



 ALLIANCE GLOBAL



# A Premium-Lifestyle Conglomerate



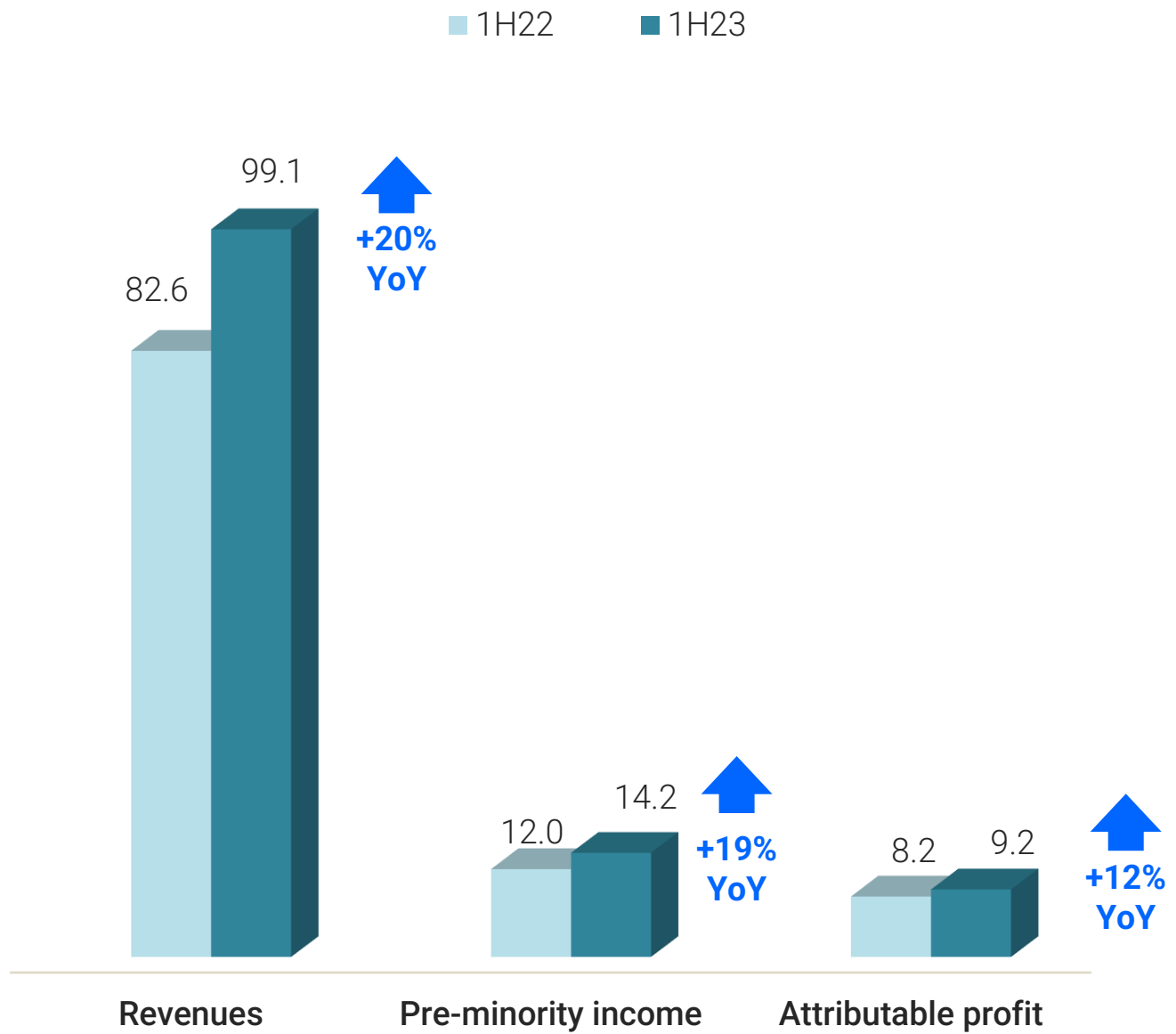
**First Half 2023  
Analysts' Briefing**

August 14, 2023

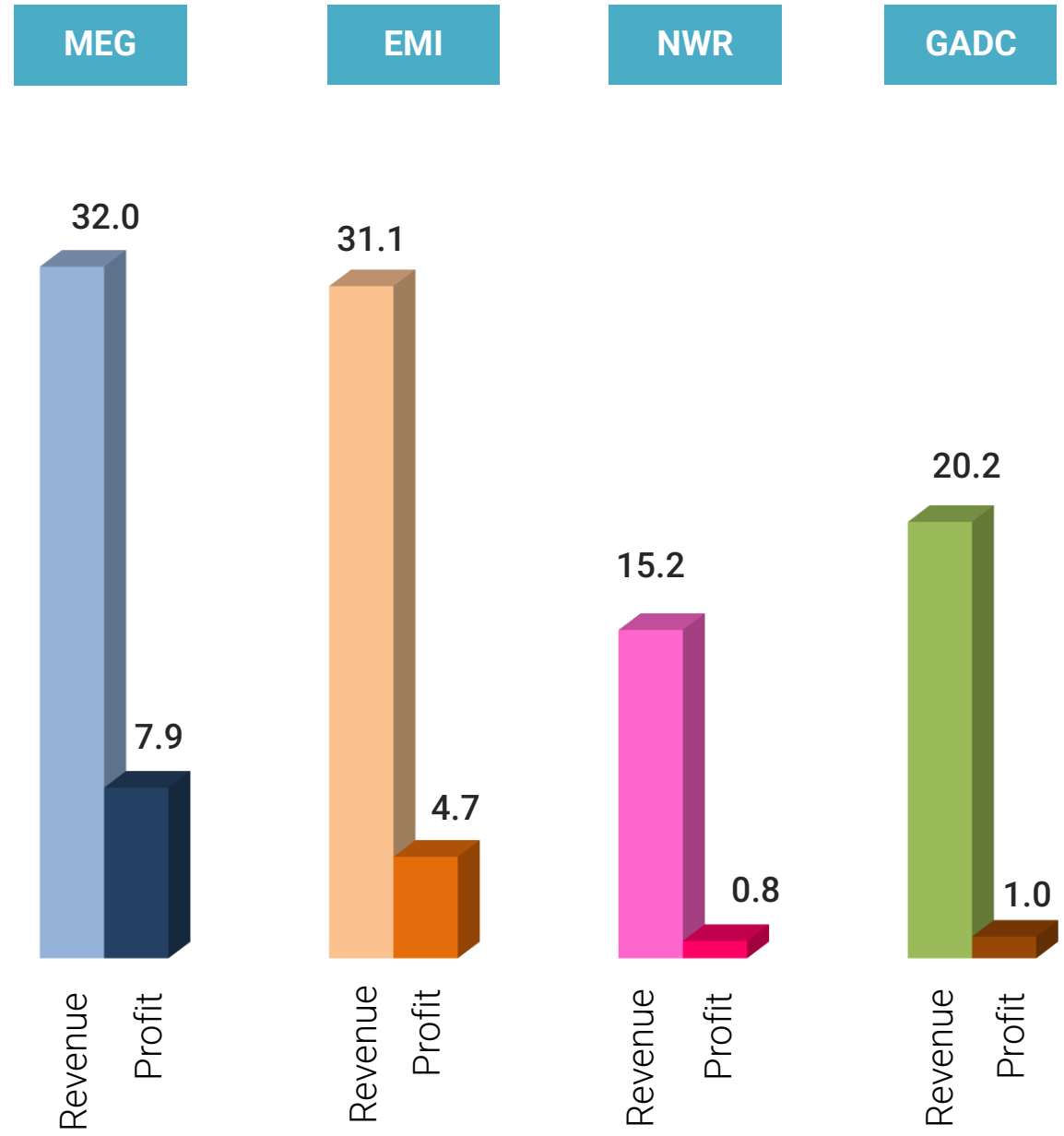


# AGI performance highlights

## AGI P&L Highlights



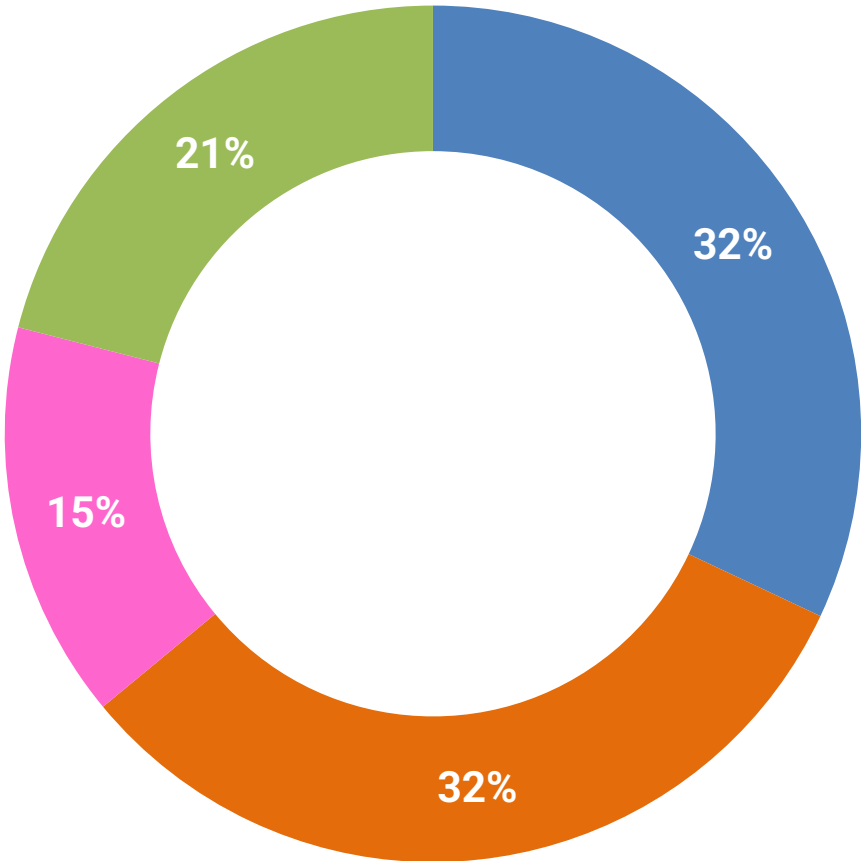
## P&L Highlights, by key subsidiary



# AGI revenue and profit share

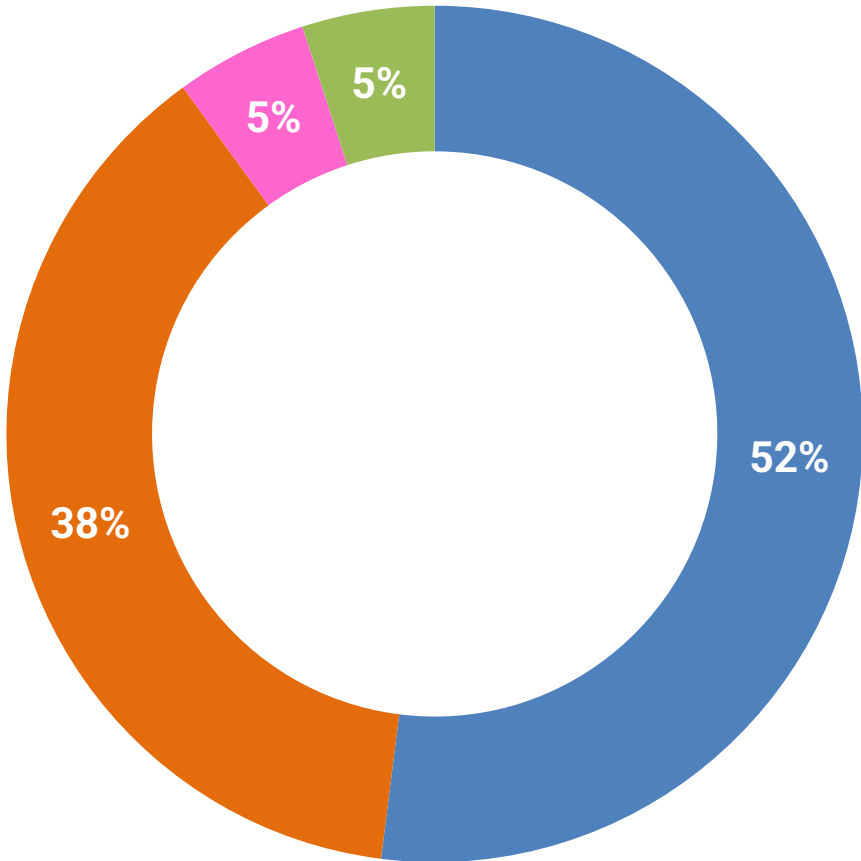
Revenue Share

■ MEG ■ EMI ■ NWR ■ GADC



Profit Share

■ MEG ■ EMI ■ NWR ■ GADC



# AGI 2Q23/1H23 financial performance



in Pbn	2Q2023	1Q2023	QoQ chg	2Q2022	YoY chg	1H2023	1H2022	YoYchg
<b>Group revenues</b>	<b>48.8</b>	<b>50.3</b>	<b>-3%</b>	<b>45.1</b>	<b>8%</b>	<b>99.1</b>	<b>82.6</b>	<b>20%</b>
Megaworld	15.7	16.2	-3%	14.4	9%	31.9	27.3	17%
Emperador	15.5	15.6	-1%	15.4	1%	31.1	27.7	12%
Travellers	7.3	7.8	-6%	7.0	5%	15.1	11.9	27%
GADC	10.3	10.0	2%	8.2	25%	20.3	15.4	32%
Others	0.0	0.6	-95%	0.0	138%	0.7	0.3	152%
<b>Group costs/expenses</b>	<b>(40.3)</b>	<b>(41.3)</b>	<b>-2%</b>	<b>(37.3)</b>	<b>8%</b>	<b>(81.6)</b>	<b>(68.0)</b>	<b>20%</b>
Megaworld	(10.5)	(10.5)	0%	(10.7)	-1%	(21.1)	(19.2)	10%
Emperador	(12.4)	(12.8)	-3%	(11.7)	6%	(25.2)	(21.5)	17%
Travellers	(6.9)	(7.4)	-8%	(6.0)	14%	(14.3)	(11.1)	28%
GADC	(9.6)	(9.4)	2%	(7.6)	27%	(18.9)	(14.3)	33%
Others	(0.9)	(1.2)	-21%	(1.3)	-27%	(2.1)	(1.9)	9%
<b>Attributable income</b>	<b>4.6</b>	<b>4.7</b>	<b>-2%</b>	<b>4.3</b>	<b>5%</b>	<b>9.2</b>	<b>8.2</b>	<b>12%</b>
Megaworld	2.7	2.9	-6%	1.7	54%	5.6	4.1	36%
Emperador	2.2	1.9	14%	2.7	-20%	4.1	4.6	-11%
Travellers	0.3	0.2	41%	0.1	125%	0.5	0.0	2616%
GADC	0.3	0.2	29%	0.3	4%	0.5	0.4	18%
Others	(0.9)	(0.5)	65%	(0.5)	68%	(1.4)	(0.9)	56%
<b>Attributable income margin</b>	<b>9.4%</b>	<b>9.3%</b>	<b>+6bps</b>	<b>9.7%</b>	<b>-29bps</b>	<b>9.3%</b>	<b>10.0%</b>	<b>-70bps</b>

- All major subsidiaries contributed to robust topline growth, amid sustained rise in discretionary spending and economic activity, better-than-industry performance metrics for rental properties and hotels.

- Spirits business benefited from increasing popularity of premium products in the global market and resurgence in travel retail.

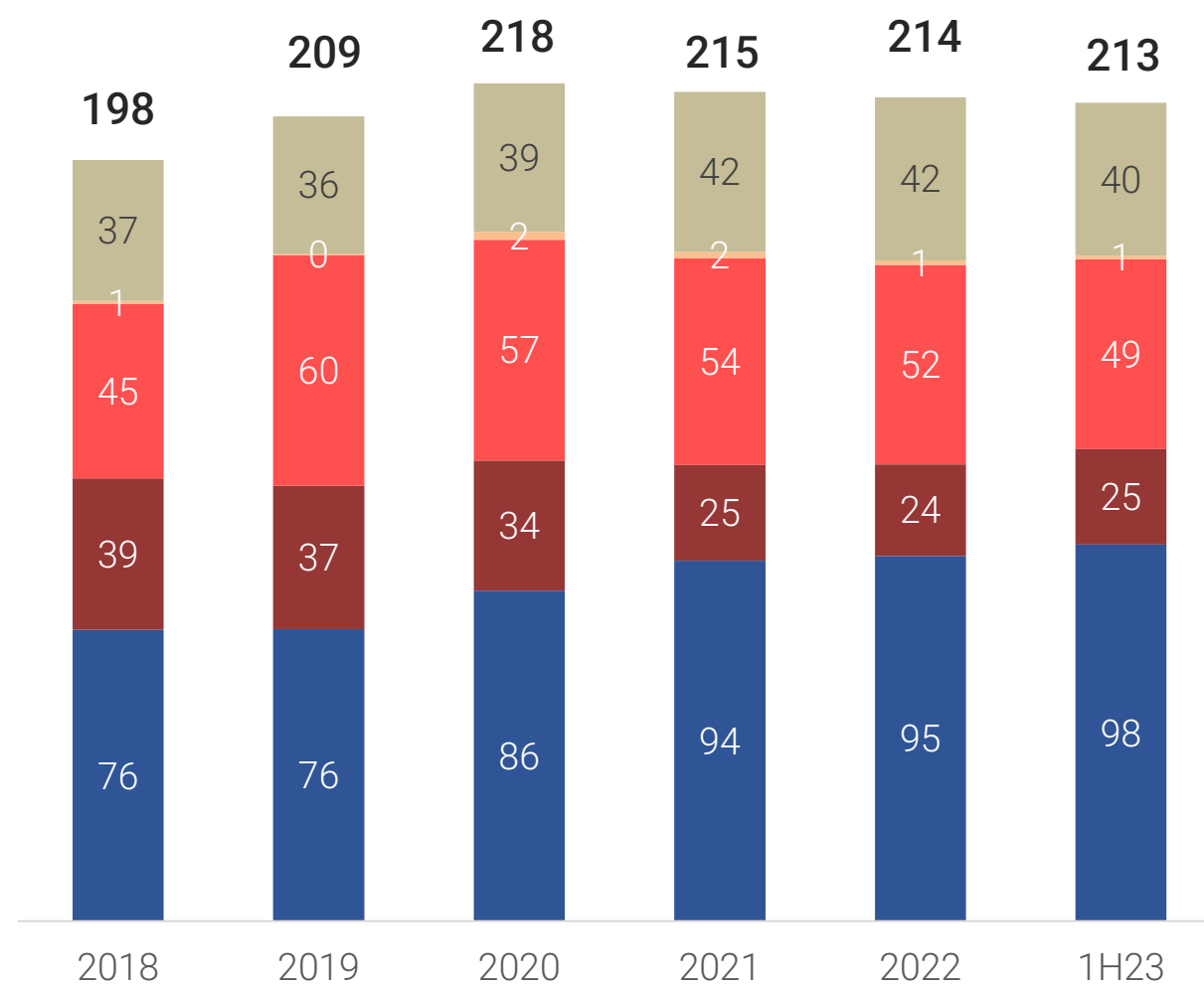
- Costs and expenses went up sharply, due to rising inventory costs, personnel expenses, A&P.



# Group Borrowings

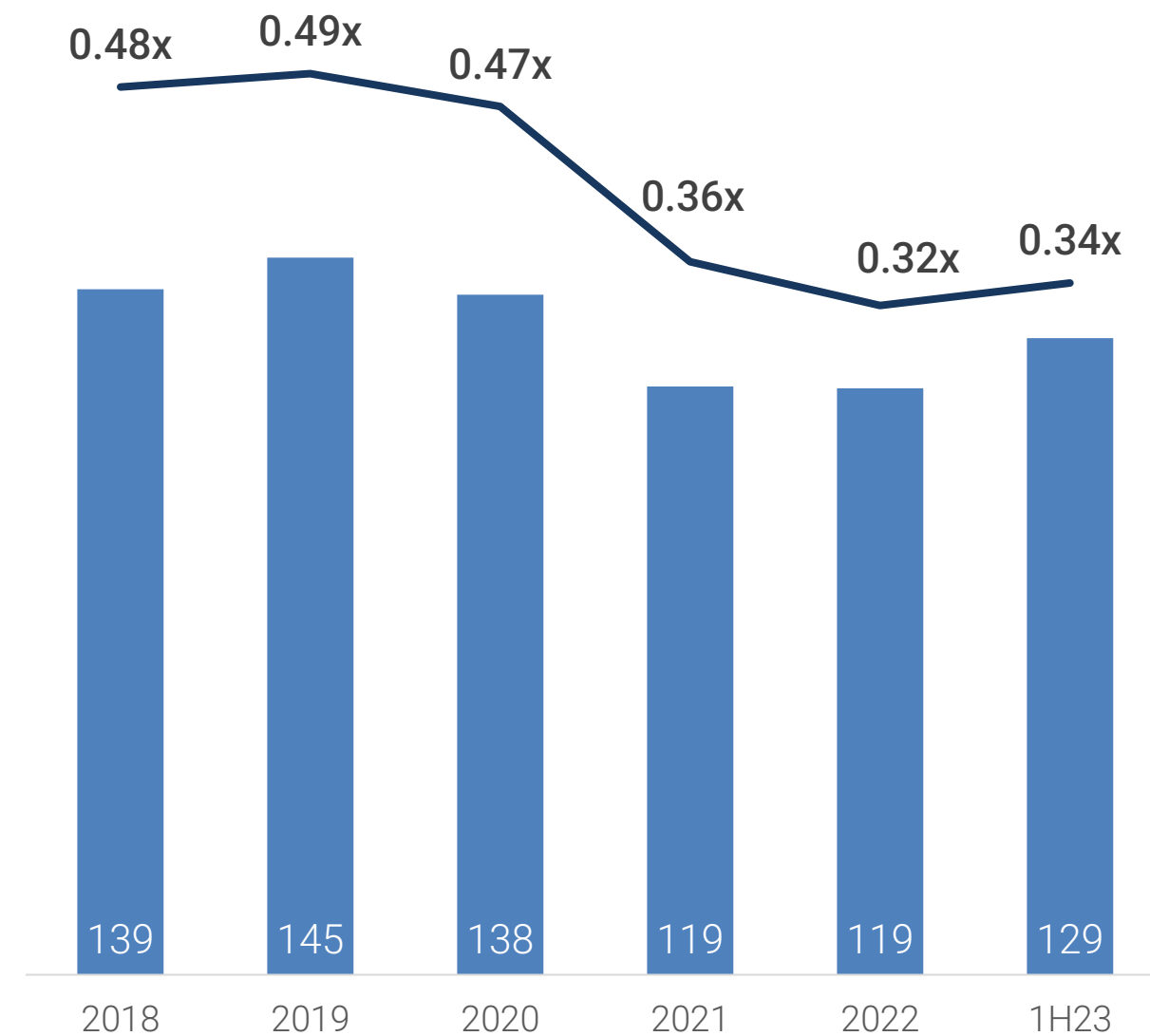
## GROSS DEBTS, by key subsidiary

■ MEG ■ EMI ■ NWR ■ GADC ■ Parent & others



## AGI GEARING

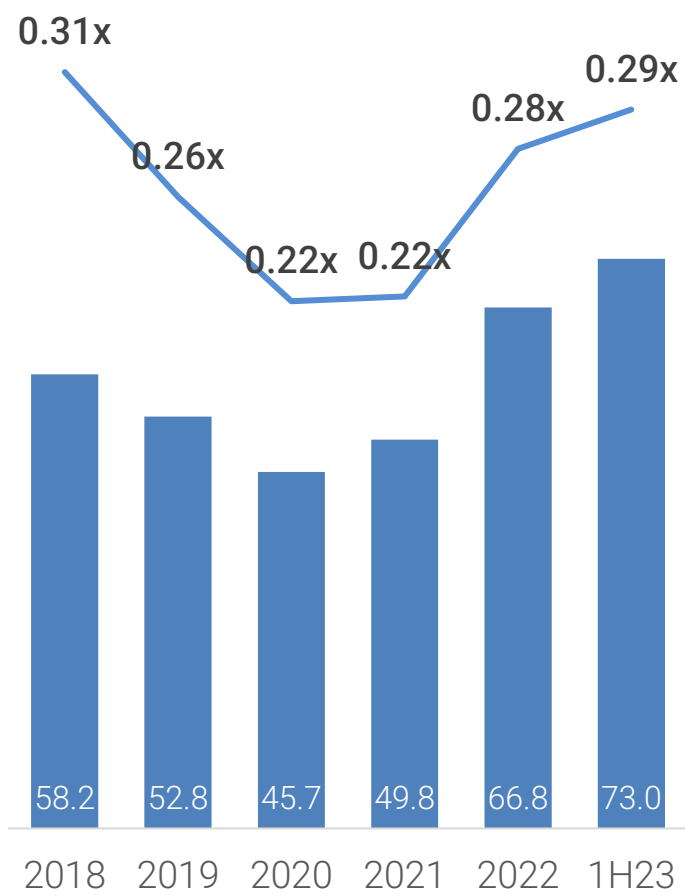
■ Net debt (cash) — Net debt/equity



All items are in billion pesos except net debt/equity.

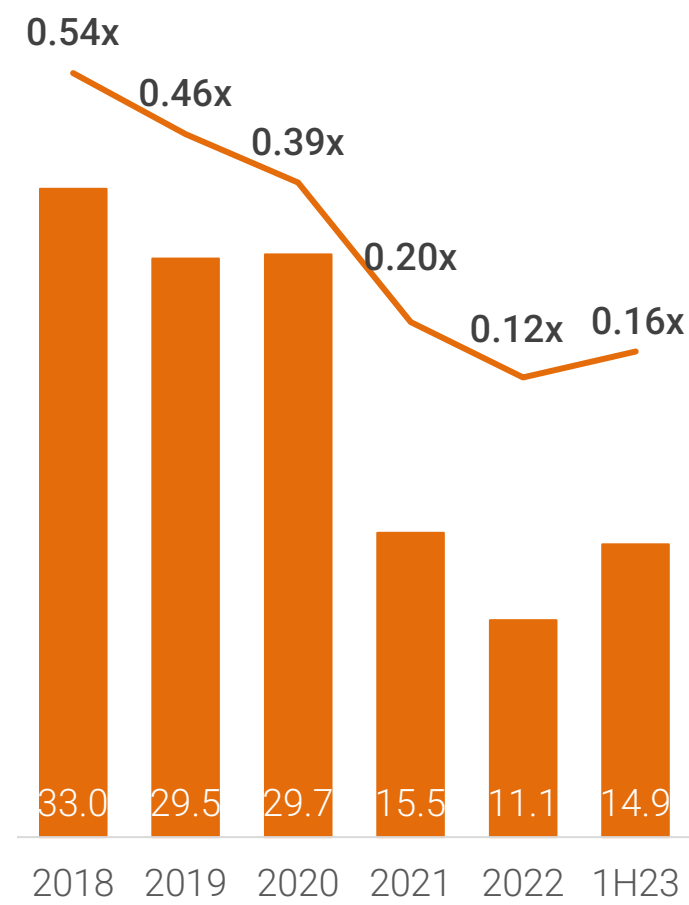
# Group Gearing

## MEGAWORLD



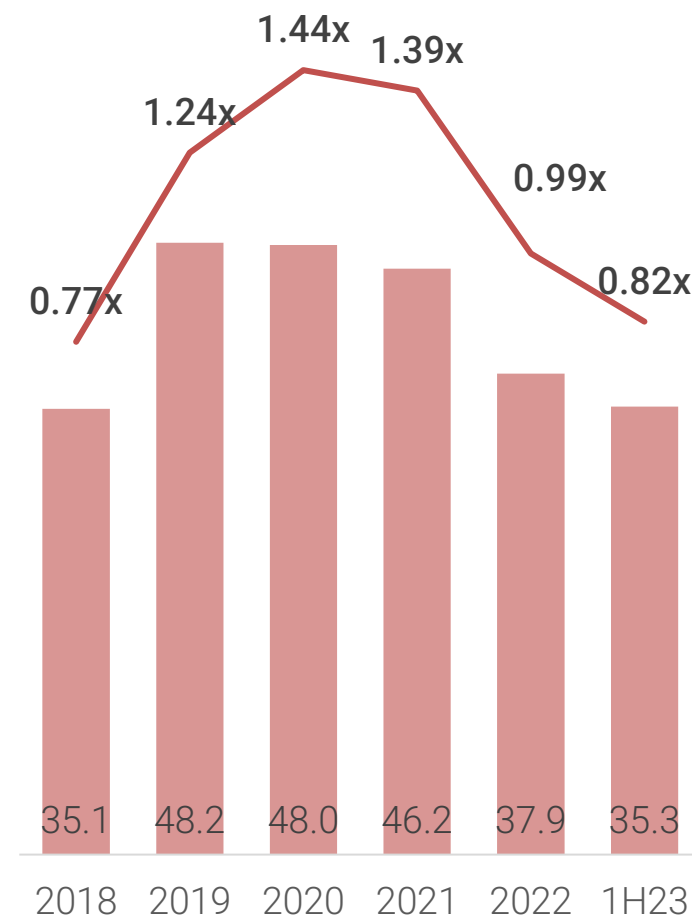
■ Net debt (cash)  
— Net debt/equity

## EMPERADOR



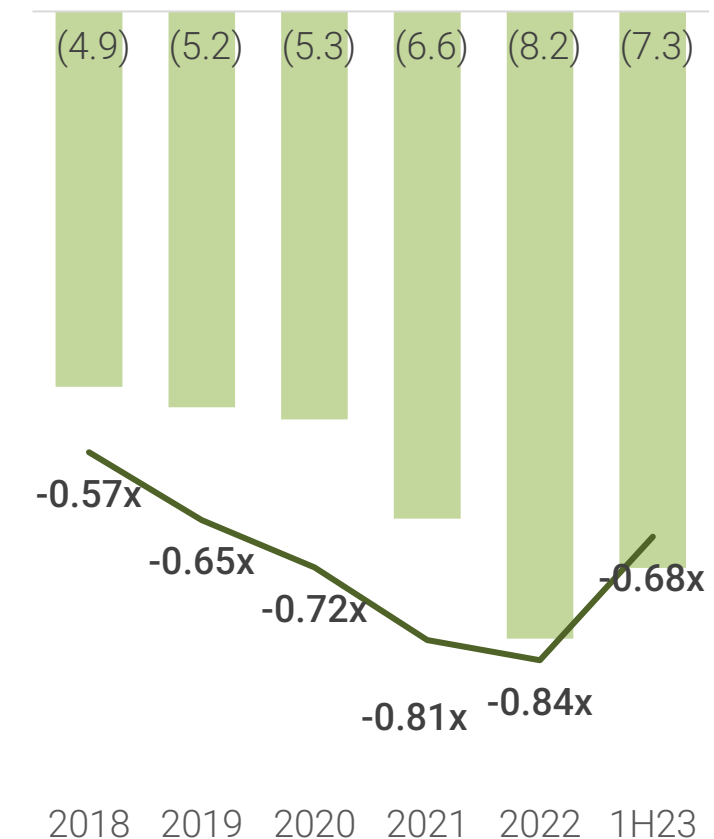
■ Net debt (cash)  
— Net debt/equity

## TRAVELLERS



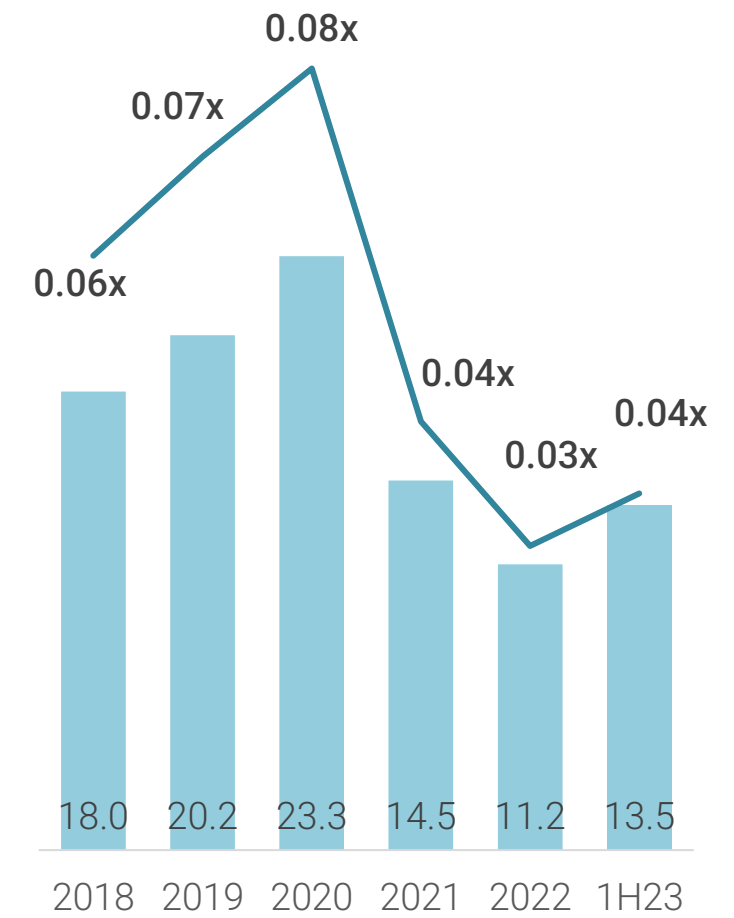
■ Net debt (cash)  
— Net debt/equity

## GOLDEN ARCHES



■ Net debt (cash)  
— Net debt/equity

## PARENT



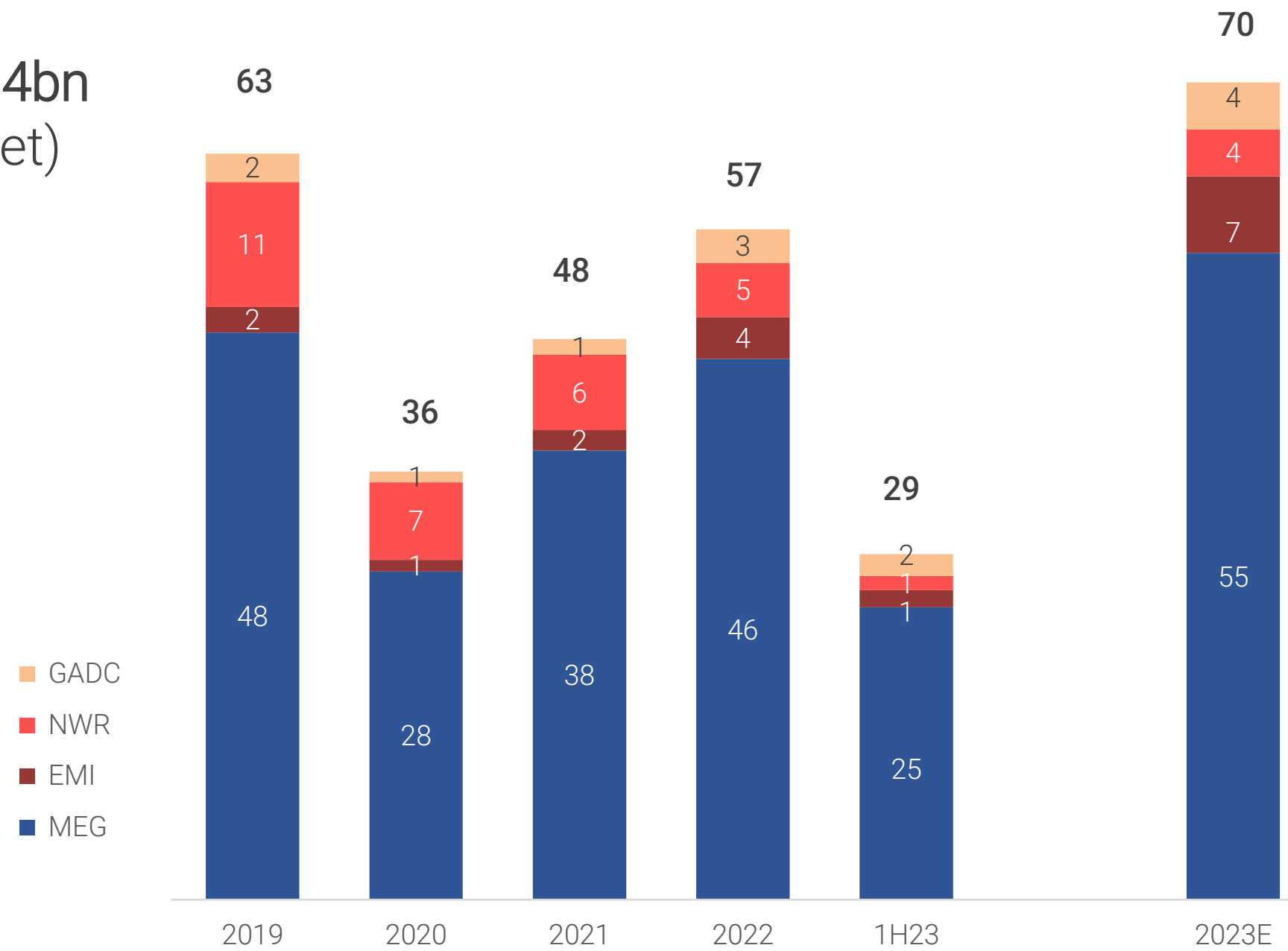
■ Net debt (cash)  
— Net debt/equity



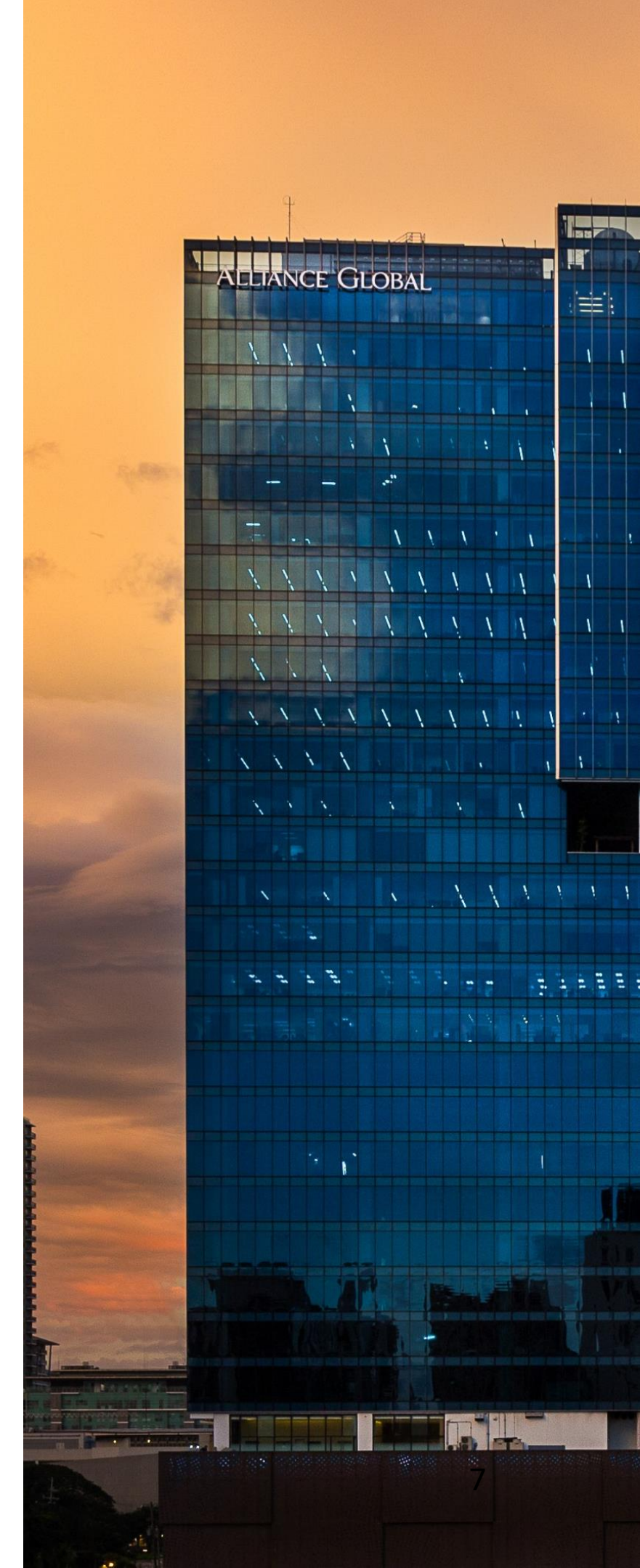
# Capital Expenditure

## AGI CAPEX, by key subsidiary

- Capex spent in 1H23: P29.4bn (42% of P70bn 2023 budget)

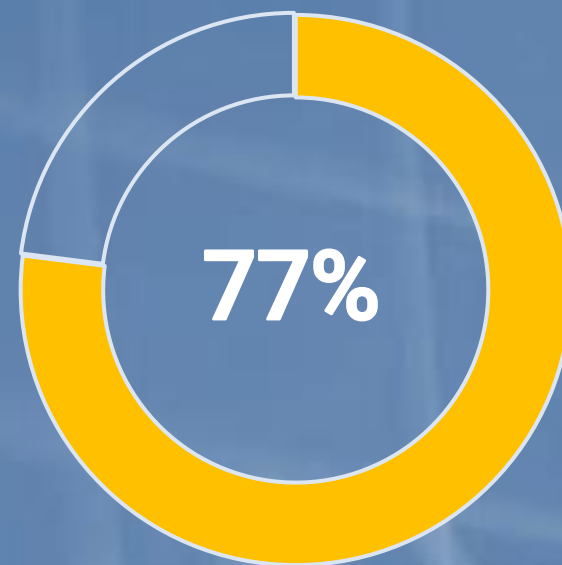


All items are in billion pesos.



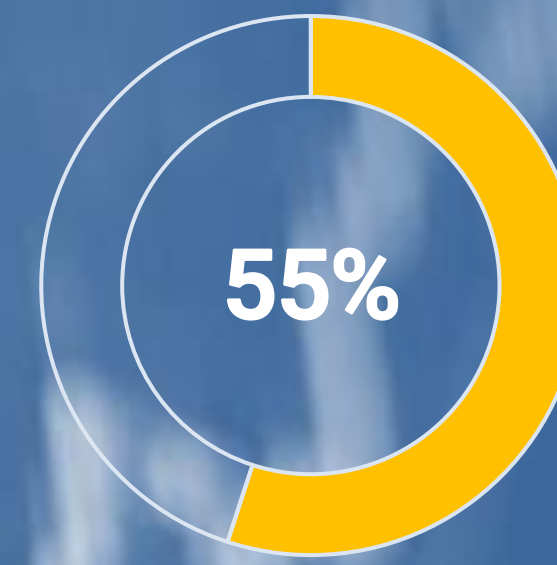
# Share Buyback Program

## AGI



- Buyback program size: P9.0bn
- Amount utilized: P6.9bn (77%)
- 597.4m shares bought at an average price P11.61 per share.
- Implementation period: 42 months from October 2021 to April 2025

## MEG



- Buyback program size: P5.0bn
- Amount utilized: P2.7bn (55%)
- 1.1m shares bought at an average price P2.59 per share.
- Implementation period: Extended up to February 2025





MEGAWORLD



# Megaworld Corporation

1H2023 Financial Performance

**30**

Townships & Integrated Lifestyle Communities

**4,549**

Landbank (has)

**1,400**

Offices GLA ('000 sqm)

**484**

Lifestyle Malls GLA ('000 sqm)

**4,713**

Hotel Room Keys

# MEG 2Q23/1H23 financial performance



MEGAWORLD

P&L summary (Pbn)	2Q2023	1Q2023	QoQ chg	2Q2022	YoY chg	1H2023	1H2022	YoYchg
<b>Revenue</b>	<b>15.8</b>	<b>16.2</b>	<b>-3%</b>	<b>14.3</b>	<b>10%</b>	<b>32.0</b>	<b>27.5</b>	<b>17%</b>
Residential	9.7	9.4	3%	8.9	8%	19.1	17.0	12%
Office	3.1	3.1	0%	3.0	3%	6.3	6.0	4%
Malls	1.2	1.2	4%	0.8	69%	2.5	1.5	71%
Hotel	0.8	0.8	11%	0.6	55%	1.7	1.1	58%
<b>EBITDA</b>	<b>7.0</b>	<b>6.5</b>	<b>9%</b>	<b>6.4</b>	<b>10%</b>	<b>13.5</b>	<b>12.4</b>	<b>9%</b>
<b>EBIT</b>	<b>6.2</b>	<b>5.6</b>	<b>10%</b>	<b>5.6</b>	<b>10%</b>	<b>11.8</b>	<b>10.7</b>	<b>10%</b>
<b>Attributable Income</b>	<b>3.8</b>	<b>4.1</b>	<b>-7%</b>	<b>2.8</b>	<b>35%</b>	<b>7.9</b>	<b>5.9</b>	<b>34%</b>
Margins								
<i>Gross profit margin</i>	48.9%	48.9%	Stable	48.3%	Up	48.9%	48.6%	Up
<i>EBITDA margin</i>	42.1%	39.8%	Up	45.1%	Down	42.1%	45.1%	Down
<i>EBIT margin</i>	36.7%	34.6%	Up	39.0%	Down	36.7%	39.0%	Down
<i>Attributable profit margin</i>	24.6%	25.2%	Down	21.4%	Up	24.6%	21.4%	Up

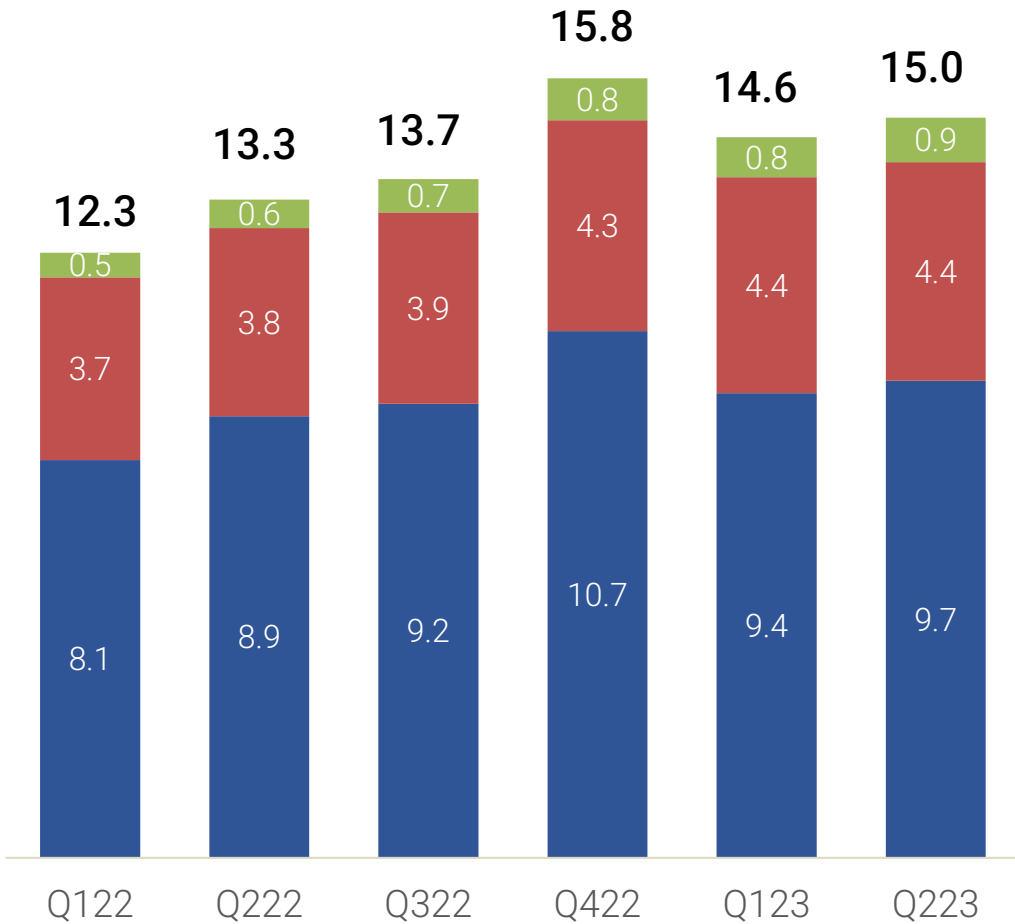
- Real estate sales buoyed by higher project completion.
- Mall occupancy rate at 91%; Office occupancy rate at 89%
- Increased foot traffic, higher discretionary spending and removal of rental concessions provided a significant boost in lifestyle mall revenues.
- Hotels continued to recover amid the resurgence in staycations and MICE activities.



# MEG quarterly performance

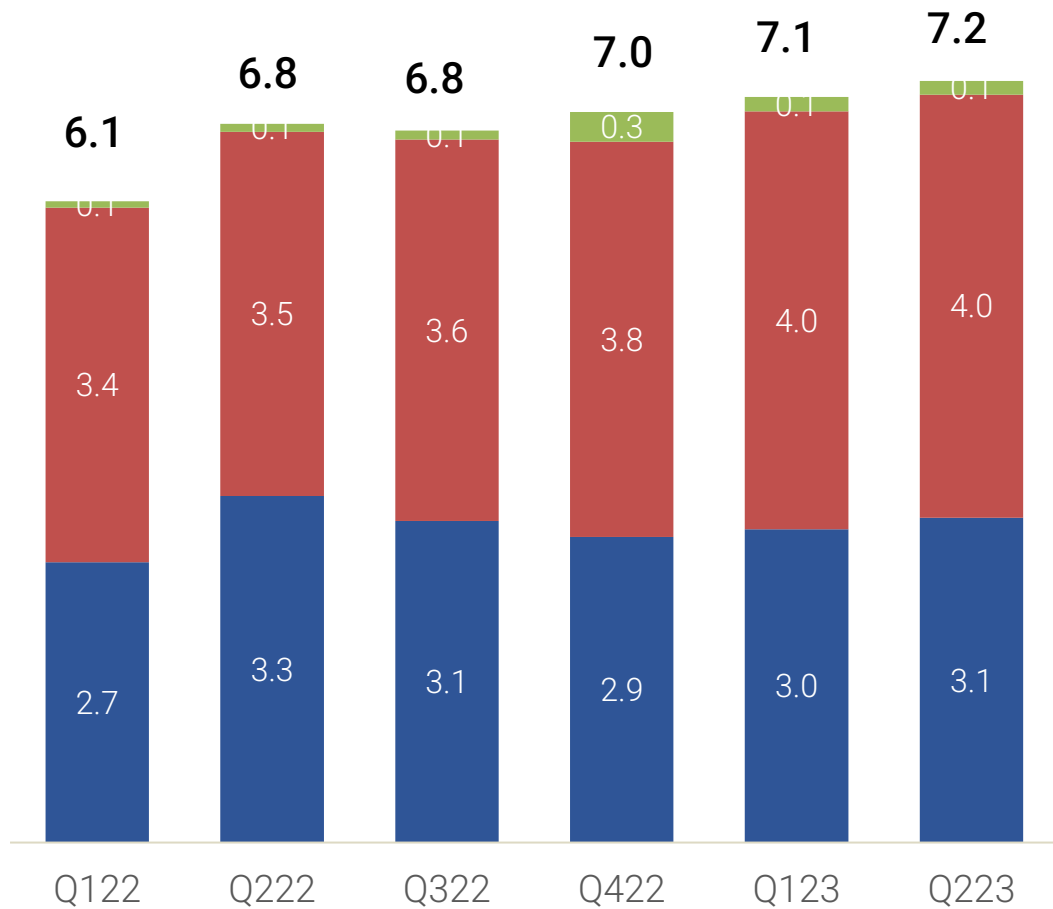


## REVENUE



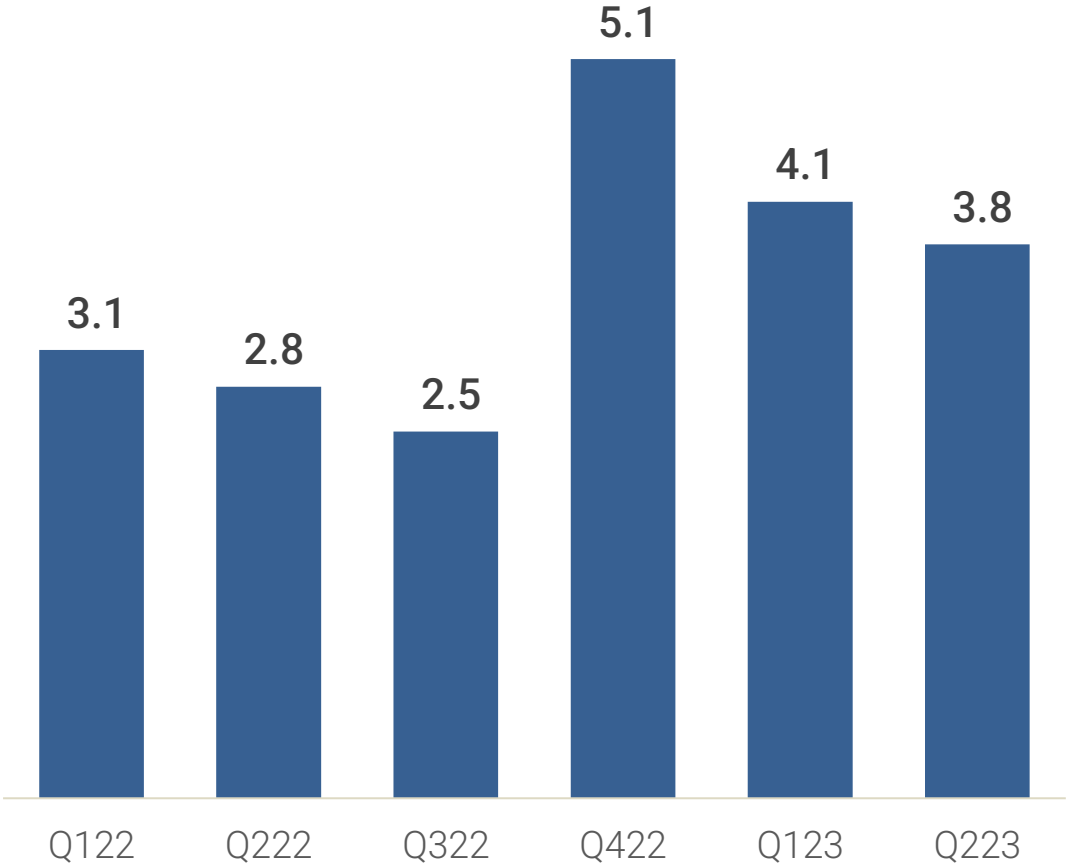
■ Development ■ Rental ■ Hotels

## EBITDA



■ Development ■ Rental ■ Hotels

## NET INCOME



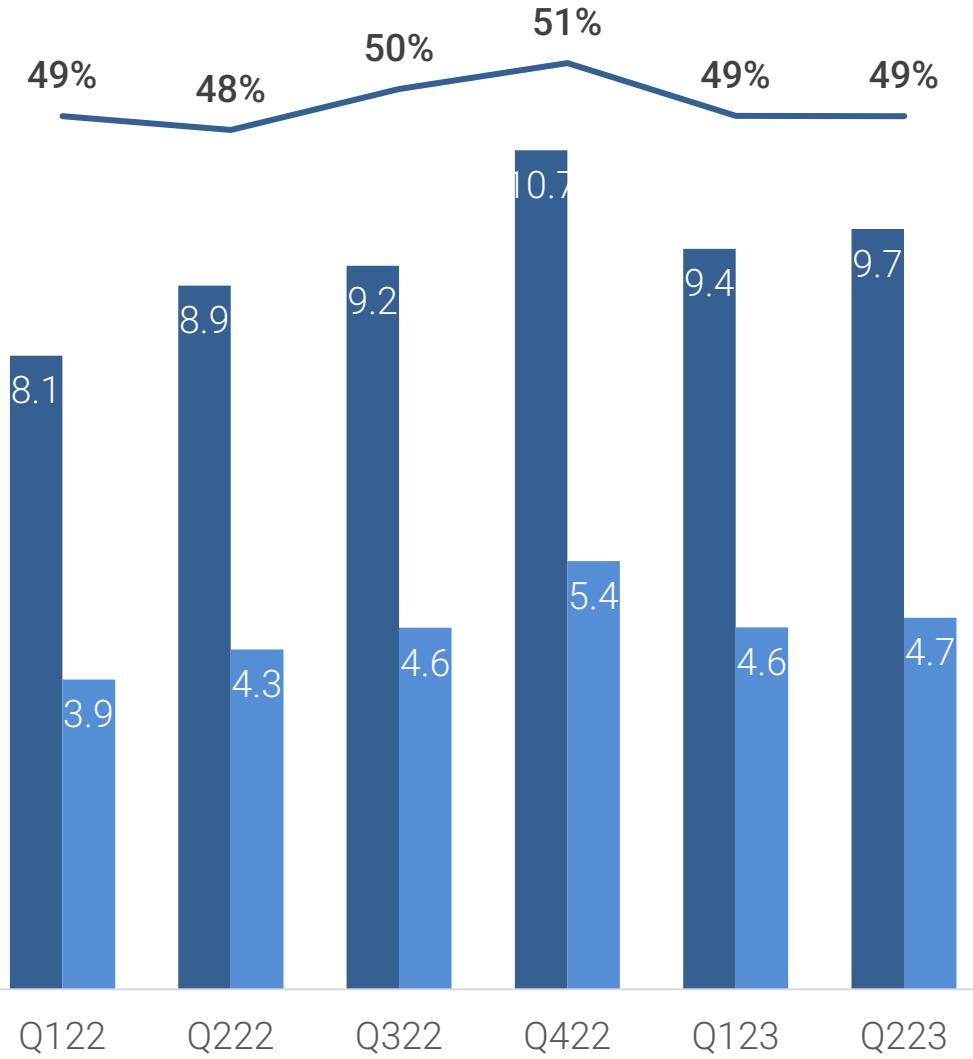
Covers residential, rental and hotel operations only. Excludes financial and other income.

# MEG quarterly performance



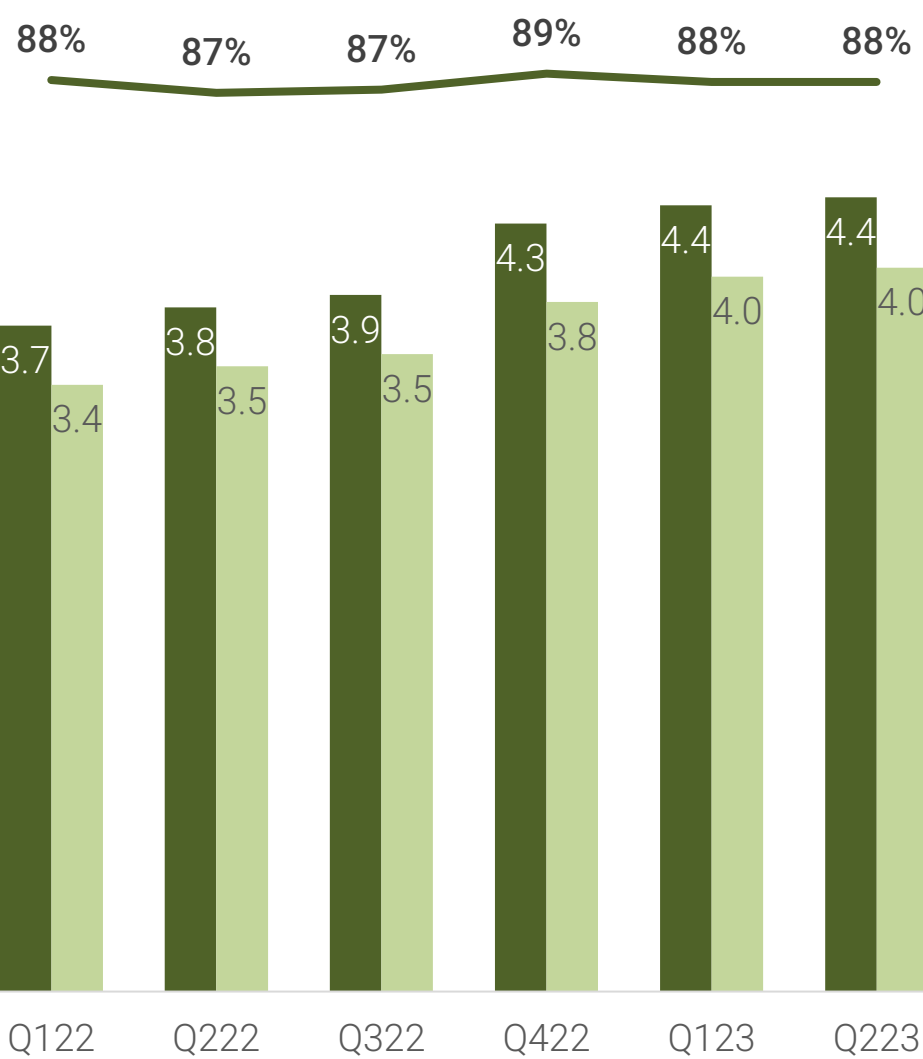
## RES VS GROSS PROFIT

Real estate sales Gross Profit Development GP margin



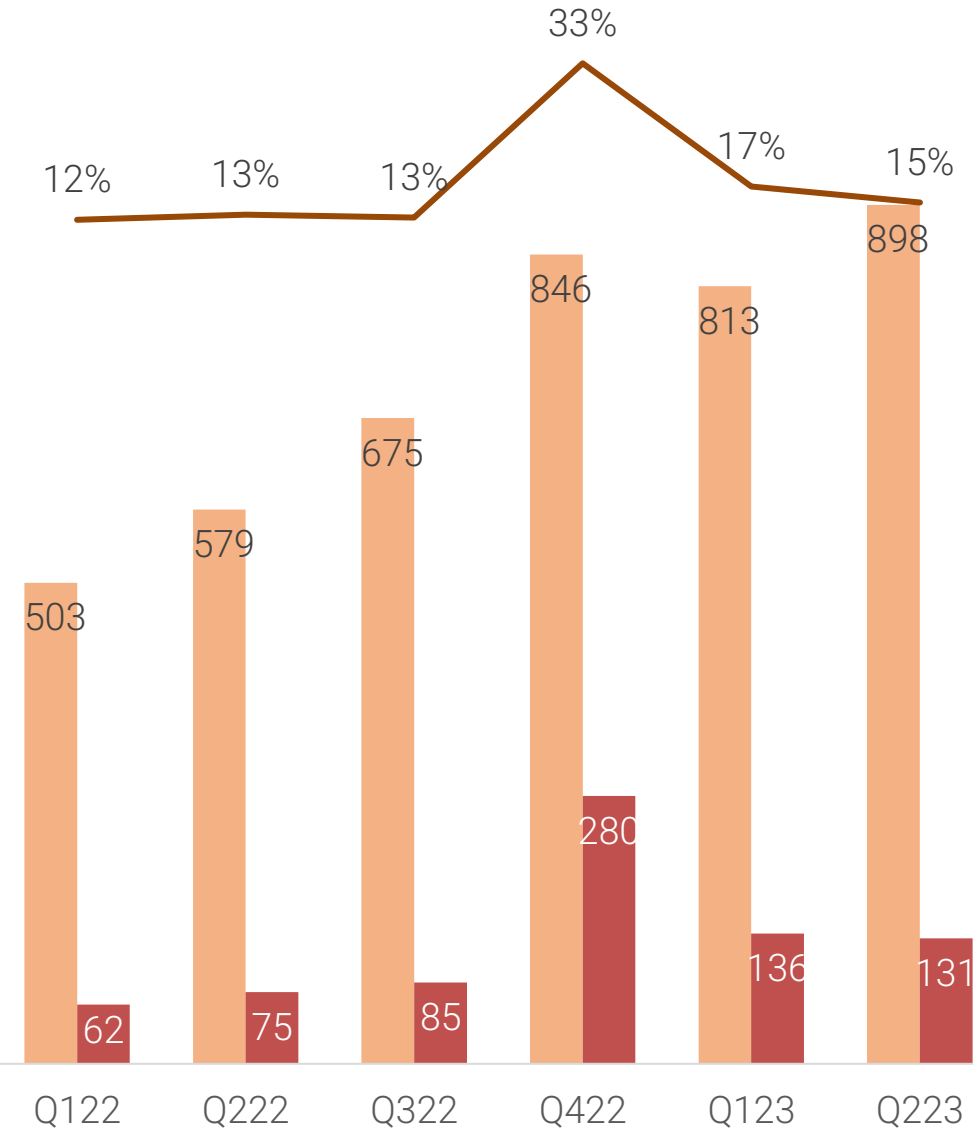
## RENTAL VS EBITDA MARGIN

Total Rental EBITDA EBITDA margin



## HOTEL REV VS EBITDA MARGIN

Hotel revenues Hotel EBITDA EBITDA margin



All items are in billion pesos except hotel revenues and EBITDA (millions), and margins (%).



# Operational updates

**P76.1bn**

**RESERVATION SALES**

vs P130bn 2023 target

**P28.2bn**

**PROJECT LAUNCHES**

vs P60bn 2023 target

**P24.9bn**

**CAPEX**

vs P55bn 2023 target





## PREMIER OFFICES

# 209.4K

Additional space (GLA)  
2023-2026



## LIFESTYLE MALLS

# 184.5K

Additional space (GLA)  
2023-2026



## HOTELS & RESORTS

# 3,159

Additional room keys  
2023-2028





# MEGAWORLD

HOTELS & RESORTS



EMPERADOR INC.



# Emperador Inc.

1H2023 Financial Performance

6

Vineyards  
in Spain

5

Distilleries  
in Scotland

>100

Countries under  
global distribution system

25

Domestic  
Sales Offices



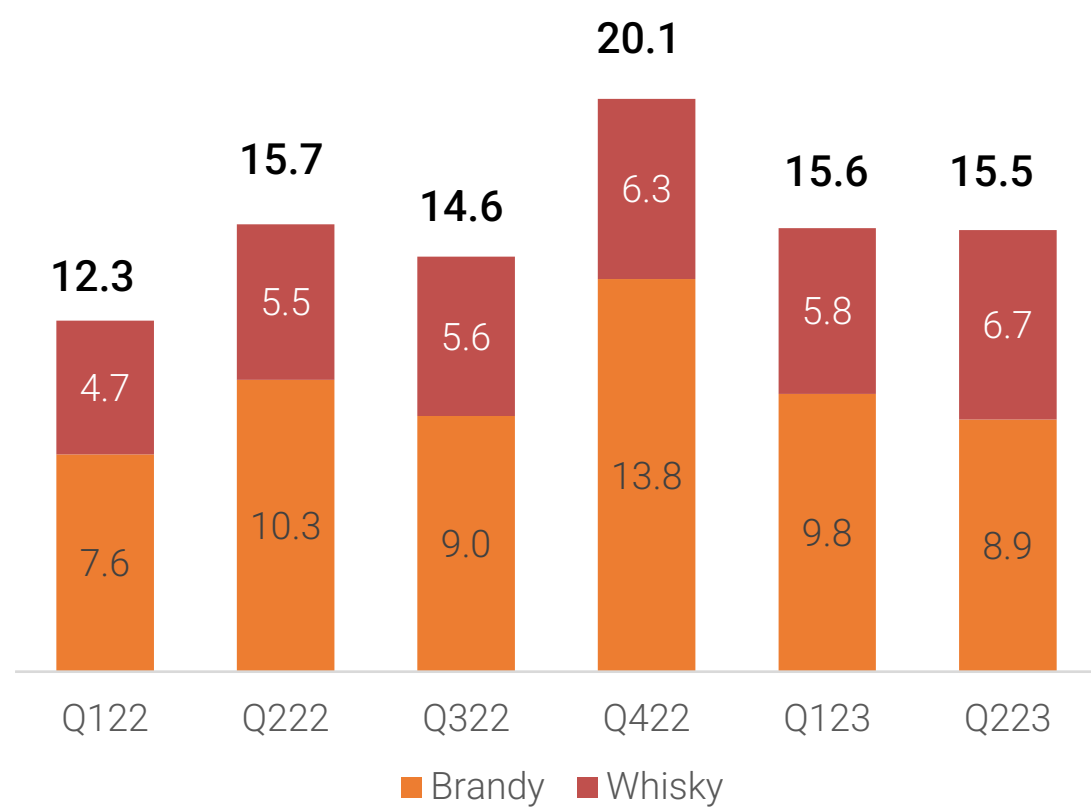
# EMI 2Q23/1H23 financial performance

P&L summary (Pbn)	2Q2023	1Q2023	QoQ chg	2Q2022	YoY chg	1H2023	1H2022	YoYchg
<b>Revenue</b>	<b>15.5</b>	15.6	0%	15.7	-1%	<b>31.1</b>	<b>28.1</b>	11%
Brandy	8.9	9.8	-9%	10.3	-14%	18.6	17.9	4%
Whisky	6.6	5.8	14%	5.5	22%	12.5	10.2	23%
<b>Gross Profit</b>	<b>5.5</b>	5.1	9%	4.7	19%	<b>10.6</b>	<b>8.4</b>	26%
Brandy	2.7	2.4	15%	2.7	3%	5.1	4.6	12%
Whisky	2.8	2.7	3%	2.0	41%	5.5	3.9	43%
<b>EBITDA</b>	<b>3.6</b>	3.4	6%	4.2	-13%	<b>7.0</b>	<b>7.3</b>	-3%
<b>EBIT</b>	<b>3.3</b>	3.1	6%	3.9	-16%	<b>6.3</b>	<b>6.5</b>	-3%
<b>Attributable Income</b>	<b>2.4</b>	2.3	4%	3.1	-23%	<b>4.7</b>	<b>5.2</b>	-9%
<b>Normalized Income</b>	<b>2.4</b>	2.3	4%	2.7	-11%	<b>4.7</b>	<b>4.8</b>	-2%
Margins								
<i>Gross profit margin</i>	36.7%	33.4%	Up	31.8%	Up	35.0%	32.0%	Up
<i>Brandy GP margin</i>	30.9%	28.6%	Up	27.0%	Up	27.7%	26.4%	Up
<i>Whisky GP margin</i>	43.3%	46.3%	Down	40.8%	Up	44.7%	40.5%	Up
<i>EBITDA margin</i>	23.2%	21.9%	Up	26.4%	Down	22.6%	25.9%	Down
<i>EBIT margin</i>	21.0%	19.7%	Up	24.8%	Down	20.4%	23.3%	Down
<i>Attributable profit margin</i>	15.6%	14.9%	Up	20.0%	Down	15.2%	18.7%	Down

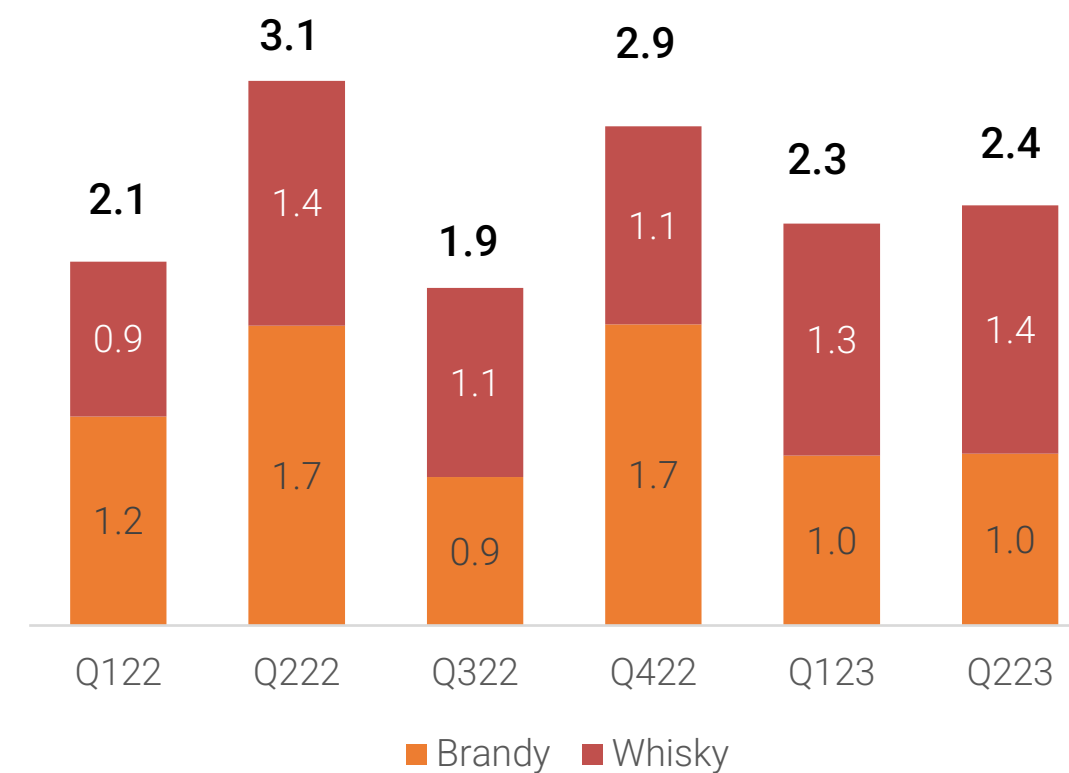
- Robust whisky sales driven by growing popularity of premium single-malt whiskies in the global market and resurgence in travel retail; Brandy sales supported by price adjustments but faced inflationary headwinds, base effect.
- Brandy segment weighed down by margin pressures mainly from higher inventory costs, increased selling expenses and interest charges.
- Whisky segment provided the lift to overall EMI margins.

# EMI quarterly performance

## REVENUE

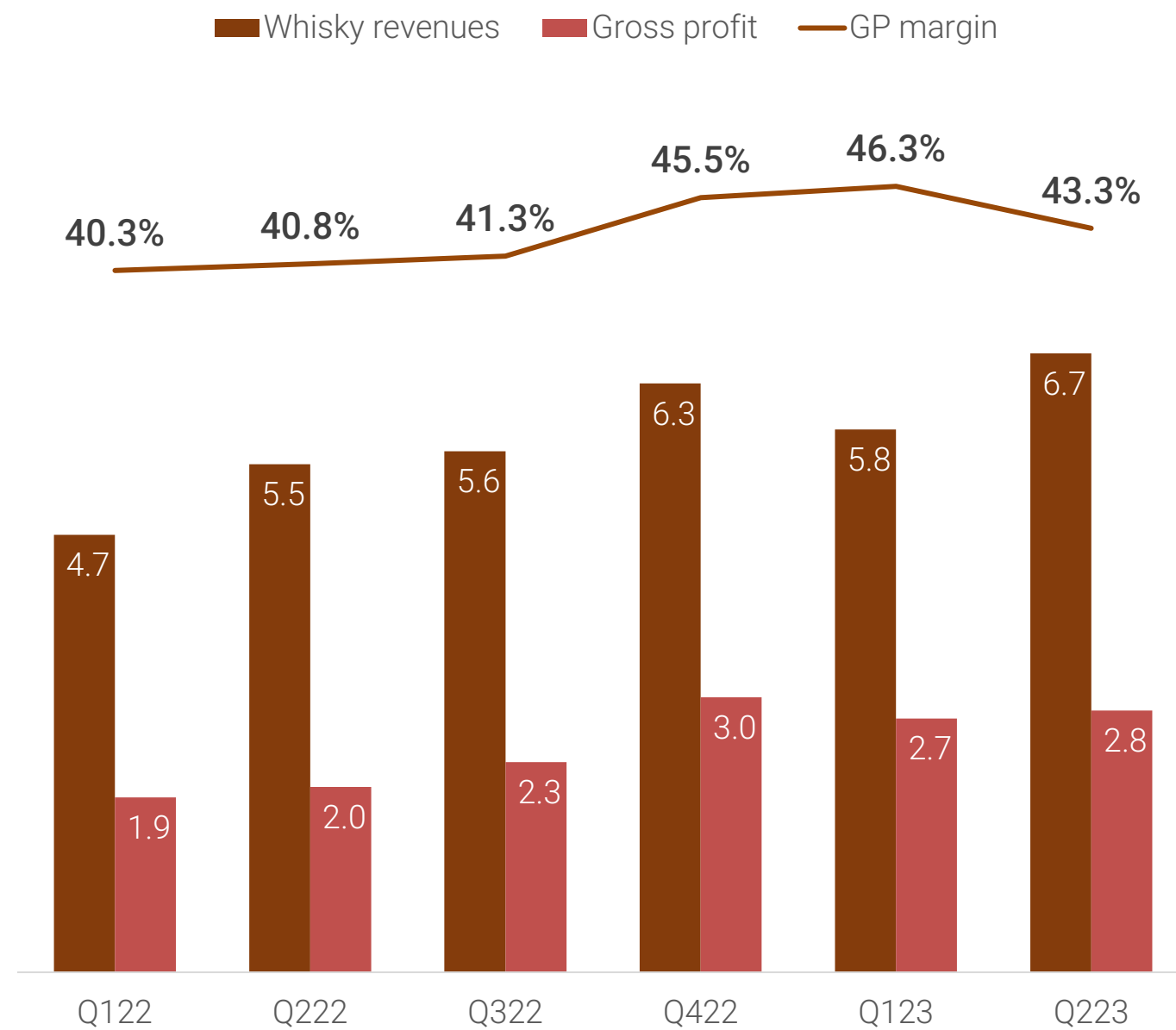


## ATTRIBUTABLE INCOME

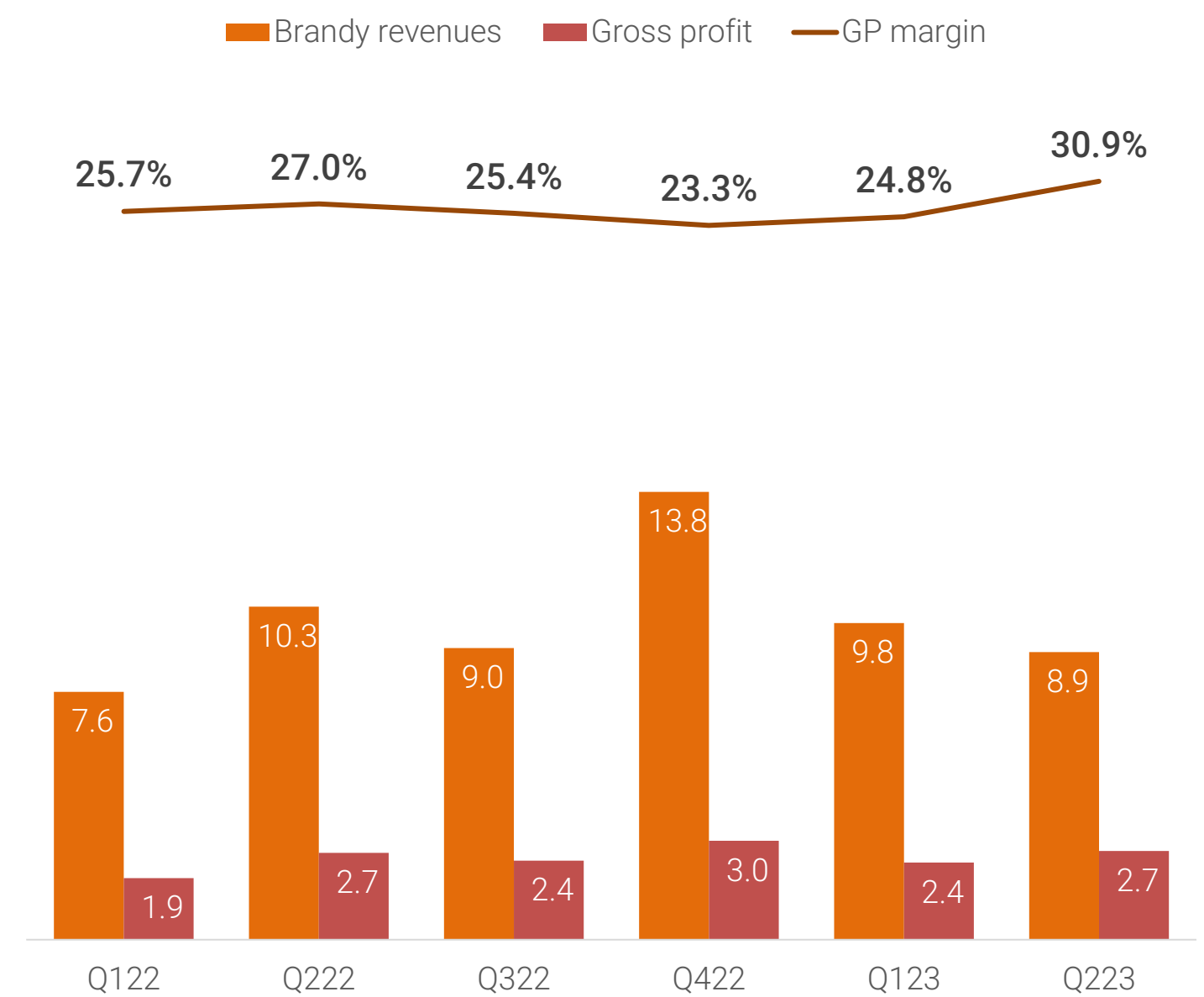


# EMI quarterly performance

## WHISKY REVENUE, GROSS PROFIT, MARGIN



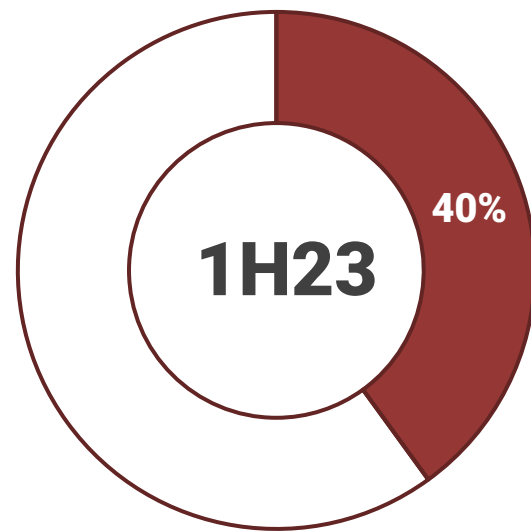
## BRANDY REVENUE, GROSS PROFIT, MARGIN



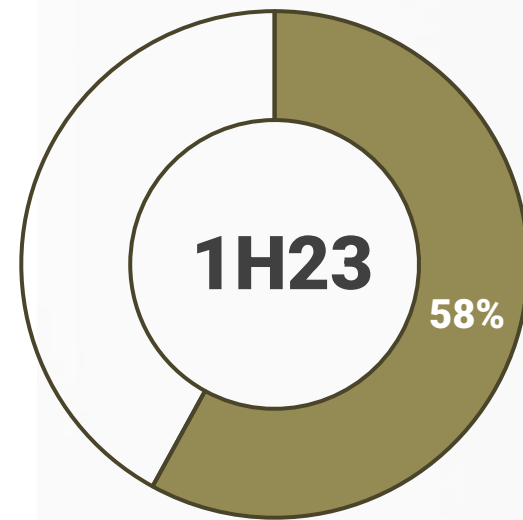


## Whisky segment now makes up a significant portion of the business

Revenues



Attributable Income



- ✓ Growth of whisky business is in line with our strategy
- ✓ Expect whisky segment to continue growth following global trends for whisky and premiumization
- ✓ Investments in expanding whisky distillery and maturation facilities underway to ensure future product availability





# Dalmore Distillery Expansion



The expansion will double the distillery's production capacity to cater future plans

Construction started towards the end of 2022 and is expected to be completed in mid-2024





# Expansion of Maturation Complex in Invergordon Distillery

Doubling footprint to 92 hectares

Will build additional warehouses for whisky aging

Project will span many years and will eventually house an additional 1.5 million casks



# Travellers International Hotel Group, Inc.

1H2023 Financial Performance

2,742

Hotel room  
keys

6

International  
Hotel Brands

77%

Hotel Occupancy  
(1H2023)

408

VIP and mass  
gaming tables

2,072

Slots



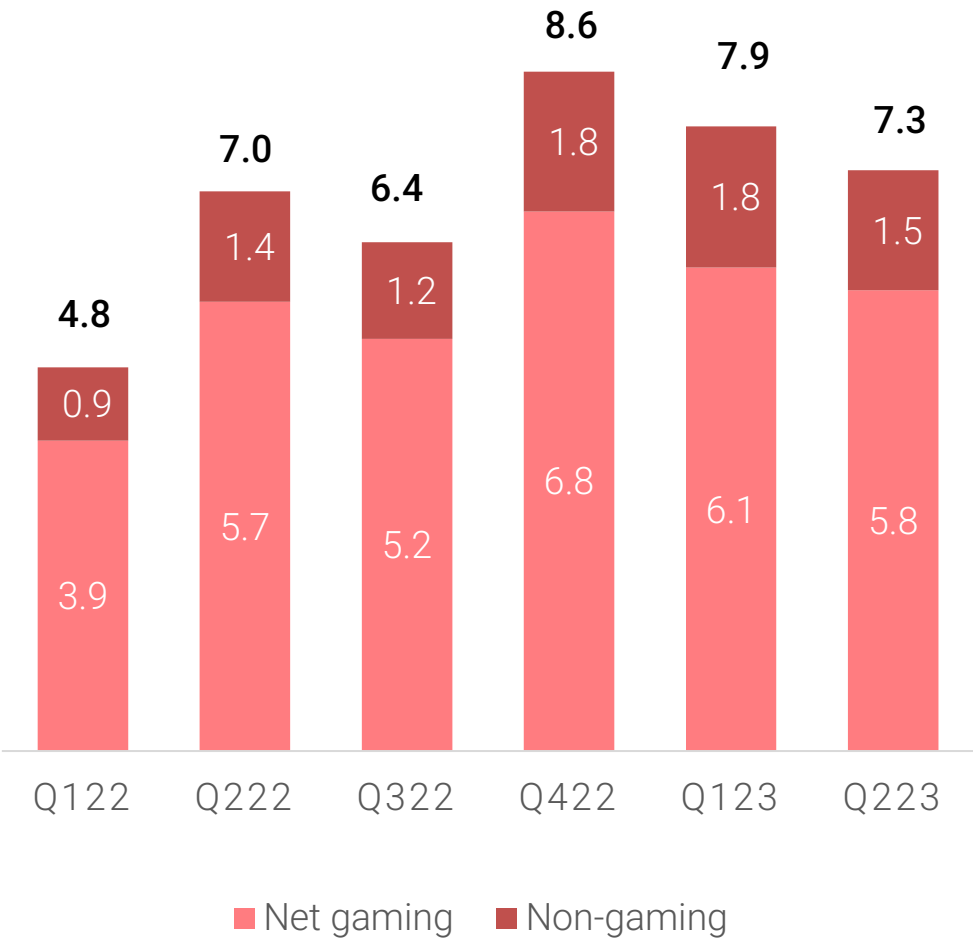
# NWR 2Q23/1H23 financial performance

P&L summary (Pbn)	2Q2023	1Q2023	QoQ chg	2Q2022	YoY chg	1H2023	1H2022	YoYchg	
<b>Gross gaming revenue</b>	<b>8.7</b>	8.9	<b>-2%</b>	<b>8.2</b>	<b>7%</b>	<b>17.6</b>	<b>14.7</b>	<b>20%</b>	
Mass	3.7	3.4	10%	3.2	18%	7.1	4.9	43%	
VIP	5.0	5.5	-9%	5.0	0%	10.5	9.8	8%	
Less: promotional allowance	(2.9)	(2.8)	5%	(2.5)	16%	(5.7)	(5.1)	11%	
<b>Net gaming revenue</b>	<b>5.8</b>	6.1	<b>-5%</b>	<b>5.6</b>	<b>3%</b>	<b>11.9</b>	<b>9.6</b>	<b>25%</b>	• GGR expansion driven by the sustained recovery in the mass segment and continued improvement in VIP business capped by base effect.
<b>Non-gaming revenue</b>	<b>1.5</b>	1.8	<b>-15%</b>	<b>1.4</b>	<b>9%</b>	<b>3.3</b>	<b>2.3</b>	<b>43%</b>	• Non-gaming revenues boosted by improving hotel occupancy rates (at 77%) and significant rise in REVPAR with increased staycations and MICE activities.
<b>Net Revenue</b>	<b>7.3</b>	7.9	<b>-7%</b>	<b>7.0</b>	<b>4%</b>	<b>15.2</b>	<b>11.9</b>	<b>28%</b>	
<b>EBITDA</b>	<b>2.2</b>	2.1	<b>1%</b>	<b>1.6</b>	<b>31%</b>	<b>4.3</b>	<b>3.0</b>	<b>42%</b>	
<b>EBIT</b>	<b>1.2</b>	1.2	<b>0%</b>	<b>0.7</b>	<b>74%</b>	<b>2.4</b>	<b>1.3</b>	<b>91%</b>	
<b>Attributable Income</b>	<b>0.5</b>	0.3	<b>37%</b>	<b>0.2</b>	<b>104%</b>	<b>0.8</b>	<b>0.0</b>	<b>4355%</b>	
Margins									• All margin metrics improved, supported by sharp drop in controllable costs.
<i>EBITDA margin</i>	29.4%	27.2%	Up	23.4%	Up	28.3%	25.5%	Up	
<i>EBIT margin</i>	16.6%	15.4%	Up	10.0%	Up	16.0%	10.7%	Up	
<i>Attributable profit margin</i>	6.2%	4.2%	Up	3.2%	Up	5.2%	0.1%	Up	

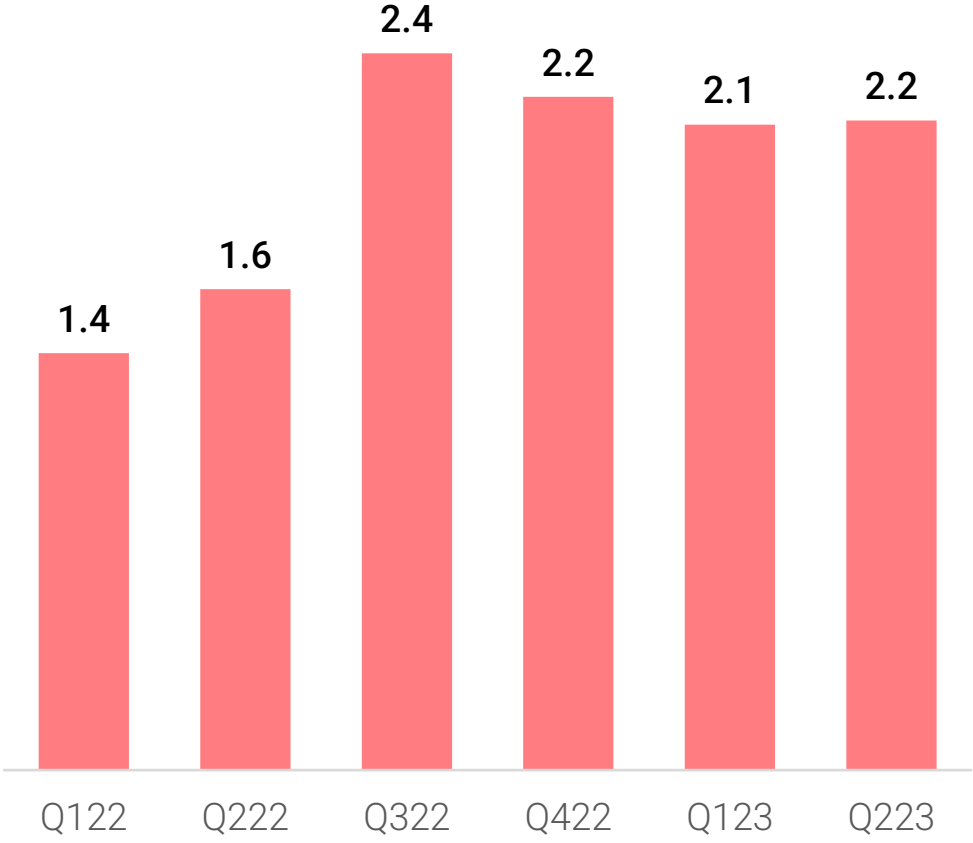


# NWR quarterly performance

## NET REVENUES



## EBITDA



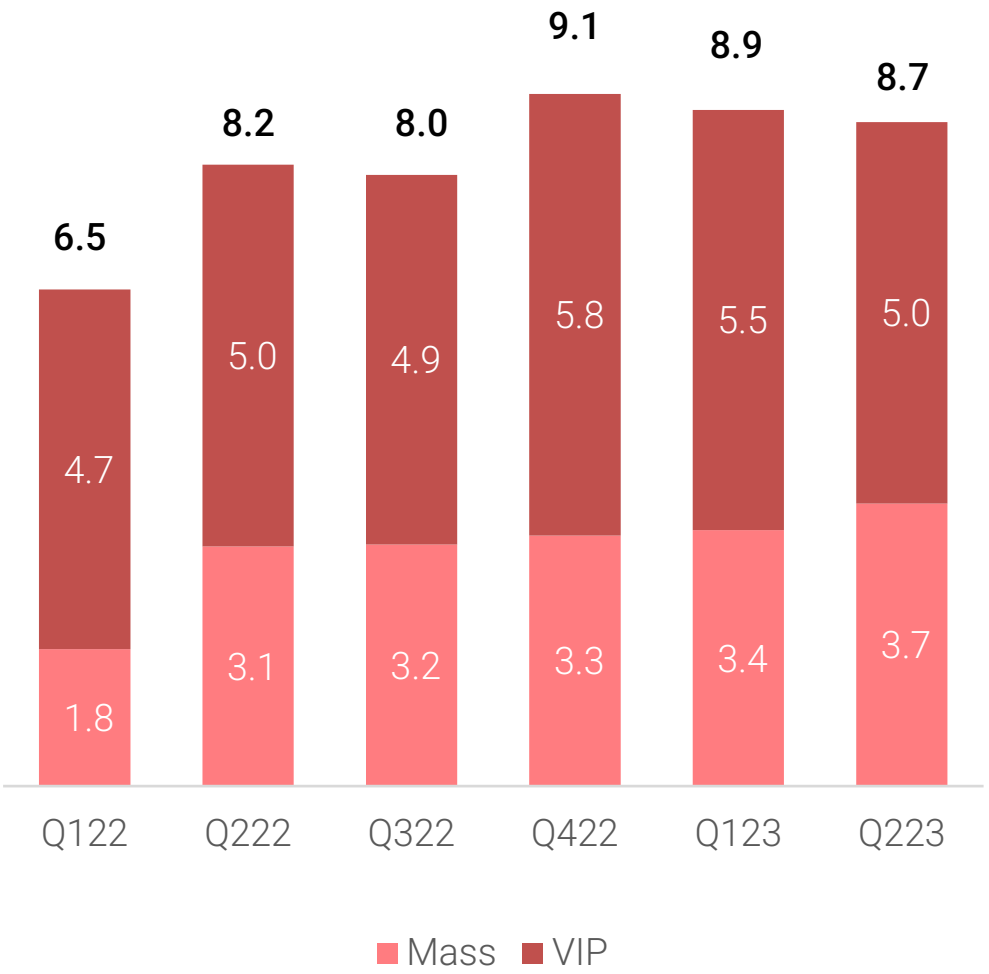
All items are in billion pesos.



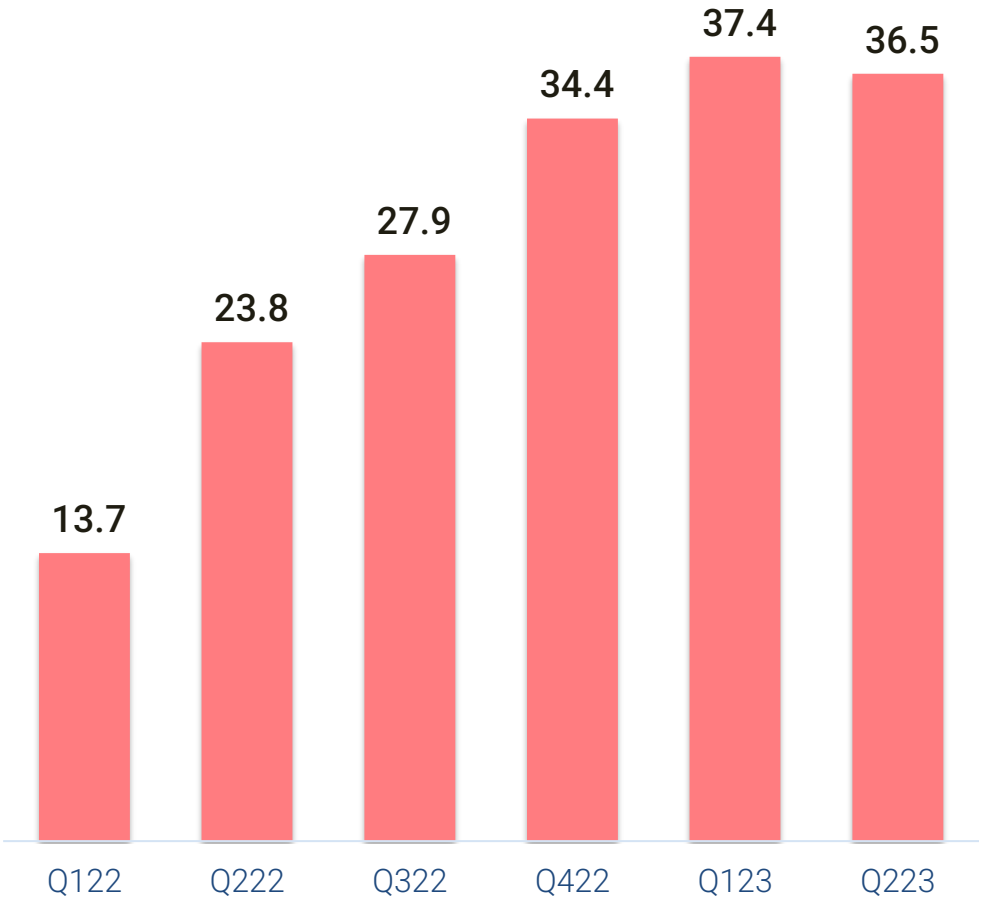


# NWR quarterly performance

GGR: Mass vs VIP



Average Daily Visitors



All items are in billion pesos except average daily visitors.('000)



# Play Live Casino Games Online!



## Play on the go

At home or at the office,  
play wherever you are



## Mobile Friendly

No need for a computer to play. You  
can use your phone or tablet.



## Win real money

Win the jackpot and get your  
winnings in real money



## Real Slot Machines

Play the actual slot machines and  
not a simulation





THE WHISKY LIBRARY

# THE WHISKY LIBRARY







# Golden Arches Development Corporation

1H2023 Financial Performance

**702**

Store  
Count

**511**

McDelivery  
hubs

**413**

Stores with  
Drive-thru

**497**

NXTGEN  
stores



# GADC 2Q23/1H23 financial performance



P&L summary (Pbn)	2Q2023	1Q2023	QoQ chg	2Q2022	YoY chg	1H2023	1H2022	YoYchg
<b>Systemwide Sales</b>	<b>18.0</b>	17.2	4%	14.7	23%	<b>35.2</b>	27.4	29%
<b>Sales Revenues</b>	<b>10.2</b>	9.9	3%	8.2	25%	<b>20.2</b>	15.4	31%
Sales by co. restos	9.3	9.0	3%	7.5	25%	18.3	14.0	31%
Rent, royalty & others	0.9	0.9	3%	0.8	22%	1.8	1.4	28%
<b>Gross Profit</b>	<b>2.4</b>	2.3	1%	2.0	21%	<b>4.7</b>	3.7	28%
<b>EBITDA</b>	<b>1.6</b>	1.6	1%	1.7	-3%	<b>3.2</b>	2.9	9%
<b>EBIT</b>	<b>0.9</b>	0.9	-1%	0.9	2%	<b>1.8</b>	1.6	13%
<b>Attributable Income</b>	<b>0.6</b>	0.4	32%	0.5	9%	<b>1.0</b>	0.8	27%
Margins								
Gross Profit Margin	23.2%	23.6%	Down	23.9%	Down	23.4%	23.8%	Down
EBITDA margin	15.7%	16.0%	Down	20.2%	Down	15.9%	19.0%	Down
EBIT margin	8.8%	9.1%	Down	10.8%	Down	9.0%	10.4%	Down
Attributable profit margin	5.4%	4.2%	Up	6.2%	Down	4.8%	5.0%	Down

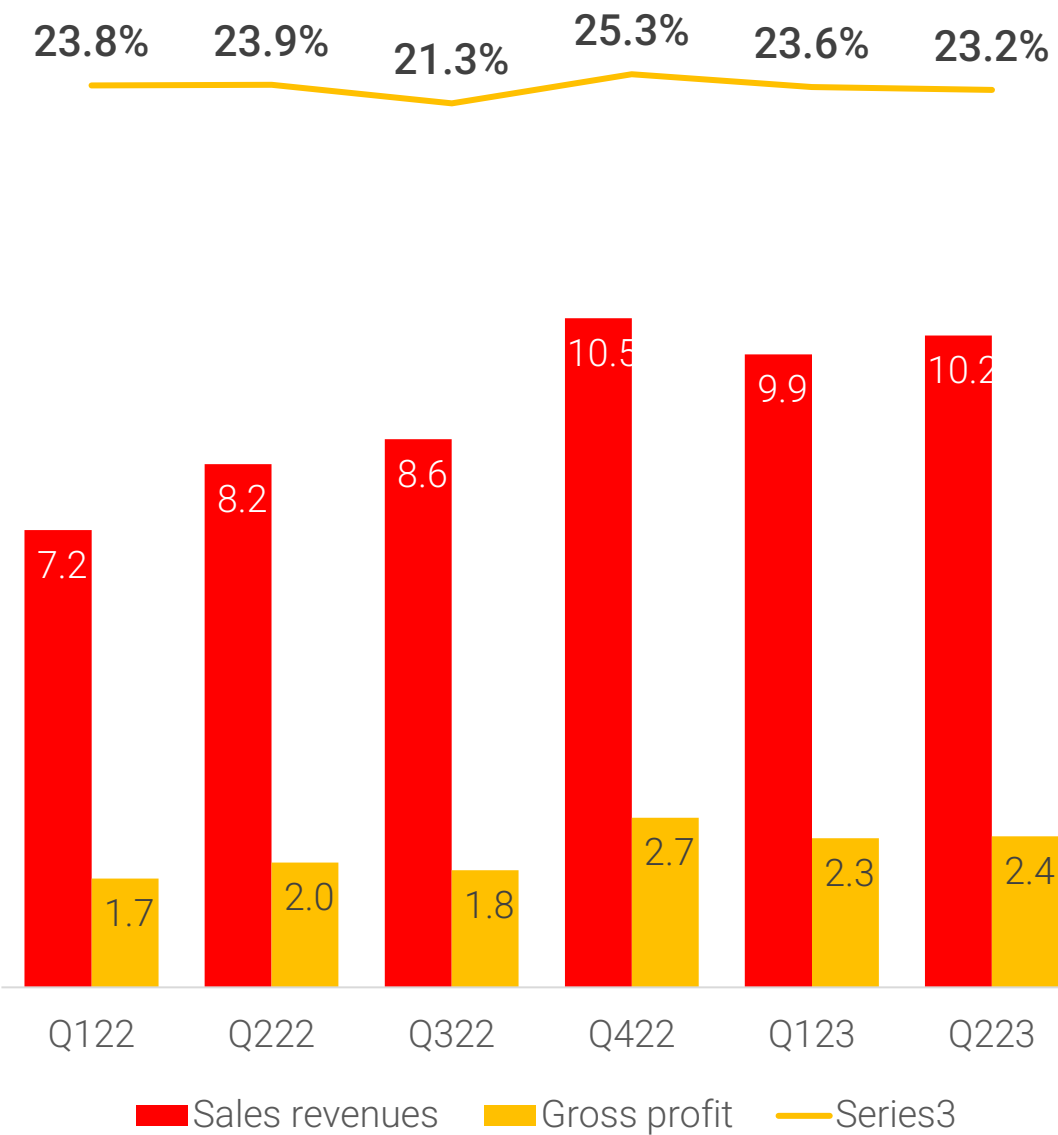
- Strong growth in systemwide sales, benefiting from rising discretionary spending and increasing mobility.
- Margins generally steady despite ongoing cost pressures from inventory, personnel costs, rent and A&P – reflecting overall operating efficiencies
- Store count stood at 702 as at end-Jun.



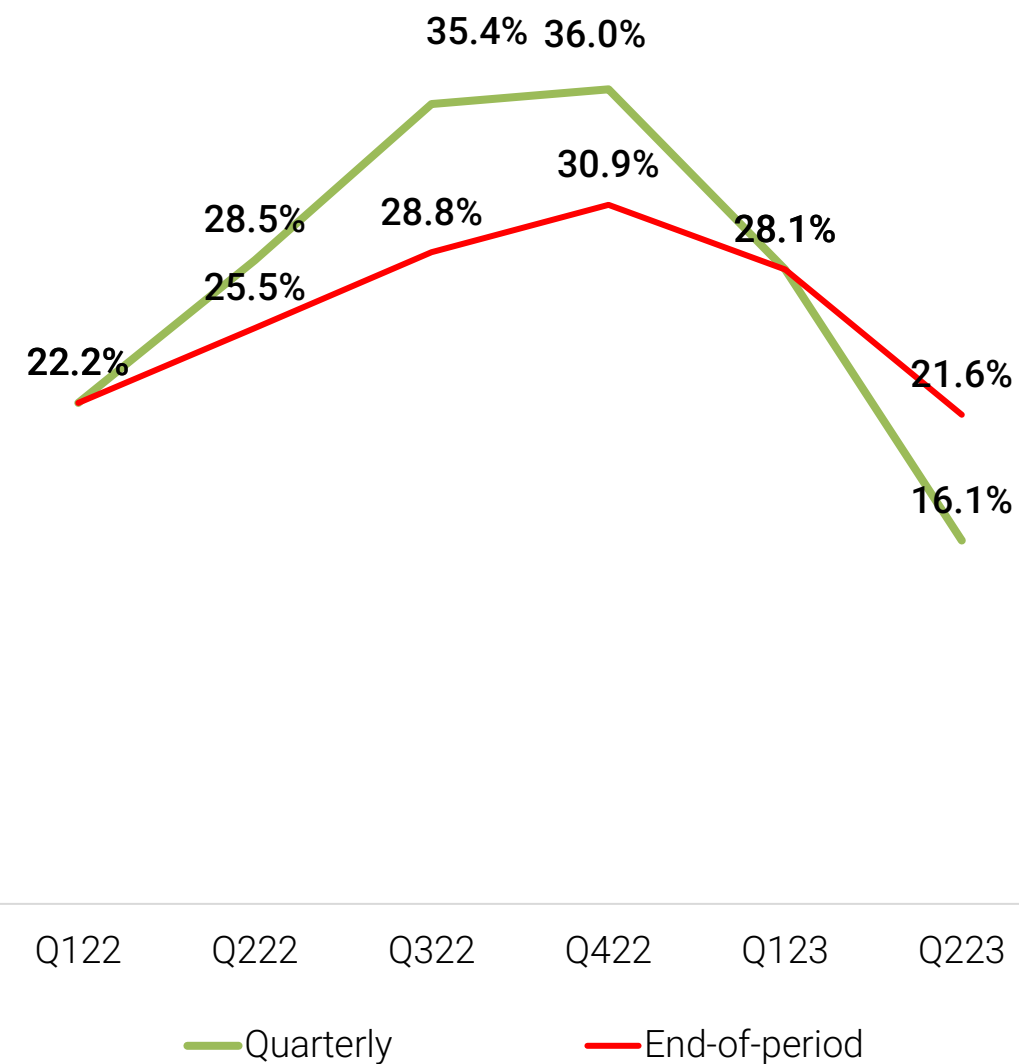
# GADC quarterly performance



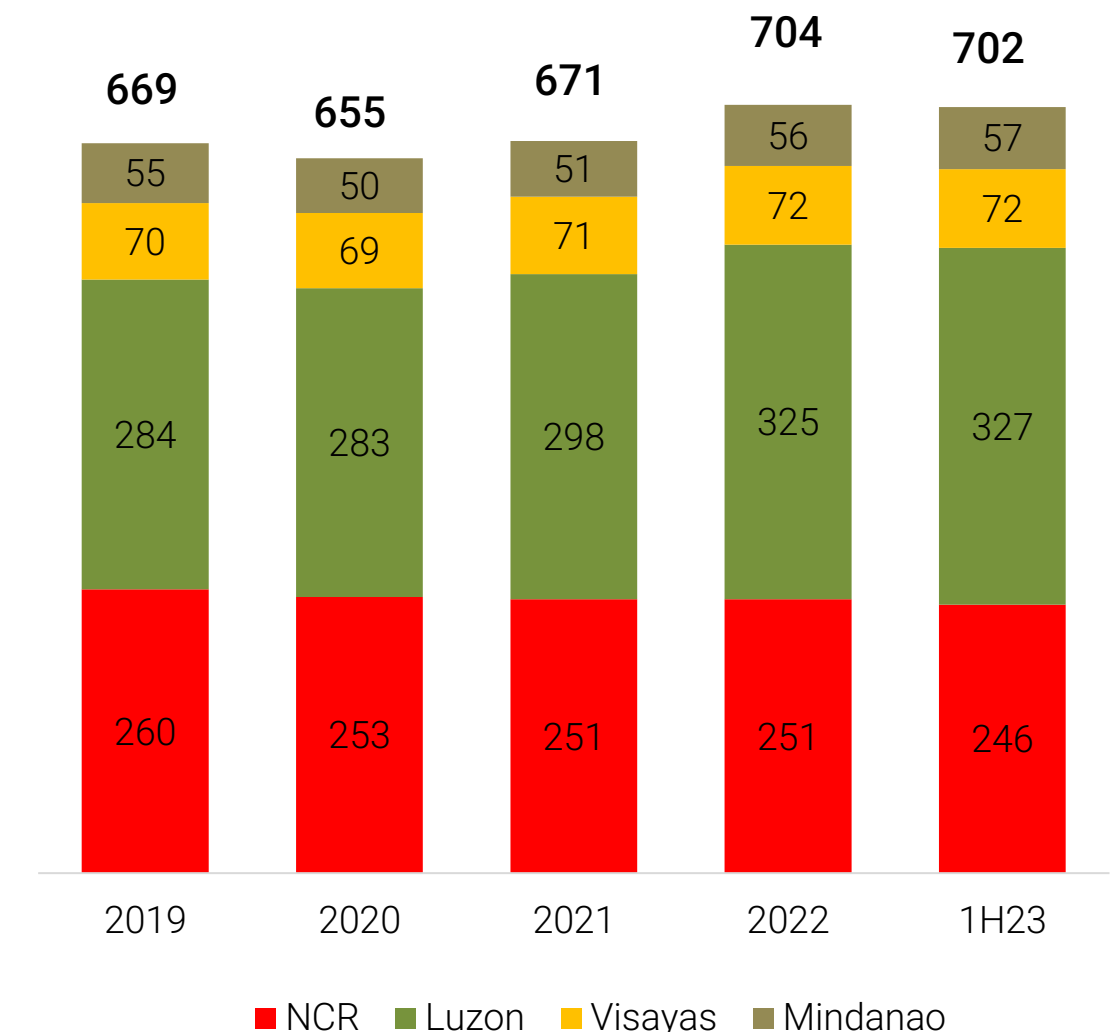
## SALES, GROSS PROFIT, MARGIN



## SYSTEMWIDE SAME-STORE SALES GROWTH



## NUMBER OF STORES



Sales revenues and Gross Profit are in billion pesos.





**McDonald's**

**702 stores**

**1H2023**

**50 new stores**

**2023 Target**





**GREEN & GOOD**  
is growing bigger in  
**McDonald's**  
**BIGA, SILANG!**

**20<sup>th</sup> store  
that runs on  
solar power**

*As of August 11, 2023*



**Solar Lampposts**  
Use of renewable energy to keep the store bright at night!

**High Performance Glass Film**  
Improves internal store temperature and interior visibility!

**Concrete Fiber**  
Use of fiber as an alternative for steel bar reinforcement on the driveway!

**Eco-Pavers & Eco-Bricks**  
Partially made from recycled plastic for walkways and walls.

**Solar Rooftop**  
Alternative source of clean and renewable energy!





## Key Takeaways

- AGI continued to record strong financial and operating performance in 1H23 across all business segments.
- While we have seen inflationary pressures, we have generally kept controllable costs at bay, indicating our efforts to maintain cost efficiencies.
- We have allocated an aggressive capex budget of P70bn this year, but will maintain overall financial prudence.
- We will continue to work hard to keep the growth momentum going for each of our business segments.





 ALLIANCE GLOBAL



# A Premium-Lifestyle Conglomerate



**First Half 2023  
Analysts' Briefing**

August 14, 2023