

1H 2020 UNAUDITED RESULTS INVESTORS BRIEFING

August 13, 2020



Lance Y. Gokongwei
President & CEO

Mike P. Liwanag
SVP, Chief of Staff to the CEO & IR

Agenda

1H2020 Unaudited Results

Business Updates, Plans and Prospects

1H 2020 Unaudited Results

JGS: Higher food & banking profits tempered COVID-19's full 2Q impact on heavily affected segments

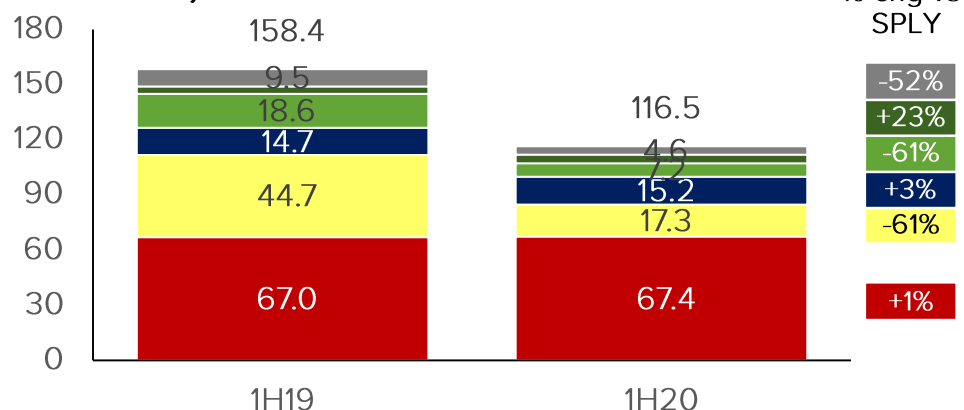
	In billion pesos			Growth (%) vs SPLY		
	1Q20	2Q20	1H20	Q1	Q2	1H
Revenues	67.9	48.6	116.5	-10%	-42%	-26%
Core net income after taxes	4.3	(2.8)	1.4	-19%	NM	-89%
Net income*	1.9	(2.6)	(0.7)	-71%	NM	NM
Net income* excluding CEB	2.7	2.8	5.5	-35%	-67%	-56%

*attributable to equity holders of the parent

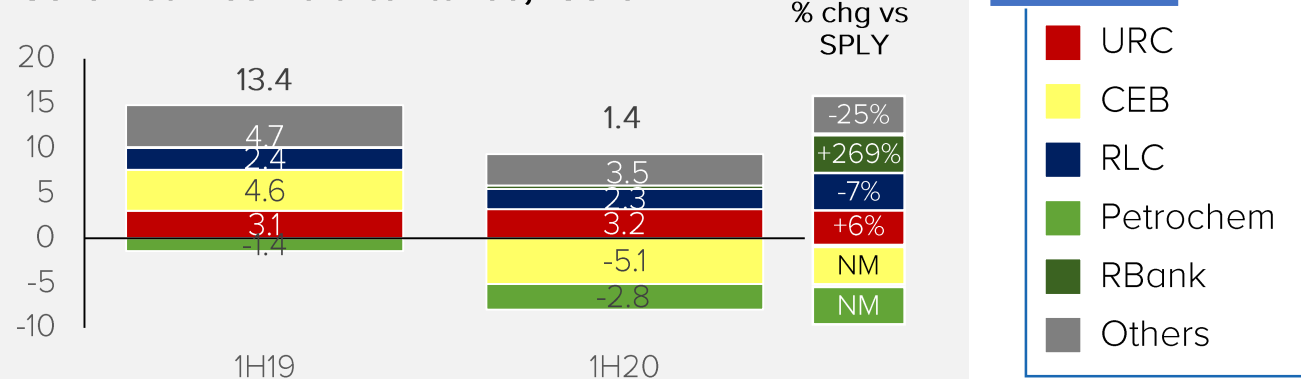
- Topline fell due to flight restrictions in CEB, lower volumes & selling prices in Petrochem, and lower earnings from our core investments. These were slightly tempered by URC, RLC, RBank and higher PLDT dividends
- 1H20 ended with core net income of Php1.4bn as the strong margin expansion in food and banking cushioned the negative impact of the ECQ on CEB's & RLC's operations, as well as the lower margins in Petrochem
- CEB's accounting change-driven fuel hedging losses and Meralco's one-off impairment recognition further led to a net loss for the period

Segment Breakdown (in billion pesos)

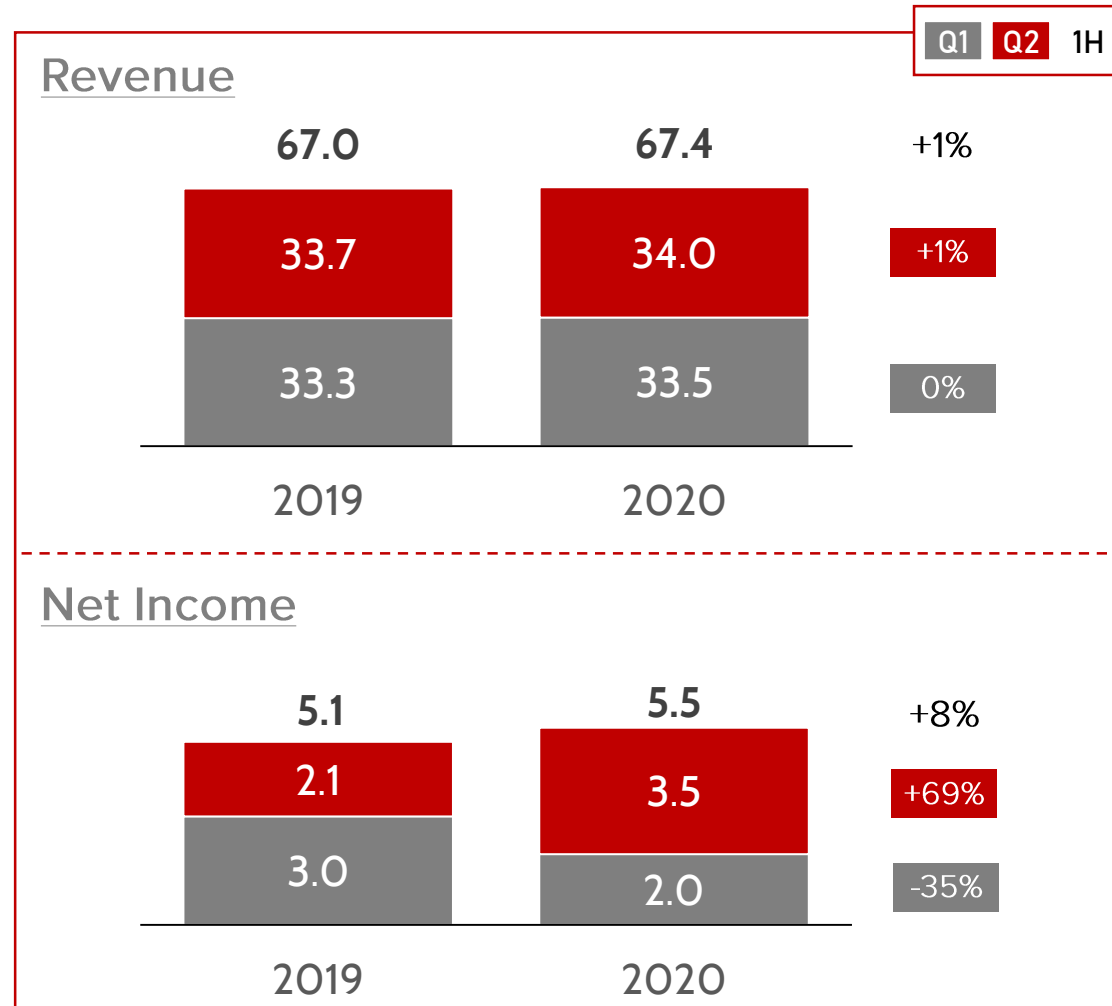
Revenues, -26%



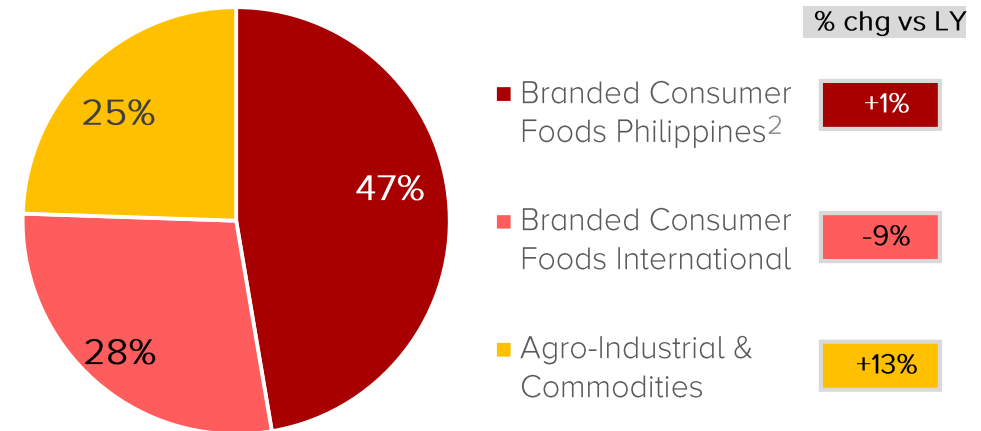
Core net income after taxes, -89%



URC: Favorable mix and spend controls led to better than expected margin expansion

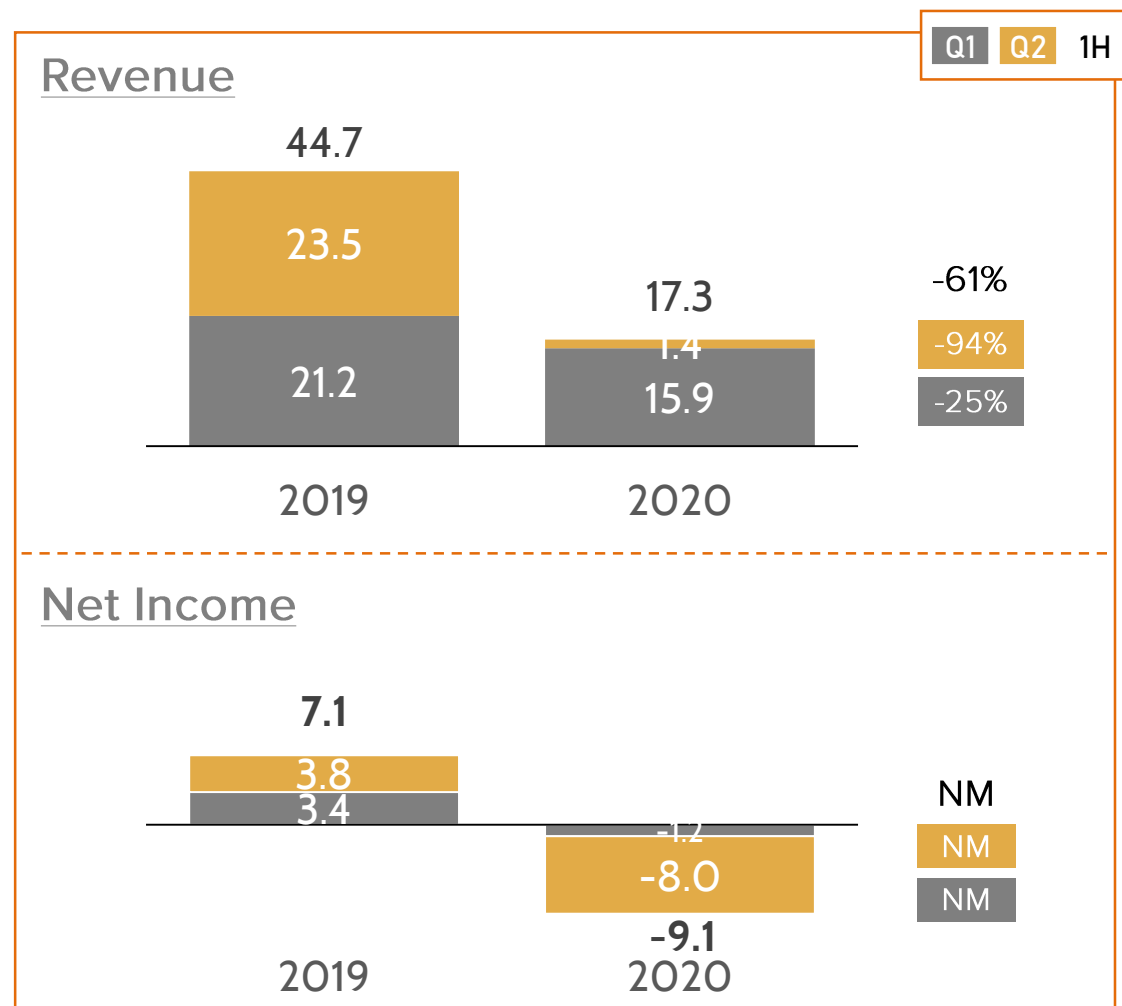


Revenue Breakdown, 1H2020

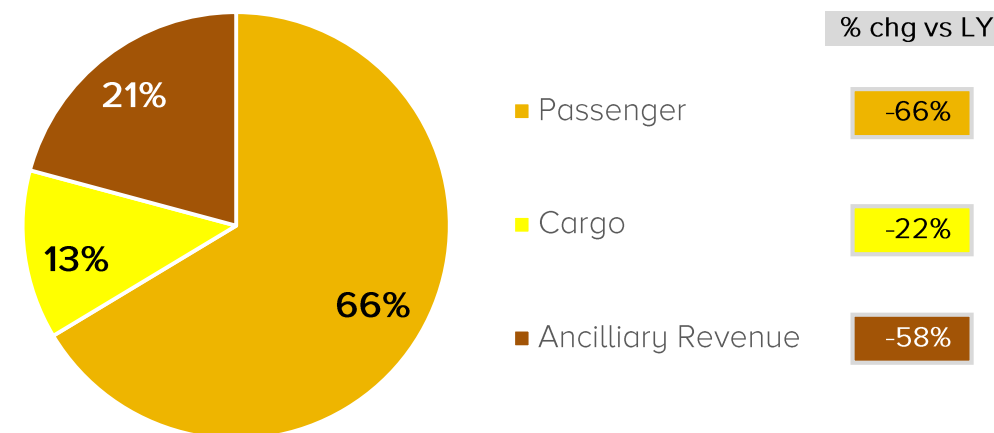


- Strong revenue growth in BCF PH's snacks, bakery, coffee and noodles, and AIC's Commodity Foods Group pulled up the decline in BCF International
- Significant margin expansion in Q2 on the back of favorable mix in BCF PH coupled with OPEX control and cost savings across the group

CEB: Topline and margins remain challenged due to flight restrictions

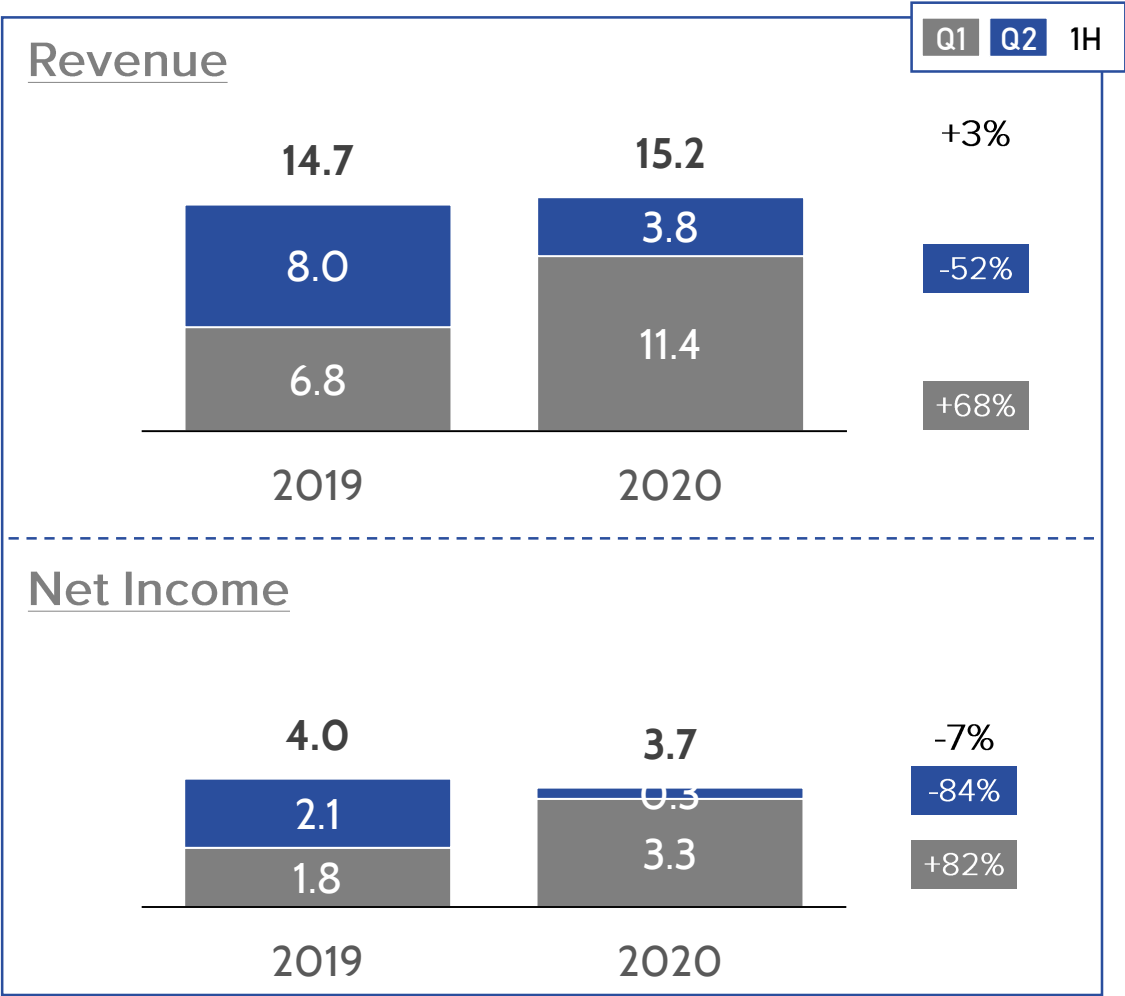


Revenue Breakdown, 1H2020

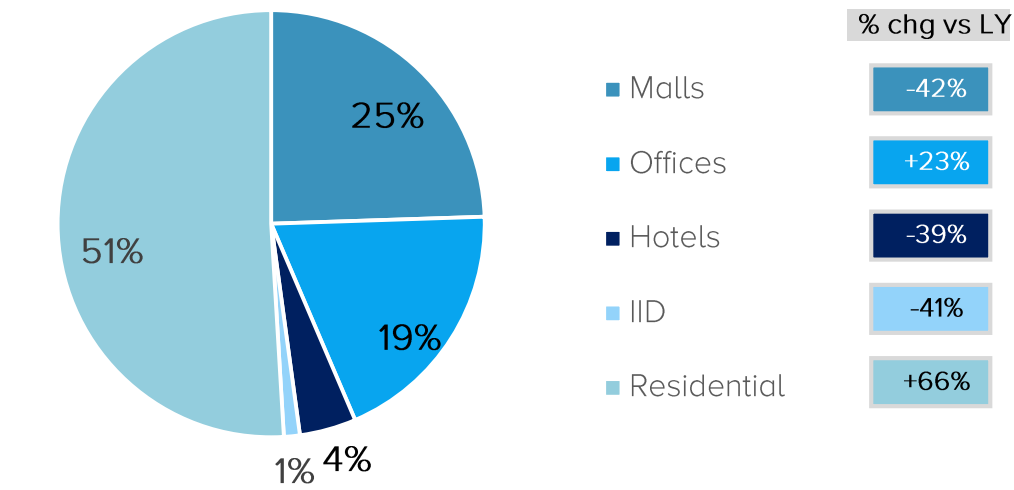


- The Covid-19 situation drove flight restrictions and cancellations leading to a significant drop in topline
- Lower passenger volumes and accounting change-driven fuel hedging losses dragged profitability

RLC: Well-diversified portfolio cushioned the decline in malls and hotels



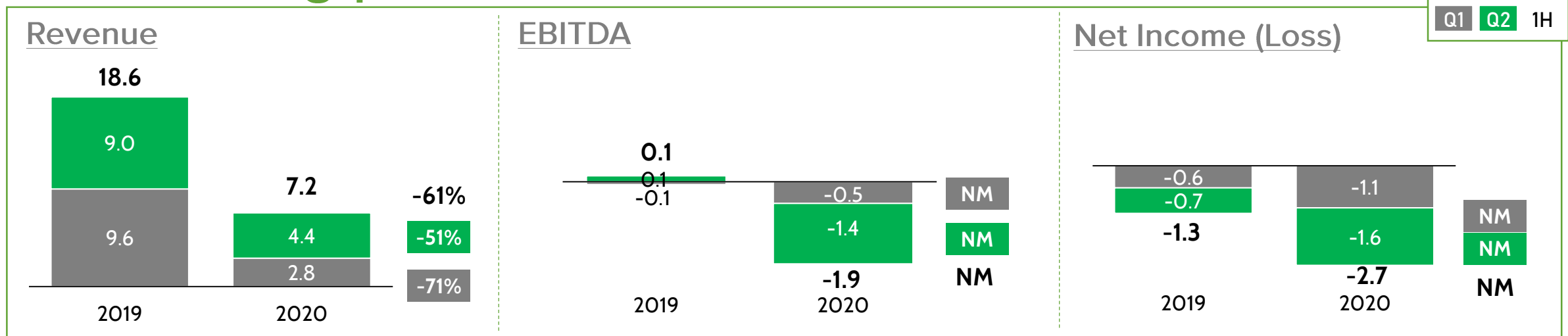
Revenue Breakdown, 1H2020



- The steady performance of offices and warehouses, and the adoption of a new accounting policy for the residential division tempered the revenue drop in malls and hotels
- Net Income weakened due to higher depreciation cost and interest expense

(1) In PHP billions, except ratios

Petrochem: Planned facility shutdown in 1Q, reduced customer operations during ECQ and lower selling prices led to 1H losses

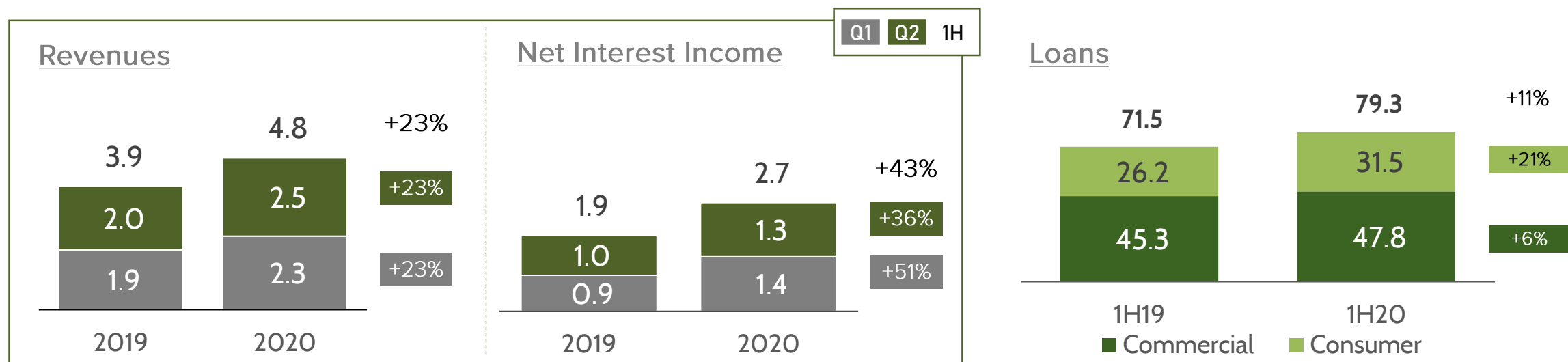


- Drop in crude and petrochemicals selling prices as well as lower sales volumes due to ECQ drove revenue decline
- Weaker sales and lower gross margins across all product segments coupled with higher depreciation expense led to negative profits

SALES VOLUME (MT)	1H19	1H20	%chg
*C2 (Ethylene)	25,567	-	NM
*C3 (Propylene)	6,345	1,608	-75%
Pygas	113,936	47,791	-58%
Mixed C4	46,995	-	NM
PE	138,950	85,985	-38%
PP	78,135	55,259	-29%
TOTAL	409,928	190,643	-53%

*After eliminations

RBank: Sustained its solid performance on the back of wider NIMs and higher trading gains



- Consolidated loan portfolio expanded 11% to Php79.3 billion, led by faster growth in consumer loans
- Net interest income accounted for 74% of net revenues
- Current consolidated network of 168⁽²⁾ branches and 347 ATMs

Consolidated (Php Bn)	1H19	1H20	Growth
Assets	123.3	137.7	12%
Equity	16.4	18.2	11%
Gross TLP	71.5	79.3	11%
Gross NPLs	1.3	1.9	43%
Net NPL Ratio	1.1%	0.6%	
NPL Coverage Ratio ⁽³⁾	134.9%	123.4%	
Capital Adequacy Ratio	19.2%	17.3%	
Tier 1 Ratio	18.7%	16.4%	

JGS: Balance sheet remains healthy

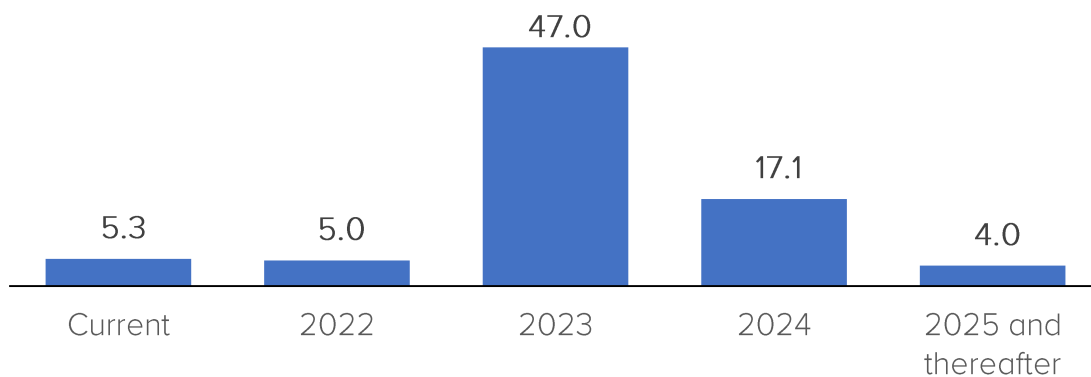
Consolidated

	Dec 2019	Jun 2020	Growth
Cash(1)	58.7	66.9	14%
Financial Debt	273.0	292.9	7%
Total LT Debt	218.9	233.4	7%
FX-Denominated	118.6	111.7	-6%
Net Debt	214.3	226.0	5%
D/E Ratio	0.7	0.7	
Net D/E Ratio	0.5	0.6	

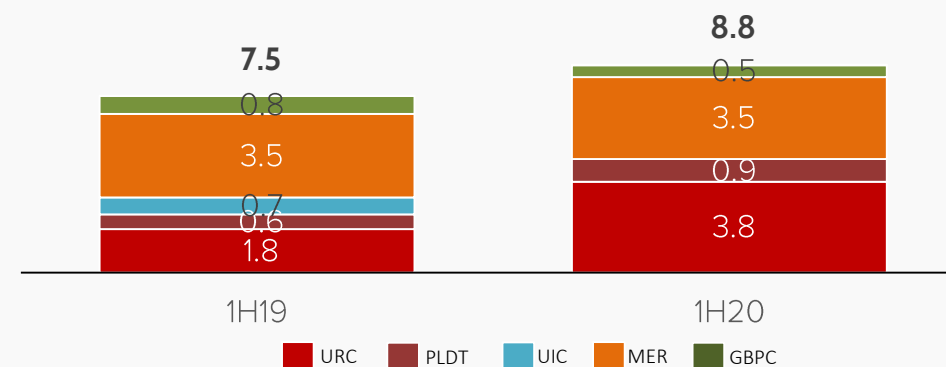
Parent

	Dec-19	Jun 2020	Growth
Cash	10.1	17.5	73%
Total LT Debt	74.7	78.2	5%
Total ST Debt	11.4	10.1	-11%
Net Debt	76.0	70.8	-7%
Blended Cost of LT Debt	4.69%	4.31%	
Blended Avg. Remaining Life	3.3 yrs	2.9 yrs	

Schedule of parent LT debt maturities



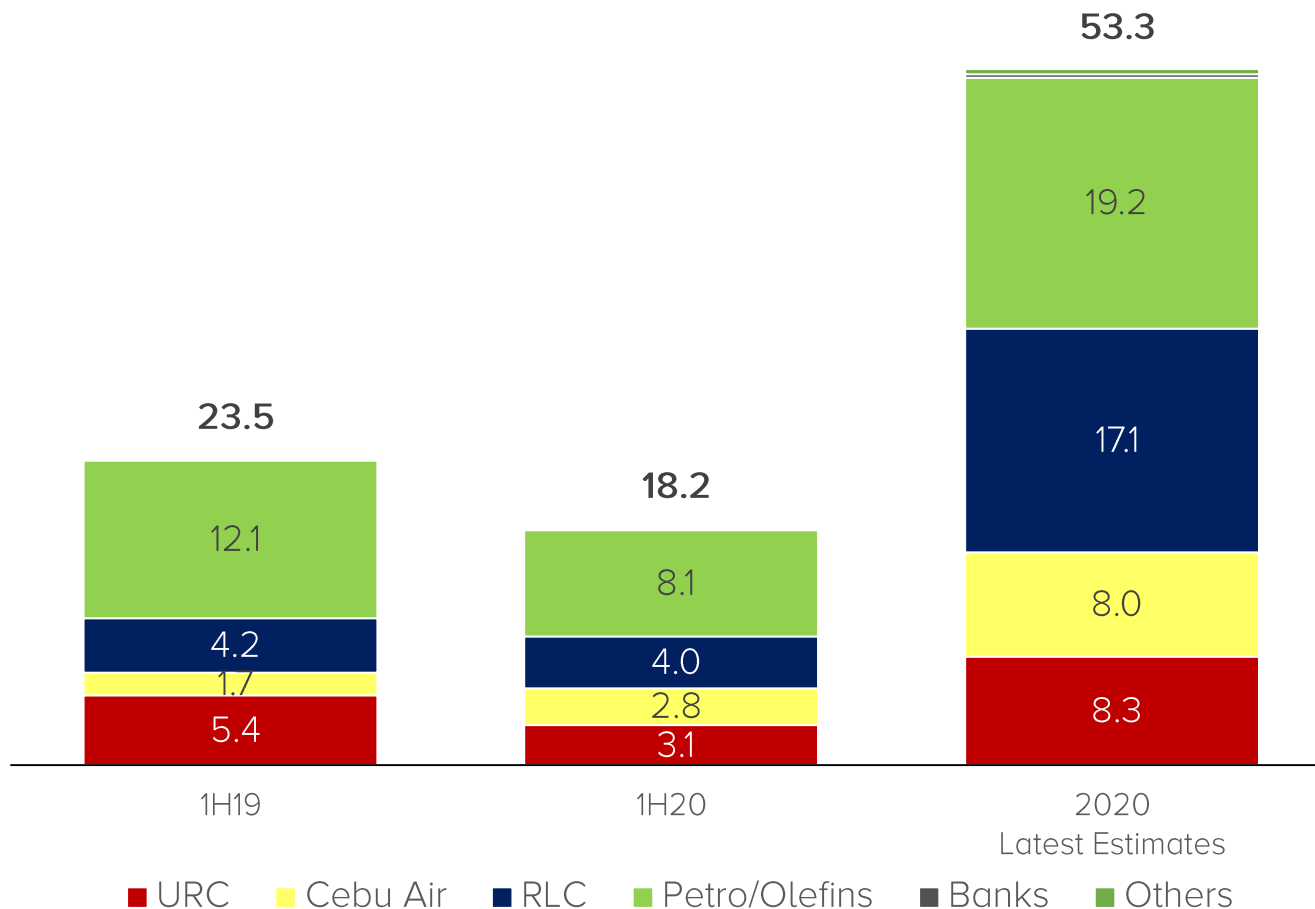
Stable recurring dividends



In PHP billions, except ratios

(1) Cash, FVPL and FVOCI investments from Robinsons Bank and PLDT are excluded

Further trimmed FY20 capex estimates vs original budget of Php83B



1H2020 CAPEX Spending



- BCF PH's Mega DC and transfer of lines
- International & AIC's capacity expansions



- Development of malls, offices, hotels and warehouse facilities
- Construction of residential projects
- Land acquisitions



- Spare engines
- Ground and non-flight equipment



- Expansion projects
- Machineries and equipment



- Business Development Initiatives

Business Updates, Plans and Prospects



JG SUMMIT
HOLDINGS, INC.

- Remains focused on employee health and welfare, operations and supply chain continuity of our key business units, measures to manage cash, costs and liquidity, and helping communities
- Continues to accelerate digital transformation and embed customer-centricity across the group
- DSSI, JGS' joint venture with DHL, has begun its operations last July starting with the transition of URC's land transport requirements in Luzon
- JGS issued a 10-year bond due 2030 amounting to US\$600million at 4.125% for general corporate purposes



- Continues to strengthen health and safety protocols in the workplace
- Managed the supply chain better to ensure product availability
- Adapted alternative shopping channels such as Telesales, Direct to Consumers, Distributor Social Commerce, and eCommerce selling
- Accelerating the transformation programs in supply chain (i.e. lean manufacturing to enhance productivity)



ROBINSONS LAND
CORPORATION

- Successfully raised Php13.2 billion from recent bond offering last July with 3 year and 5 year tenors
- Implemented cash conservation measures such as keeping CAPEX spending at a minimum
- Repatriated \$75M of our initial capital in Chengdu Ban Bien Jie project back to RLC; Second batch of residential units are already sold out
- Growth prospects remain to be strong with target launches of new properties in the investment portfolio by 2021

Business Updates, Plans and Prospects



- Cargo remains active during the quarantine period; CEB gradually recommenced flight operations last June 3, beginning with domestic flights on a general community quarantine (GCQ) to GCQ city pair basis
- Continues to focus on reducing costs, and managing liquidity and cash requirements through various programs for customers, suppliers and employees, CAPEX reduction and fleet plan
- Long-term initiatives include right-sizing network & reshaping fleet plan; push for efficient operations via zero-based design; optimizing cost per ASK through various cost reduction measures; and implementing in depth scenario and financial planning



- The cracker has been operating at 100% since June 2020 while the polymer plants are averaging 95%-100% run rates based on planned production schedules
- Continues to adjust to the “new normal” in offices, plant and project sites, with necessary health and safety protocols set up to help protect workers while the pandemic is still ongoing
- Construction for the projects has resumed since the implementation of GCQ
- JGSPG is now preparing for expanded operations and upcoming new products which are scheduled to come onstream in 2021



- In line with its digitalization efforts, RBank launched *RBank Sign UP*, an app for new users in opening a bank account; and *RBank QuickR*, a cashless payment solution that allows RBank merchants to receive payments from RBank customers using a QR code
- RBank was chosen as a digital payment partner by the Department of Social Welfare and Development for the government’s Social Amelioration Program
- For the second year, RBank has been named as the Philippines’ Fastest Growing Commercial Bank at the 2020 Global Business Outlook Awards

Thank You!

Appendix

Corporate Structure



Market Capitalization:
₱439.8 bn

CORE BUSINESSES

Strengthen and drive the full potential of these BUs

Food & Beverage



Stake: 55.3%
Mkt Cap: ₱298.4 bn
Att Mkt Cap: ₱164.9 bn

Air Transportation



Stake: 67.9%
Mkt Cap: ₱22.6 bn
Att Mkt Cap: ₱15.3 bn

Real Estate



Stake: 61.0%
Mkt Cap: ₱71.7 bn
Att Mkt Cap: ₱43.7 bn

Petrochemicals



Stake: 100.0%

ECOSYSTEM PLAYS

Leverage on the synergies available within our extensive network of businesses

Infrastructure



Stake: 33.0%

Technology



Stake: 100.0%
DAVI
Stake: 45.2%

Logistics



Stake: 50.0%

GROWTH BUSINESS

Accelerate and invest in new verticals with potential to become part of our core businesses

Banking



Stake: 60.0%

Identify new plays

CORE INVESTMENTS

Maximize value through their steady stream of cash flows and capital appreciation

Power



Stake: 29.6%
Mkt Cap: ₱300.7 bn
Att Mkt Cap: ₱88.9 bn



Stake: 30.0%

Real Estate



Stake: 37.0%
Mkt Cap: ₱106.3 bn
Att Mkt Cap: ₱39.4 bn

Communications



Stake: 11.3%
Mkt Cap: ₱300.1 bn
Att Mkt Cap: ₱33.8 bn

Balance Sheet

(Php Millions)	As of Dec 2019	As of Jun 2020
Cash & cash equivalents (including Financial assets at FVPL and financial assets at FVOCI)	88,415	92,374
Other current assets	145,740	155,209
Investments in Associates and JVs - net	151,692	150,245
Property, plant, and equipment	259,243	261,782
Other noncurrent assets	283,219	288,009
TOTAL ASSETS	928,310	947,619
Current liabilities	245,139	255,279
Noncurrent liabilities	274,523	283,324
TOTAL LIABILITIES	519,662	538,603
Stockholders' Equity	304,812	307,329
Non-Controlling Interest	103,836	101,687
TOTAL EQUITY	408,647	409,016

Income Statement

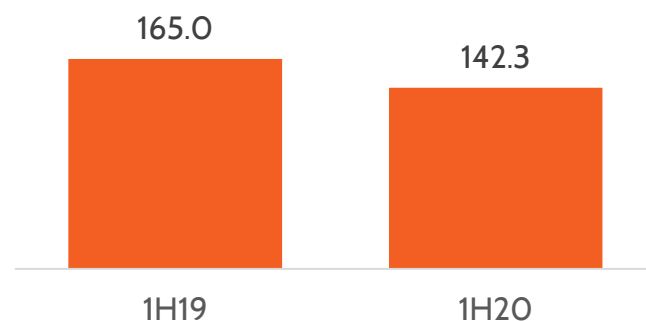
(Php Millions)	1H19	1H20	YoY
REVENUES	158,438	116,520	-26%
Cost of sales and services	99,262	78,391	-21%
GROSS INCOME	59,176	38,129	-36%
Operating Expenses	28,326	29,476	4%
OPERATING INCOME	30,849	8,654	-72%
Financing costs & other charges	(5,878)	(4,856)	-17%
Foreign exchange gain/ (loss) - net	412	522	27%
Market valuation gain/ (loss)	1,071	(2,274)	-312%
Finance income	1,180	636	-46%
Others	(303)	(69)	-77%
INCOME BEFORE TAX	27,331	2,613	-90%
Provision for Income Tax	3,548	1,704	-52%
NET INCOME	23,783	909	-96%
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	17,396	(720)	-104%
CORE NET INCOME	13,434	1,421	-89%

Performance of Minority Investments

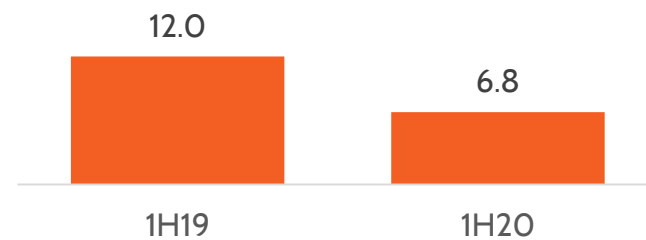
In PHP Billions



REVENUES



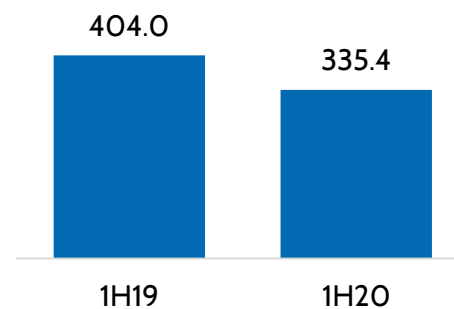
NET INCOME*



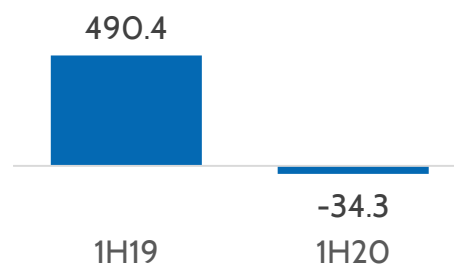
in SGD Millions



REVENUES



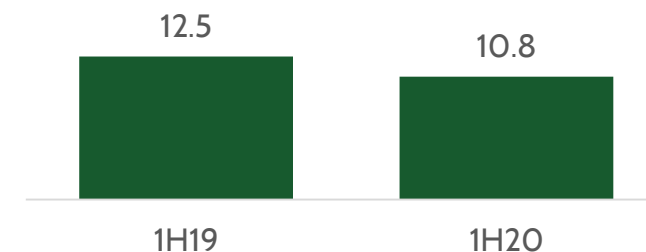
NET INCOME*



In PHP Billions



REVENUES



NET INCOME*

