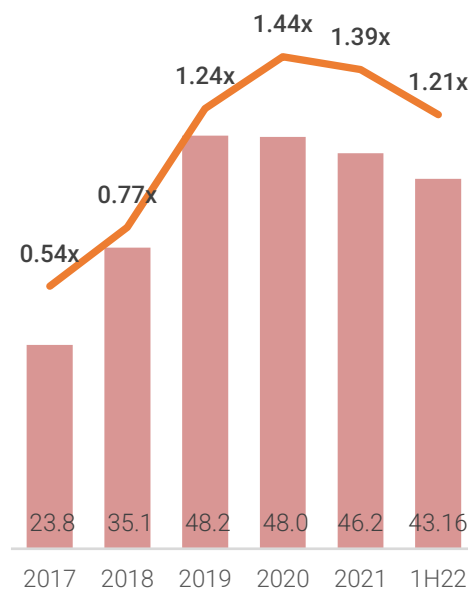
MEG



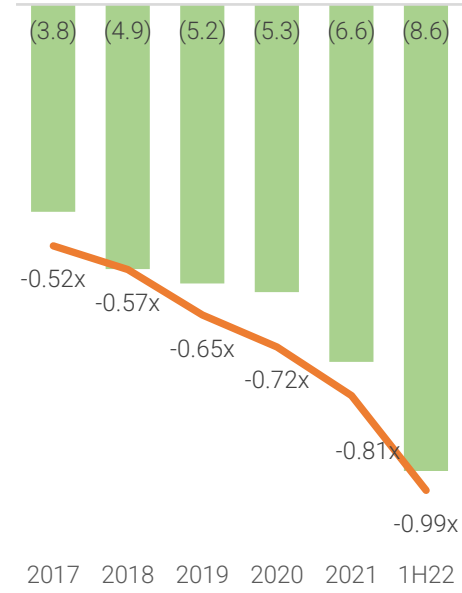
EMP



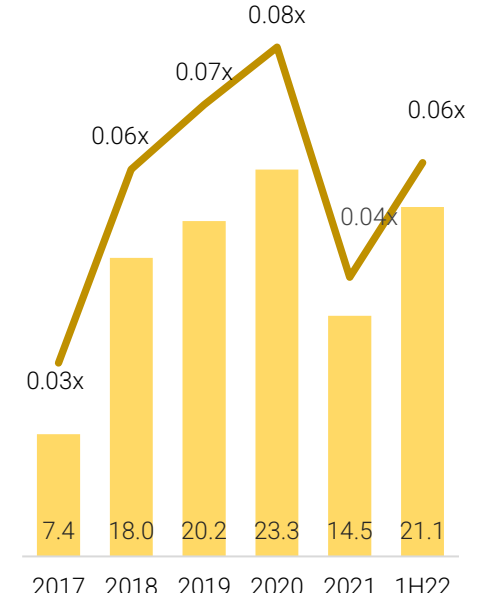
TRAV



GADC



PARENT



Net debt (cash)
Net debt/equity

Net debt (cash)
Net debt/equity

Net debt (cash)
Net debt/equity

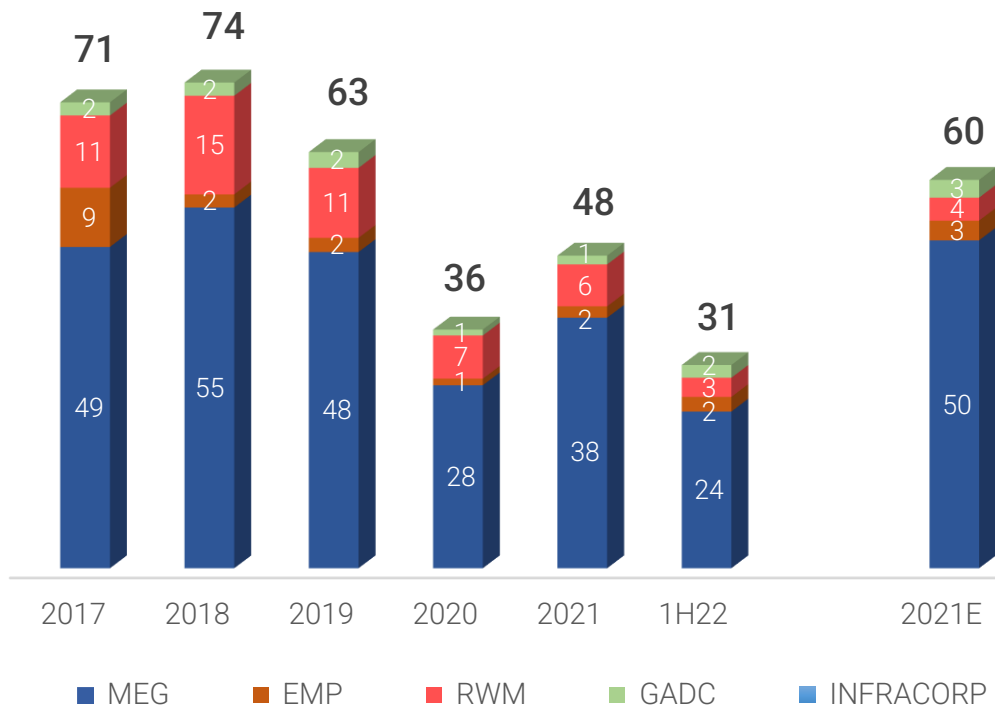
Net debt (cash)
Net debt/equity

Net debt(cash)
Net debt/equity

Capital Expenditure

AGI'S CAPEX

by major subsidiary

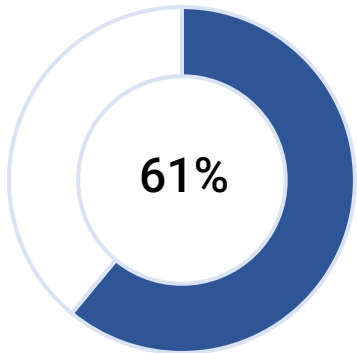


- Capex spent in 1H22: P31bn (52% of budget)
- Capex budget in 2022: P60bn

Enhancing Shareholder Value

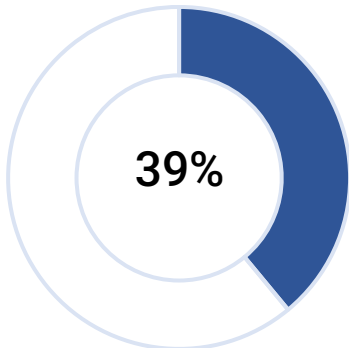
SHARE BUYBACK PROGRAM

AGI



- Buyback program size: P4.0bn
- Amount utilized: P2.4bn (61%)
- 214.0m shares bought at an average price P11.41 per share.
- Implementation period: 30 months from October 2021 to April 2024

MEG



- Buyback program size: P5.0bn
- Amount utilized: P2.0bn (39%)
- 710m shares bought at an average price P2.77 per share.
- Implementation period: Extended up to February 2023



SGX Securities Welcomes the Listing of



EMPERADOR INC.

14 July 2022

▼ 20.2 ▲ 58.8 ▼ 08.8 ▼ 00.4 ▼

100 100 100 100 100 100 100 100 100 100

SUSTAINABLE DEVELOPMENT GOALS x SUSTAINAGILITY



2 ZERO HUNGER



- Hapag Saya sa Kapaskuhan Project of MEG
- Rice Together Campaign of MEG
- McDonald's Kindness Kitchen

4 QUALITY EDUCATION



- MEG supported the renovation of the floating classroom and sponsored an e-learning hub
- Scholarship programs of MEG
- Ronald McDonald's Bulilit Learning Center

7 AFFORDABLE AND CLEAN ENERGY



- The Group adapts the DOE's Energy Efficiency Program
- Green & Good Program of GADC
- AGI group utilizes renewable energy thru energy-efficient technology



6 CLEAN WATER AND SANITATION



- Proper handling of wastewater and effluents through STPs of MEG and EMP
- Bantay Langis Project

11 SUSTAINABLE CITIES AND COMMUNITIES



- Township and Community Building
- MEG supported the Plastic Smart Cities Campaign. Livelihood (upcycle) for community in Dosol, Sorsogon

14 LIFE BELOW WATER



- Sustainable Seafood Program by RWM Hotels





1H2022 FINANCIAL PERFORMANCE

28

Townships &
Integrated Lifestyle
Communities

5,000

Landbank
(has)

4,163

Hotel room
keys

1,398

Offices GLA
(‘000 sqm)

462

Lifestyle malls GLA
(‘000 sqm)

2Q22/1H22 financial performance

P&L summary (Pbn)	2Q22	1Q22	QoQ chg	2Q21	YoY chg	1H22	1H21	YoY chg
Revenue	14.3	13.1	9%	12.2	17%	27.5	22.4	23%
Residential	8.9	8.1	11%	7.6	17%	17.0	13.5	26%
Office	3.0	3.0	2%	2.7	14%	6.0	5.3	15%
Malls	0.8	0.7	6%	0.5	42%	1.5	1.0	41%
Hotel	0.6	0.5	15%	0.4	49%	1.1	0.7	49%
EBITDA	5.2	5.8	-10%	4.9	7%	11.0	9.3	19%
EBIT	4.4	4.9	-10%	4.1	9%	9.3	7.6	23%
Attributable profit	2.8	3.1	-8%	2.6	6%	5.9	5.0	18%
Margins								
Gross profit margin	48.3%	48.9%	Down	45.4%	Up	48.6%	46.2%	Up
EBITDA margin	36.4%	44.1%	Down	40.0%	Down	40.1%	41.4%	Down
EBIT margin	30.8%	37.5%	Down	33.2%	Down	34.0%	33.9%	Up
Attributable profit margin	19.7%	23.4%	Down	21.6%	Down	21.4%	22.4%	Down

- Higher residential project completion

- Increased foot traffic and revenue shopping and dining at the malls.

- Improved office occupancy to 91%

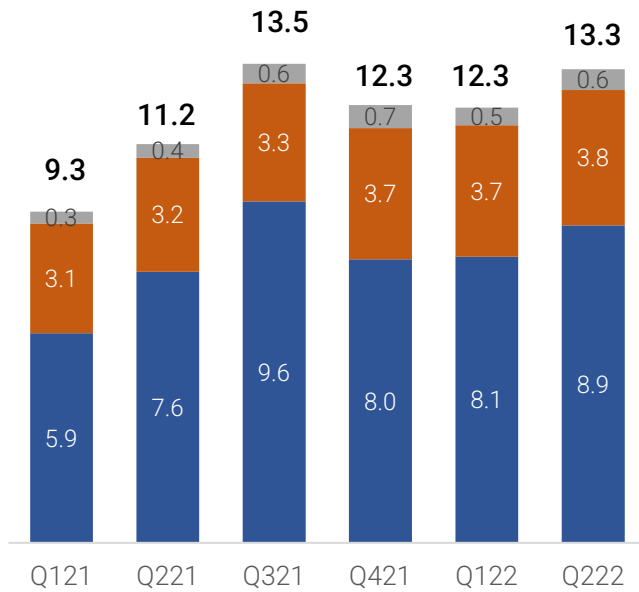
- Recovery in hotel rates as guests turn to staycation mode.

- Profitability impacted by higher construction costs and other operating expenses, weighed further by (unrealized) FX losses.

Quarterly Performance

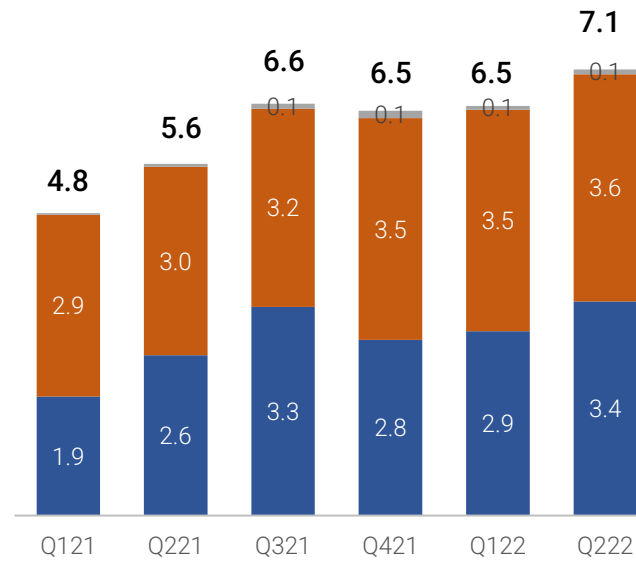
REVENUE

■ Development ■ Rental ■ Hotels

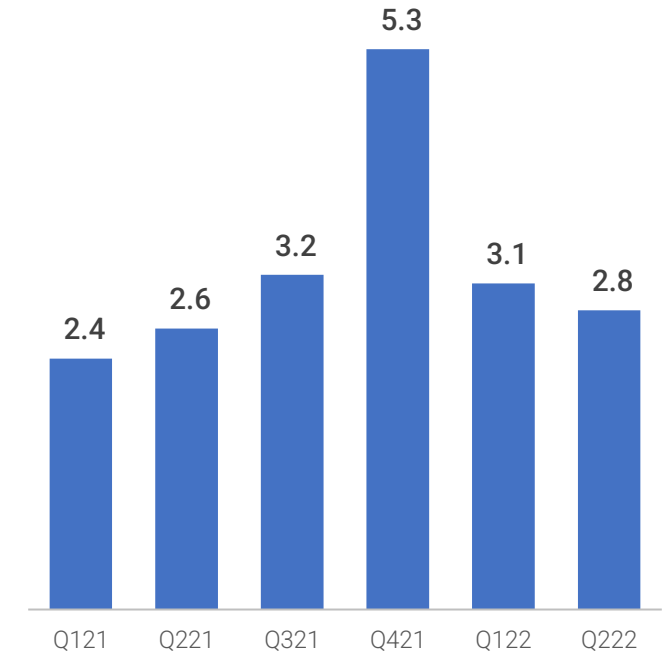


EBITDA

■ Development ■ Rental ■ Hotels



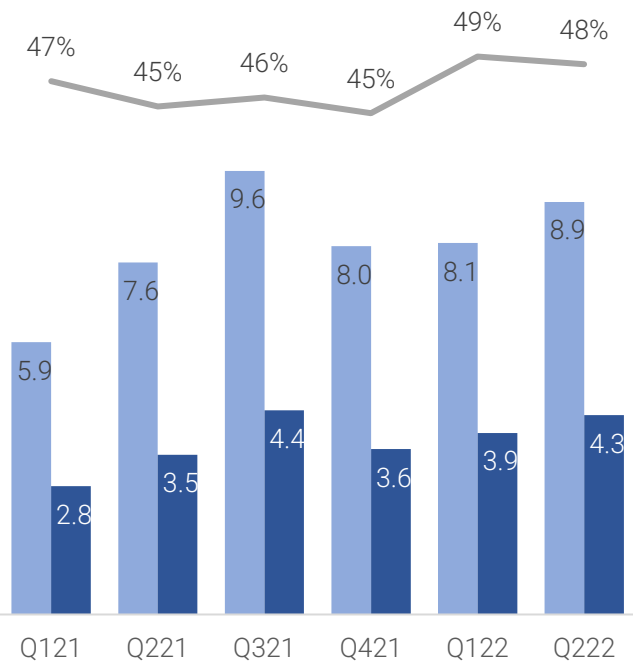
NET INCOME



Quarterly performance

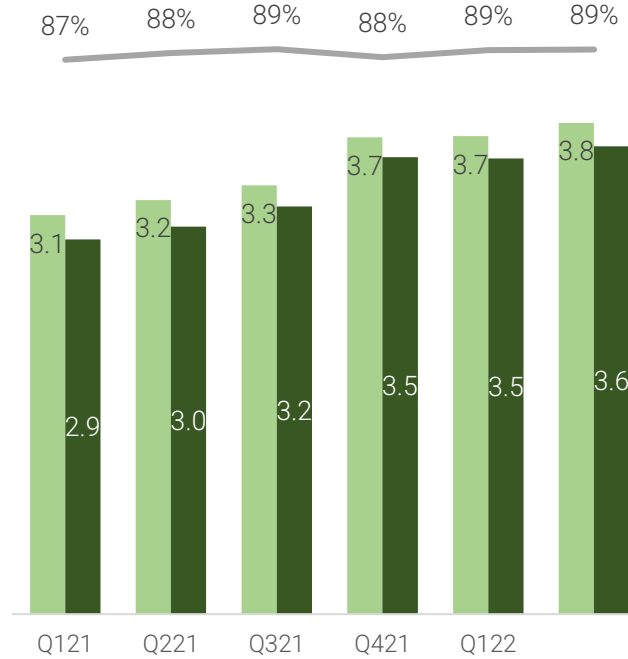
RES VS GROSS PROFIT

Real estate sales Gross Profit GP Margin



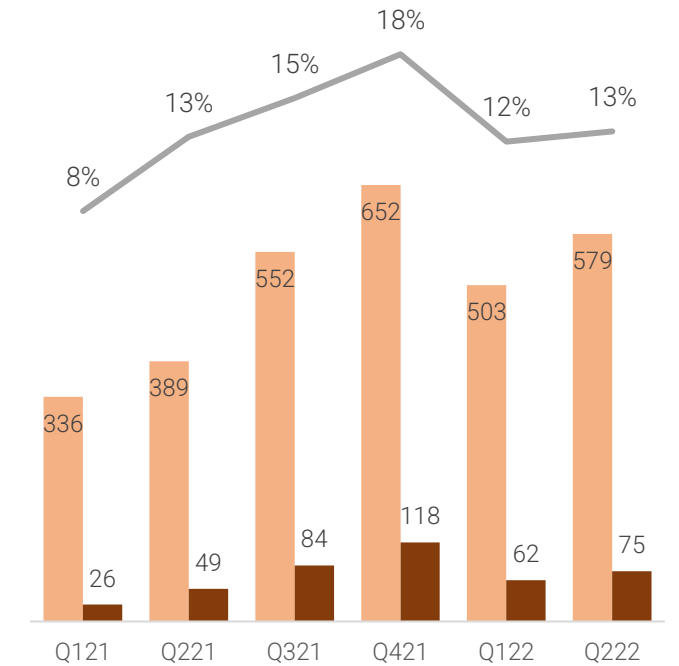
RENTAL VS EBITDA MARGIN

Rentals Rental EBITDA EBITDA margin



HOTEL REV VS EBITDA MARGIN

Hotel revenues Hotel EBITDA EBITDA margin

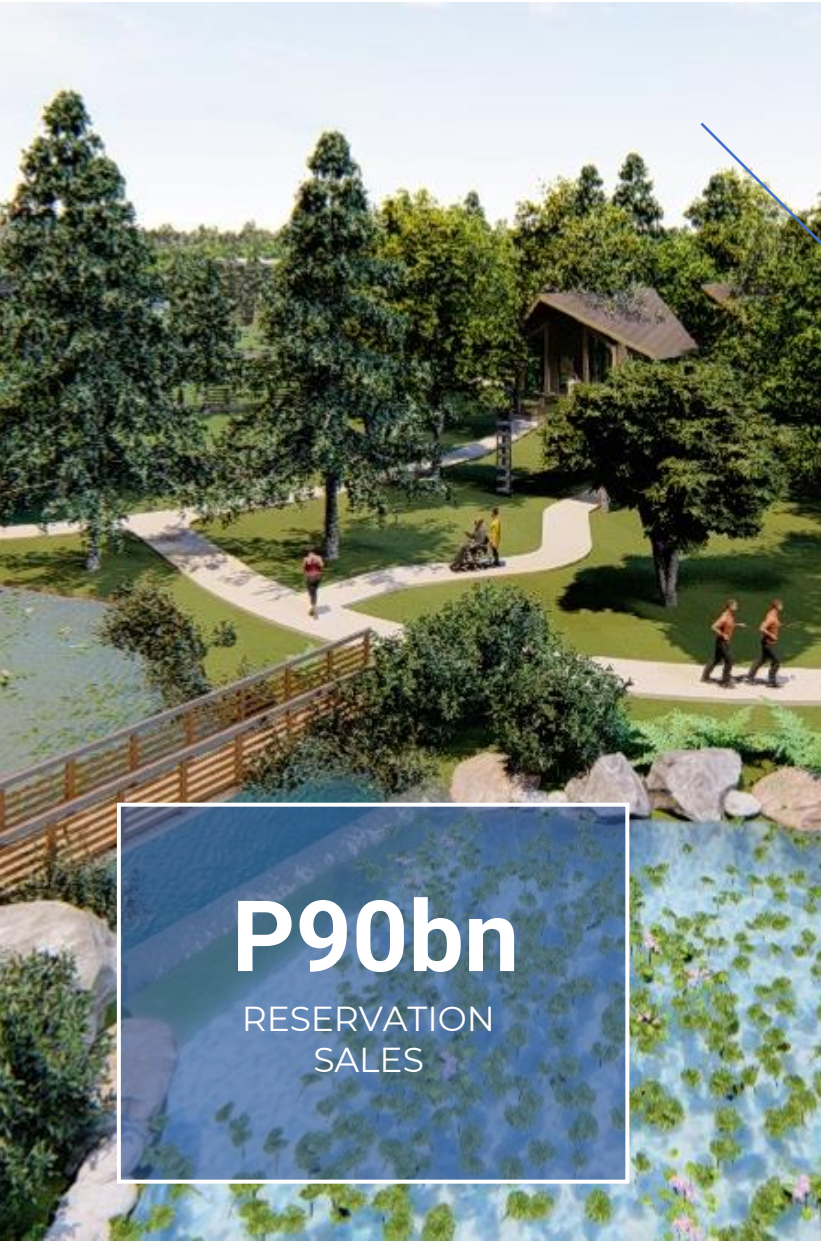




3-4 PLANNED TOWNSHIPS



2022 TARGETS



P90bn
RESERVATION
SALES



P30bn
PROJECT LAUNCHES
ACROSS
14
PROJECTS

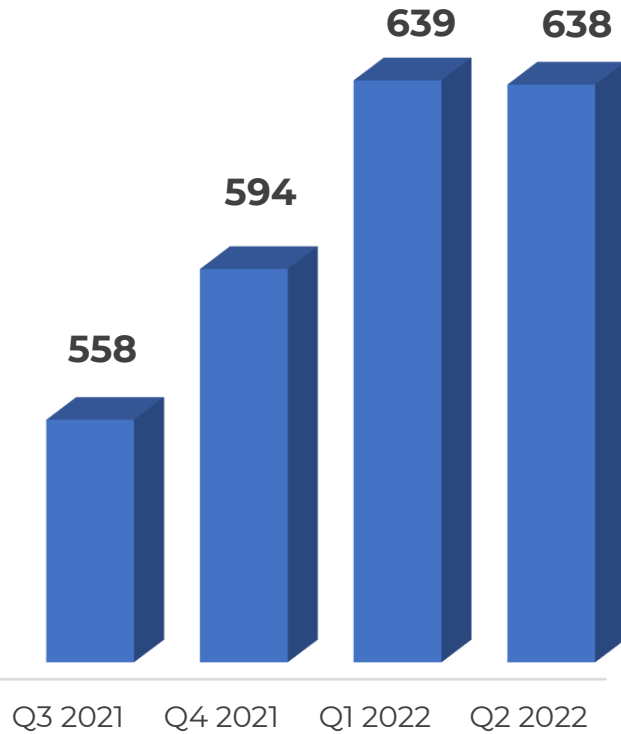


P50bn
CAPEX
BUDGET

MREIT:1H2022 Performance

DISTRIBUTABLE INCOME

by GLA



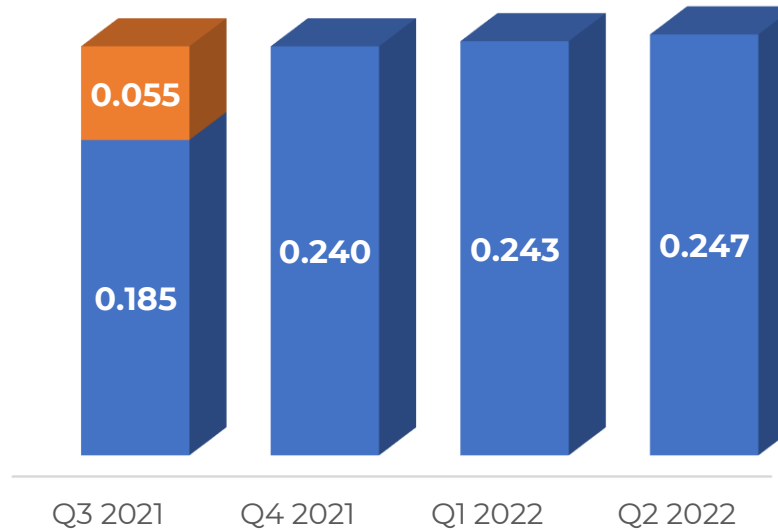
DIVIDENDS

P0.97

Total dividend per share since IPO

6%

Total return** since IPO



97%
OCCUPANCY RATE

3.4 years
Weighted Average Lease Expiry (WALE)

9,600 sqm
CLOSED TRANSACTIONS





1H2022 FINANCIAL PERFORMANCE

6
Vineyard estates
in Spain

5
Distilleries in
Scotland

102
Countries under
global distribution system

25
Domestic
sales offices

1H2022 financial performance

P&L summary (Pbn)	2Q22	1Q22	QoQ chg	2Q21	YoY chg	1H22	1H21	YoY chg
Revenue	15.7	12.3	27%	13.3	19%	28.1	25.3	11%
Brandy	10.3	7.6	34%	8.2	25%	17.9	16.3	10%
Whisky	5.5	4.7	16%	5.1	8%	10.2	9.0	13%
Gross Profit	4.7	3.8	23%	5.7	-18%	8.4	9.6	-12%
Brandy	2.7	1.9	41%	3.7	-28%	4.6	6.0	-24%
Whisky	2.0	1.9	6%	2.0	1%	3.9	3.6	9%
EBITDA	4.2	3.1	34%	4.8	-14%	7.3	7.8	-7%
EBIT	3.9	2.6	48%	4.5	-13%	6.5	7.1	-8%
Attributable profit	3.1	2.1	50%	3.0	5%	5.2	5.1	3%
Margins								
Gross profit margin	31.8%	32.1%	Down	43.7%	Down	32.0%	38.5%	Down
Brandy	27.0%	25.7%	Up	44.6%	Down	26.4%	36.7%	Down
Whisky	40.8%	40.3%	Up	40.7%	Up	40.5%	40.6%	Down
EBITDA margin	26.4%	25.2%	Up	36.6%	Down	25.9%	30.9%	Down
EBIT margin	24.8%	21.4%	Up	33.9%	Down	23.3%	28.1%	Down
Attributable profit margin	20.0%	17.0%	Up	22.6%	Down	18.7%	20.1%	Down

- Sustained growth in whisky sales in Asia, Europe and North America.

- Sharp rise in 2Q22 brandy sales amid improved domestic spending and increased premium brandy sales.

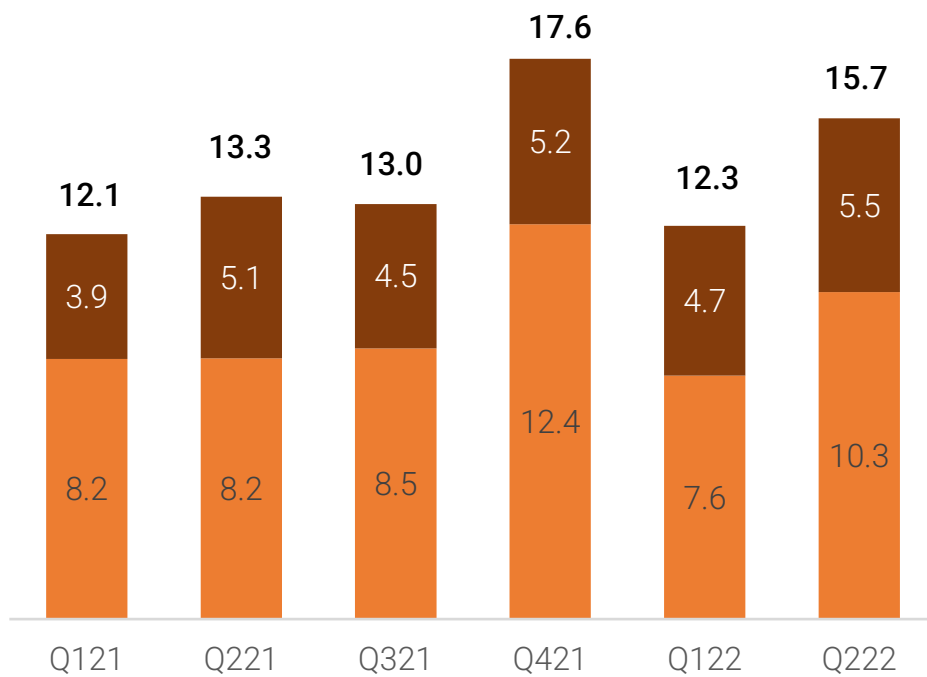
- Margins weighed by higher input costs (raw materials, freight) and selling costs (mainly A&P).

- Sharp drop in income taxes help lift net profit.

Quarterly Performance

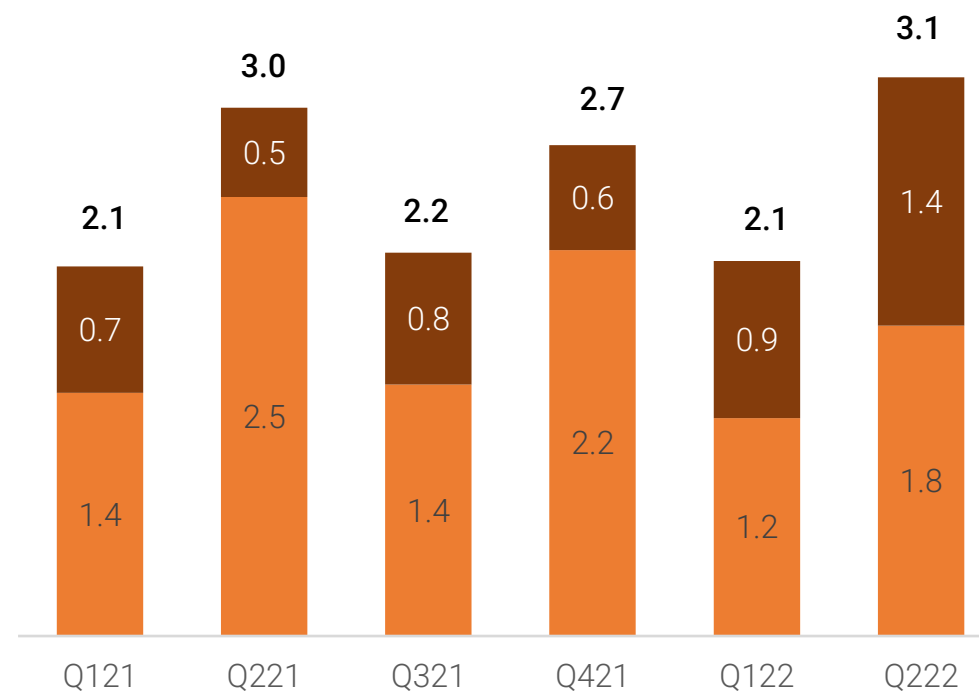
REVENUE

Brandy Whisky



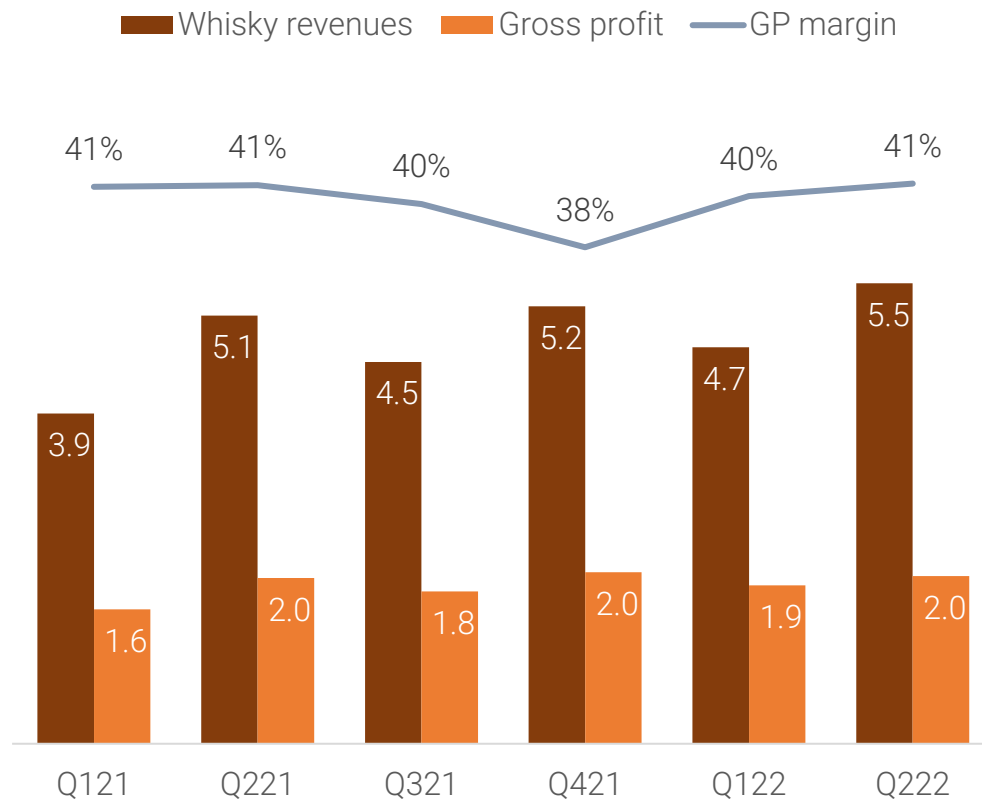
NET INCOME

Brandy Whisky

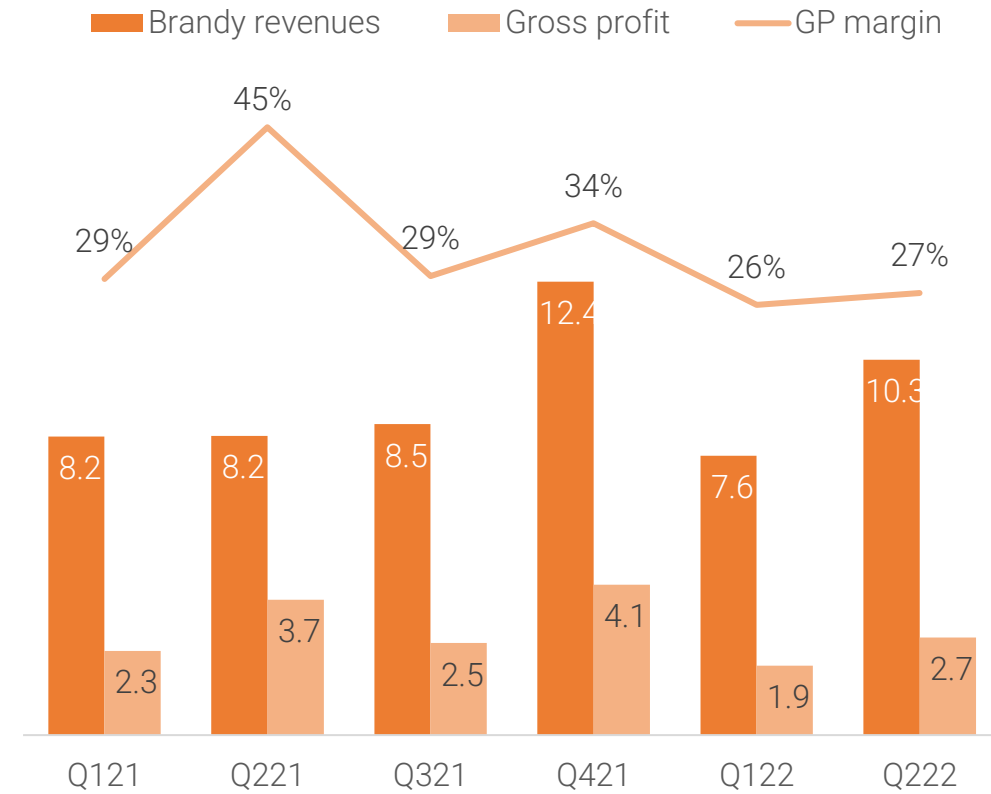


Quarterly performance

WHISKY REVENUE, GROSS PROFIT, MARGIN



BRANDY REVENUE, GROSS PROFIT, MARGIN





1H2022 FINANCIAL PERFORMANCE

2,743

Hotel
room keys

6

International
Hotel Brands

63%

Hotel
Occupancy
(1H22)

407

VIP and mass
gaming tables

2,058

Slots

2Q22/1H22 financial performance

P&L summary (Pbn)	2Q22	1Q22	QoQ chg	2Q21	YoY chg	1H22	1H21	YoY chg
Gross gaming revenue	8.2	6.5	25%	3.4	143%	14.7	7.9	86%
Mass	3.1	1.8	75%	0.9	253%	5.0	2.9	73%
VIP	5.0	4.7	6%	2.4	105%	9.7	5.0	93%
Less: promotional allowance	(2.5)	(2.6)	-3%	(1.4)	83%	(5.1)	(2.8)	83%
Net gaming revenue	5.6	3.9	44%	2.0	186%	9.6	5.1	87%
Non-gaming revenue	1.4	0.9	50%	1.2	14%	2.3	1.9	25%
Net Revenue	7.0	4.8	45%	3.2	120%	11.9	7.0	71%
Core EBITDA	2.4	1.4	72%	0.5	344%	3.8	0.8	361%
Core EBIT	1.4	0.6	152%	(0.2)	-	2.0	(0.8)	-
Core profit	0.2	(0.2)	-	(1.1)	-	0.0	(2.2)	-
Margins								
Core EBITDA margin	33.9%	28.6%	Up	16.8%	Up	31.7%	11.8%	Up
Core EBIT margin	20.5%	11.8%	Up	-6.9%	Up	16.9%	-11.6%	Up
Core profit margin	3.2%	-4.3%	Up	-32.9%	Up	0.1%	-30.8%	Up

- Sustained improvement in GGR driven by both mass and VIP segments.

- VIP GGR helped by new junkets since pre-pandemic

- Mass GGR boosted by improving mobility and revenge spending on gaming.

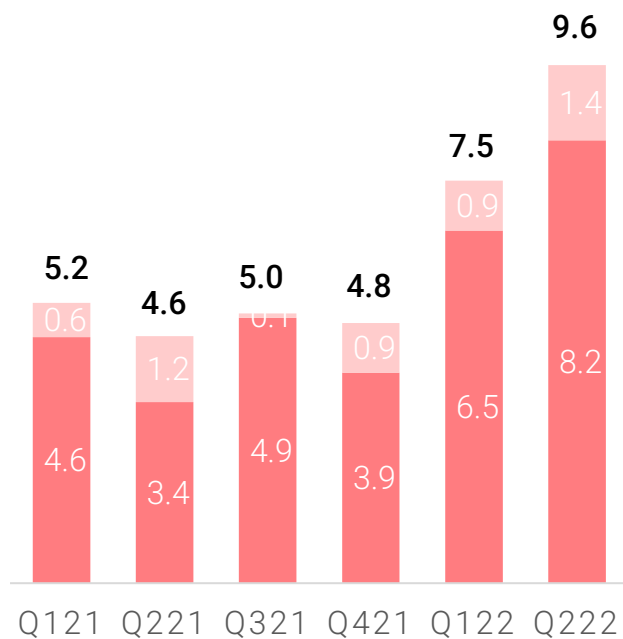
- Improving hotel occupancy with the resurgence in staycations and MICE activities.

- Higher gaming-related costs mitigated by lower cash opex even with increased marketing expenses.

Quarterly performance

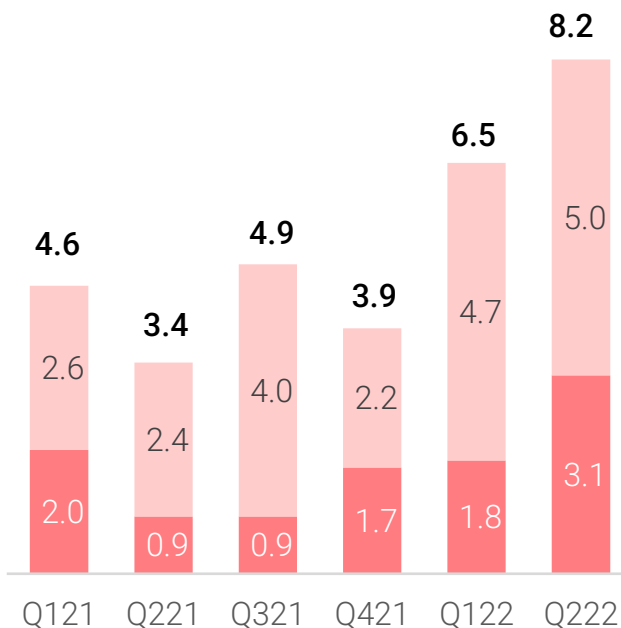
GROSS REVENUES

■ Gaming ■ Non-gaming

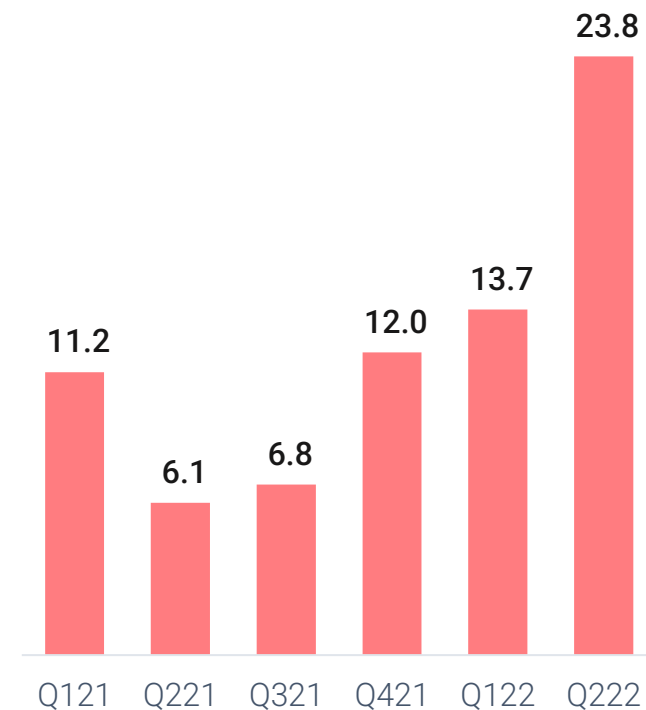


GGR: MASS VS VIP

■ Mass ■ VIP



AVERAGE DAILY VISITORS



YOU KNOW
YOU WANT TO

NEWPORT *World* RESORTS



1H2022 FINANCIAL PERFORMANCE

677
Store
count

501
McDelivery
hubs

376
Stores with
Drive-thru

250
NXTGEN
stores

2Q22/1H22 financial performance



P&L summary (Pbn)	2Q22	1Q22	QoQ chg	2Q21	YoY chg	1H22	1H21	YoY chg
Systemwide Sales	14.7	12.7	15%	10.8	36%	27.4	20.6	33%
Sales Revenues	8.2	7.2	14%	6.1	34%	15.4	11.8	31%
Sales by co. restos	7.5	6.5	14%	5.4	39%	14.0	10.5	33%
Rent, royalty & others	0.8	0.7	14%	0.7	3%	1.4	1.3	13%
Gross Profit	2.0	1.7	15%	1.4	37%	3.7	2.9	27%
EBITDA	1.7	1.3	30%	1.3	32%	2.9	2.5	16%
EBIT	0.9	0.7	23%	0.6	54%	1.6	1.2	31%
Attributable profit	0.5	0.3	98%	(0.0)	-	0.8	0.1	1467%
Margins								
Gross profit margin	23.9%	23.8%	Up	23.4%	Up	23.8%	24.4%	Up
EBITDA margin	20.2%	17.7%	Up	20.5%	Up	19.0%	21.4%	Up
EBIT margin	10.8%	10.0%	Up	9.4%	Up	10.4%	10.4%	Down
Attributable profit margin	6.2%	3.6%	Up	-0.4%	Up	5.0%	0.4%	Up

- Sustained growth in sales revenues, mirrored improvement in systemwide sales with further easing of restrictions.

- Cost pressures from raw materials, salaries, A&P, and rent.

- Improvement in net margin on lower income taxes.

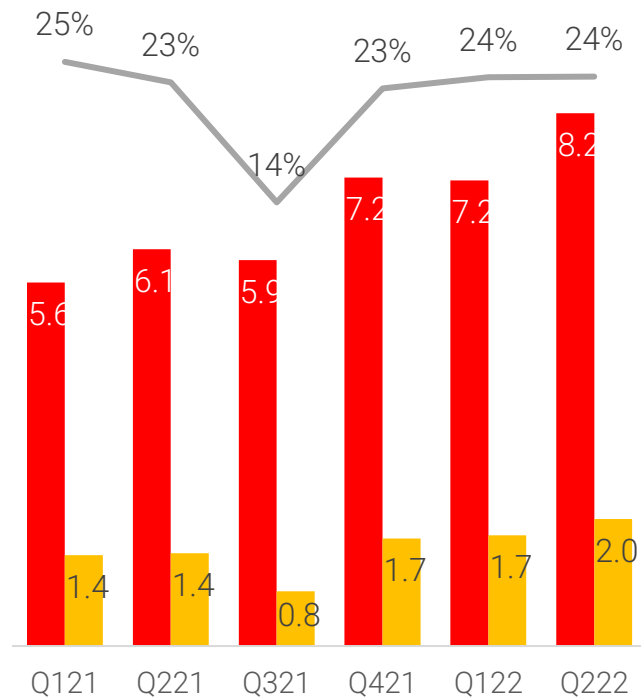
- 12 new store launches, offset by 6 store closures, brought total store count to 677.

Quarterly performance



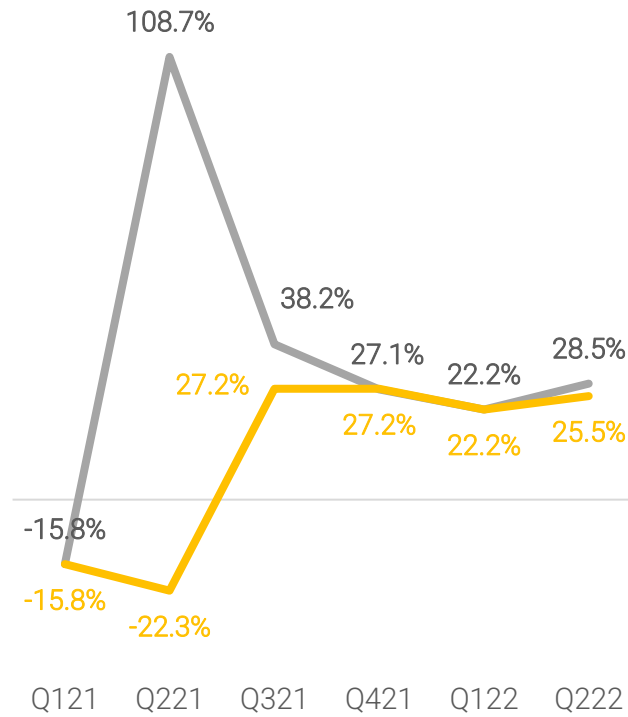
SALES, GROSS PROFIT, MARGIN

■ Sales revenues ■ Gross profit — GP Margin



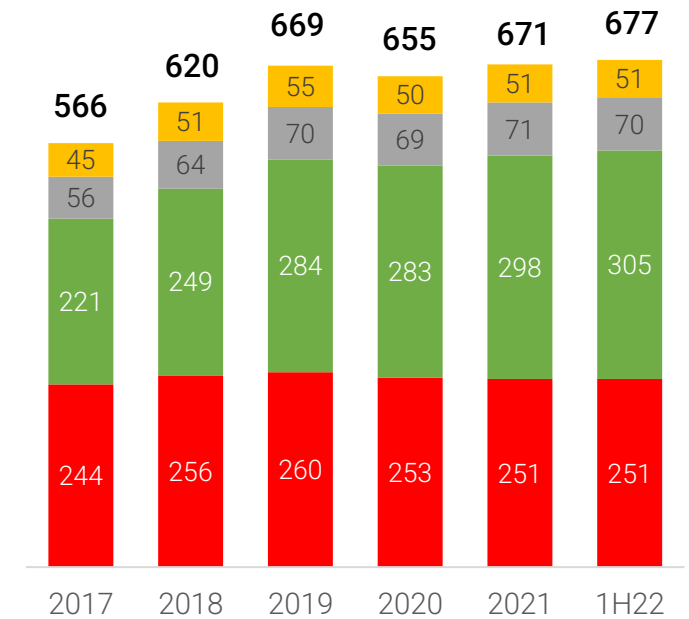
SYSTEMWIDE SAME-STORE SALES GROWTH

— Quarterly — End-of-period



NUMBER OF STORES

■ NCR ■ Luzon ■ Visayas ■ Mindanao



677
STORES
1H22

2022

45

TARGET
NEW STORES



KEY MESSAGES

We can sustain the strong interim growth we have seen for the balance of the year.

We are mindful of the challenges we face...

...and we will continue to step up our game...

...and strengthen our position as the country's premium lifestyle conglomerate.



 ALLIANCE GLOBAL

A **PREMIUM-LIFESTYLE**
CONGLOMERATE

1H2022 Analysts' Briefing
12 August 2022

