

1H2021 Investors Briefing

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Agenda

- 1H2021 Unaudited Results
- Business Updates, Plans and Prospects

1H2021 Unaudited Results

Total core profit rebounds 19% YoY; surpasses pre-COVID levels excluding airline

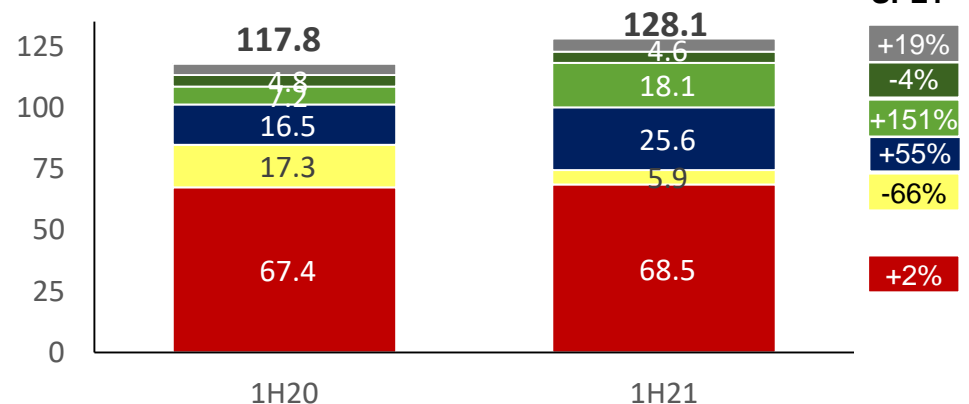
	In billion pesos			Growth (%) vs SPLY		
	1Q21	2Q21	1H21	Q1	Q2	1H
Revenues	67.6	60.5	128.1	-1%	23%	9%
Core net income after taxes	0.3	1.4	1.7	-93%	NA	19%
Net income*	0.1	0.8	0.9	-94%	NA	NA
Net income* excluding CEB	5.1	5.2	10.3	88%	86%	87%

*attributable to equity holders of the parent

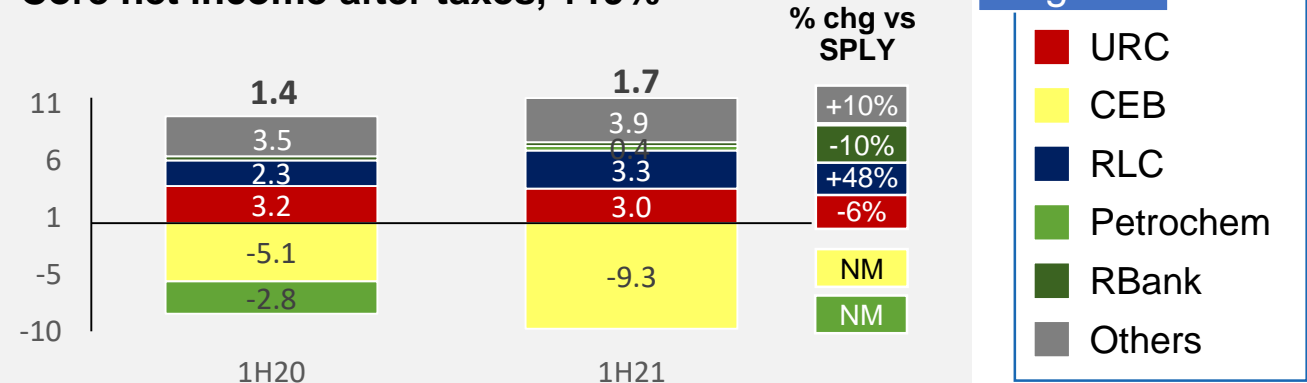
- Higher utilization in Petrochem, Chengdu contribution and lot sales in real estate, plus gradually recovering passenger flights in airline drove revenue expansion YoY; Food, banking and offices remained solid
- Excluding airline, 1H21 core net income grew 68% to Php11.0bn, which is already 24% higher than pre-covid core profits in 1H19. This was mainly driven by margin expansion in Petrochem and the resilience of other businesses. Net income increased by 87% to Php10.3bn boosted by the impact of CREATE law, and JGS' gain from GBPC sale

Segment Breakdown (in billion pesos)

Revenues, +9%



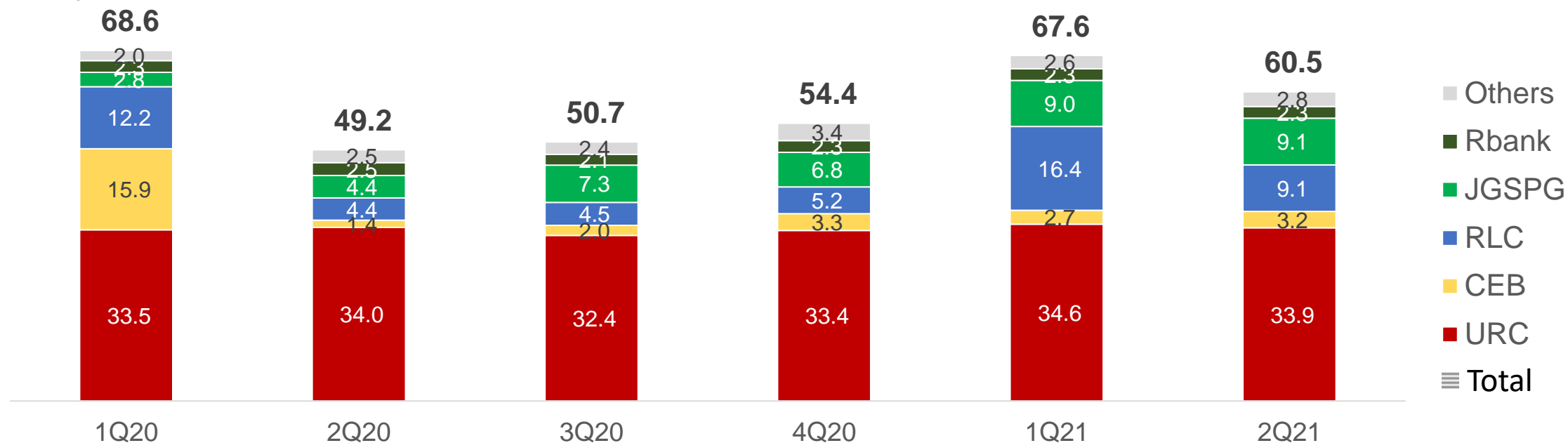
Core net income after taxes, +19%



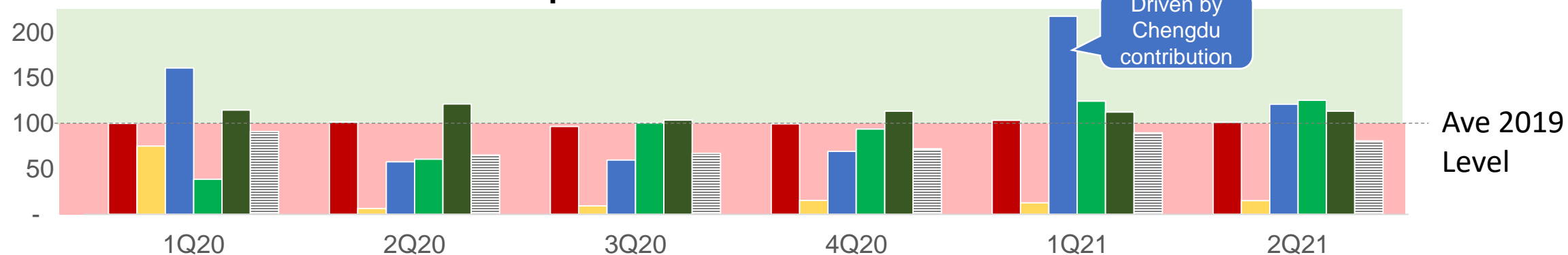
Note: Consolidated 1Q20 & 1Q21 numbers do not include SLG due to change in their SGX reporting rules from quarterly to semi-annual.

Most subsidiaries back to Pre-COVID Levels* with sustained recovery QoQ

Quarterly Revenues in PHP Billions



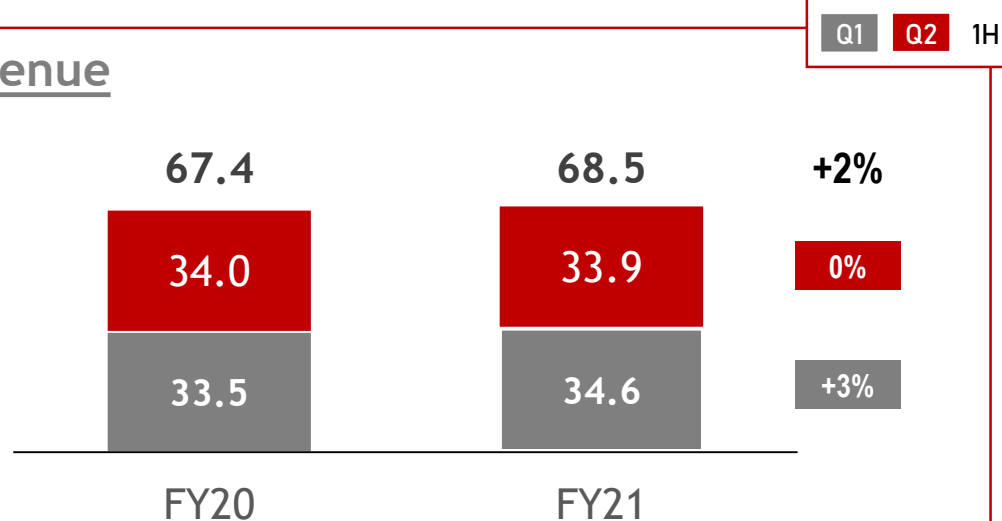
Index vs Ave 2019 Revenue Levels per SBU



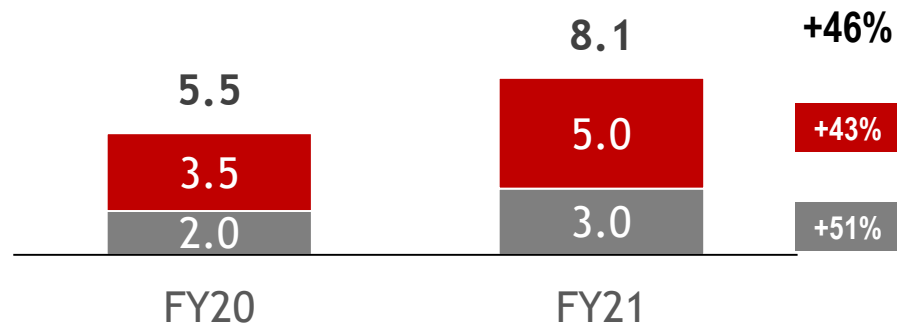
*Average quarterly 2019 revenues

URC: Overall growth cycling through high pre-COVID and pantry loading 2020 base

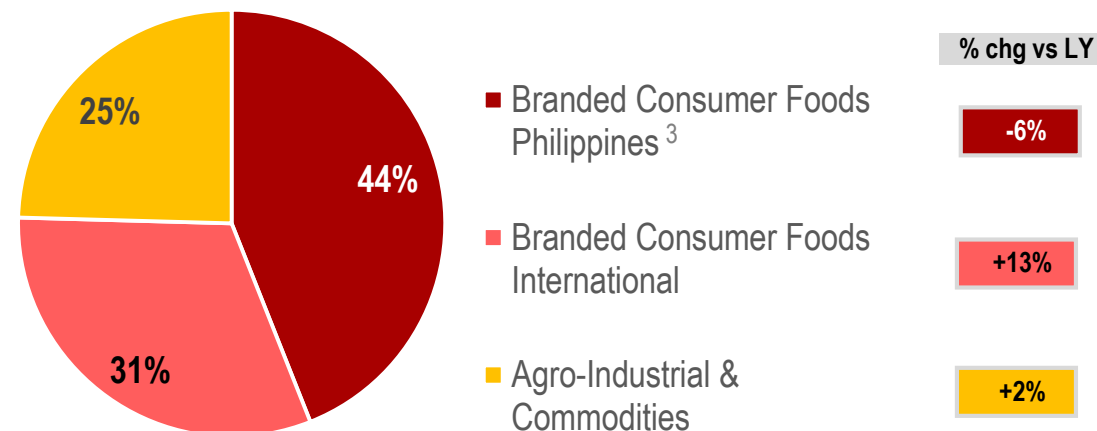
Revenue



Net Income

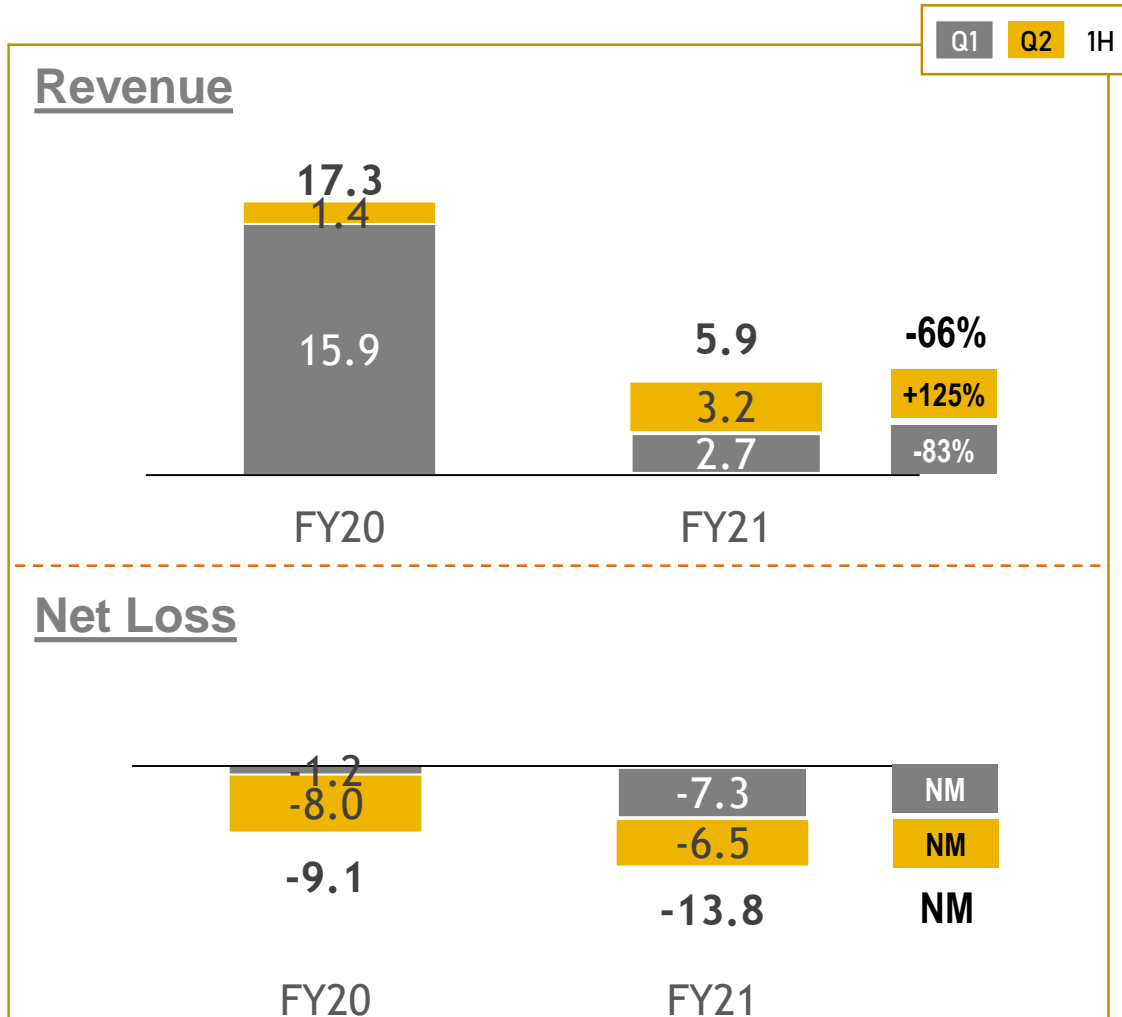


Revenue Breakdown, 1H21

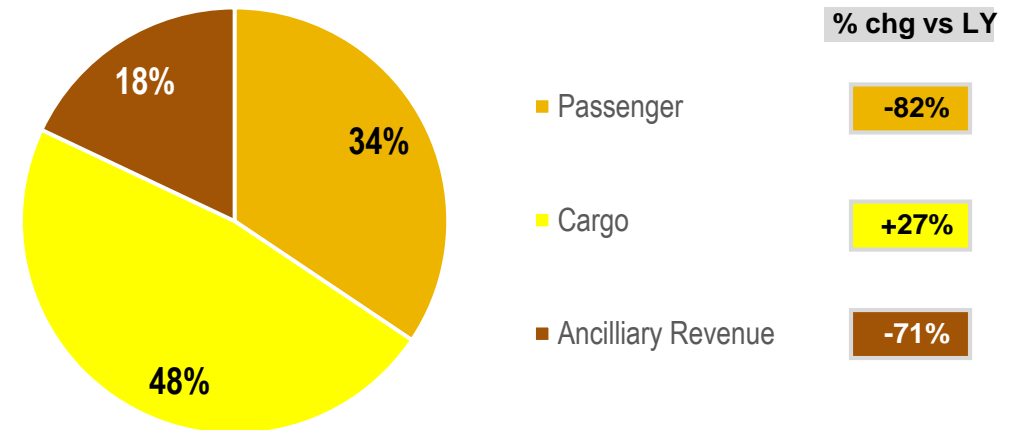


- Growth in commodities and international recovery outpace the expected decline in Branded Consumer Foods Philippines' (BCF PH) revenues from high base SPLY; nonetheless, BCF PH continues to grow market shares amidst overall category declines
- Cost-saving initiatives and pricing adjustments partly offset downward margin pressures from higher input costs and unfavorable mix
- Gain on sale of idle land and impact of CREATE Law significantly improved Net Income for the period

CEB: Gradual recovery from improved passenger flights and continuous cargo growth YoY

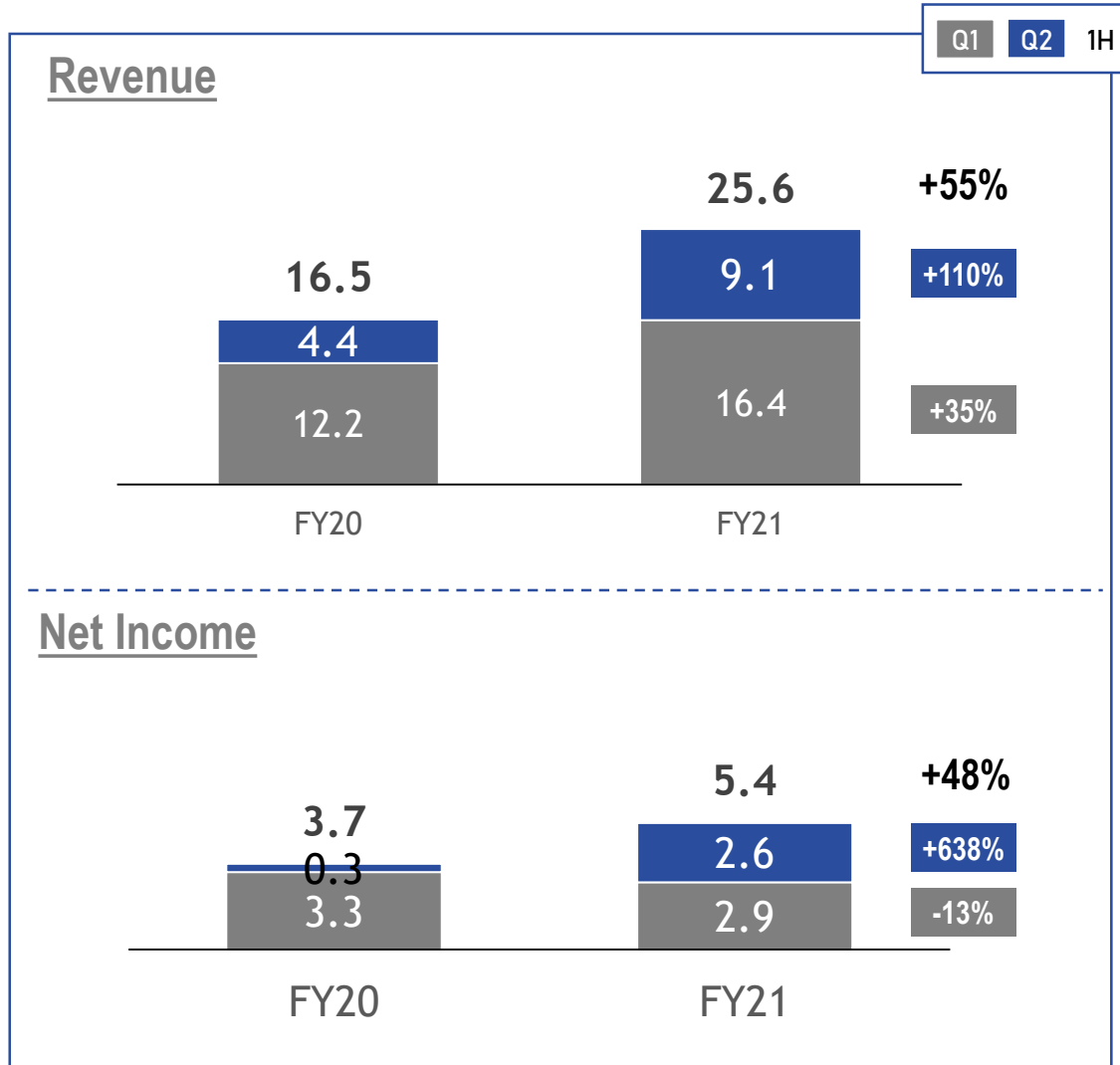


Revenue Breakdown, 1H21

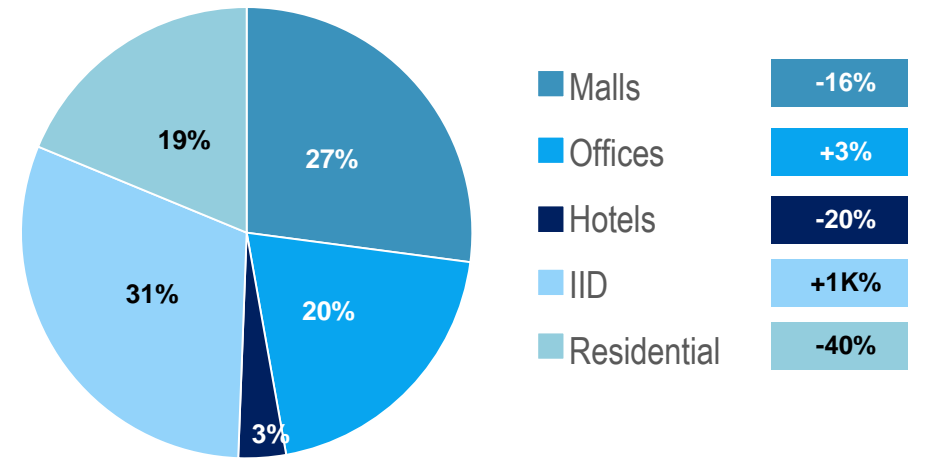


- Improved passenger flights coupled with cargo's sustained growth due to better average yields resulted in higher 2Q21 revenues QoQ and YoY
- Lower net loss in 2Q21 driven by reduced OPEX and absence of MTM losses for the period

RLC: Sustained recovery across business units boosted by earnings from Chengdu and IID's sale



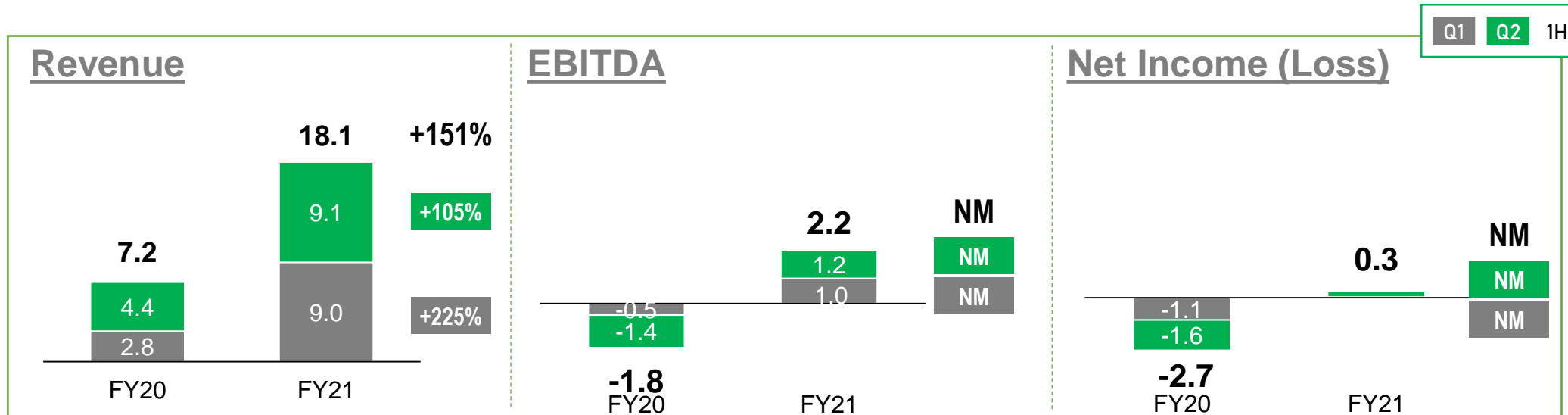
Revenue Breakdown, 1H21



Breakdown excludes China

- YoY revenue improvements across all divisions in 2Q boosted by sale of Bridgetowne properties
- 1H21 Net income significantly expanded driven by the sustained EBITDA recovery across business units, Chengdu project, IID's sale of parcels and benefits of the CREATE law.

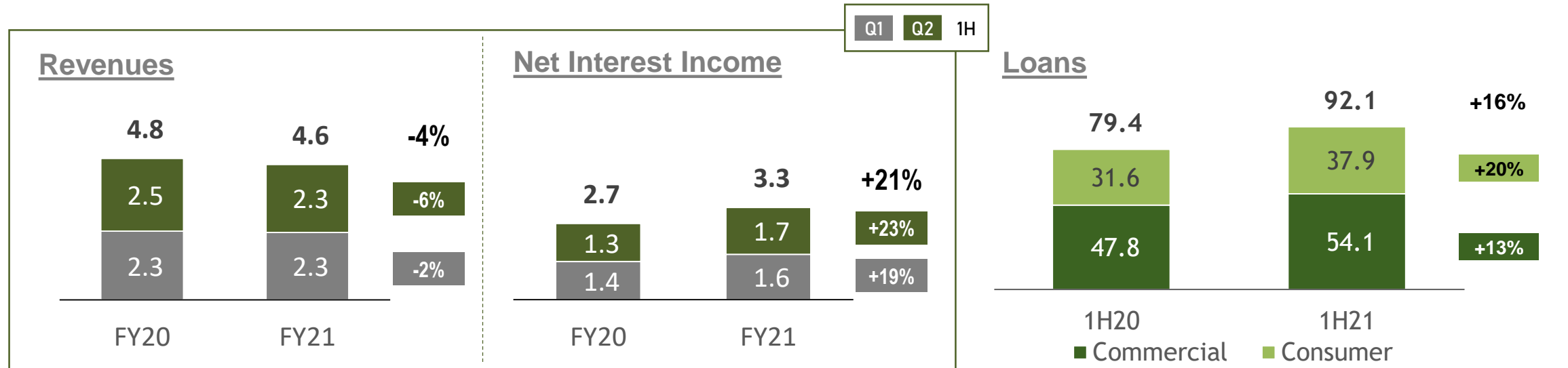
JGSPG: Revenue and EBITDA uptrend maintained



- Significant increase in volumes and utilization rates compared to same period last year when the complex was still in planned turnaround maintenance in most of 1Q20 and when there was softened demand due to onset of pandemic in late 1Q up to 2Q20
- Operations continue to improve YoY with cracker and polymer utilization rates of 99% and 89% in 2Q21 vs. 88% and 76% in 2Q20
- Despite increasing naphtha cost, strong volumes coupled with better margins drove EBITDA expansion to Php2.2 billion and net income of Php329 million

SALES VOLUME (MT)	1H20	1H21	%chg
*C2 (Ethylene)	-	28,459	NM
*C3 (Propylene)	1,608	11,158	594%
Pygas	47,791	89,145	87%
Mixed C4	-	15,451	NM
PE	85,985	155,605	81%
PP	55,259	86,259	56%
TOTAL	190,643	386,078	103%

RBank: Loan and NIM expansion drove 2Q profits



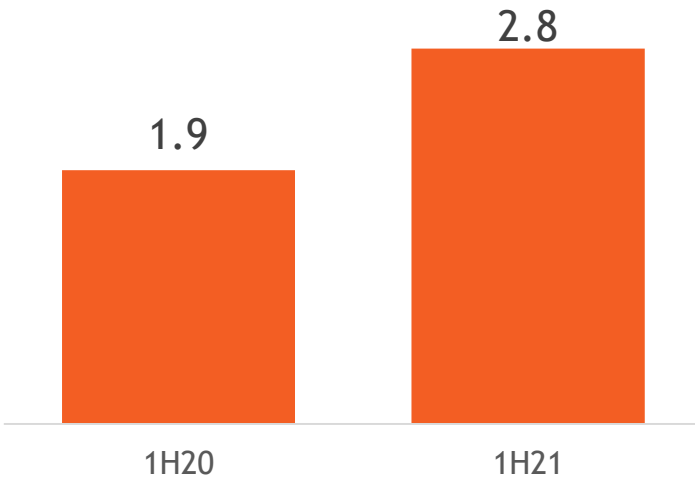
- 2Q21 Revenues remained stable QoQ but declined YoY due to lower trading gains.
- Consolidated loan portfolio expanded 16% to Php92.1 billion in 1H21 driven by housing and commercial loans
- From a 33% decline in 1Q21 Net Income, 2Q increased by 22% vs SPLY as NIM and loan expansion offset the impact of loan loss provision and lower trading gains
- Current consolidated network of 181⁽²⁾ branches and 361 ATMs

Consolidated (Php Bn)	1H20	1H21	Growth
Net Income	0.6	0.6	-9%
Assets	137.5	160.3	17%
Equity	17.6	18.5	5%
Gross TLP	79.4	92.1	16%
Gross NPLs	1.9	3.5	83%
Allowance for probable losses ⁽³⁾	2.3	2.7	
NPL Ratio	2.4%	3.7%	
NPL Coverage Ratio ⁽³⁾	119.8%	78.1%	
Capital Adequacy Ratio	17.2%	15.6%	
Tier 1 Ratio	16.4%	14.7%	

Core Investments



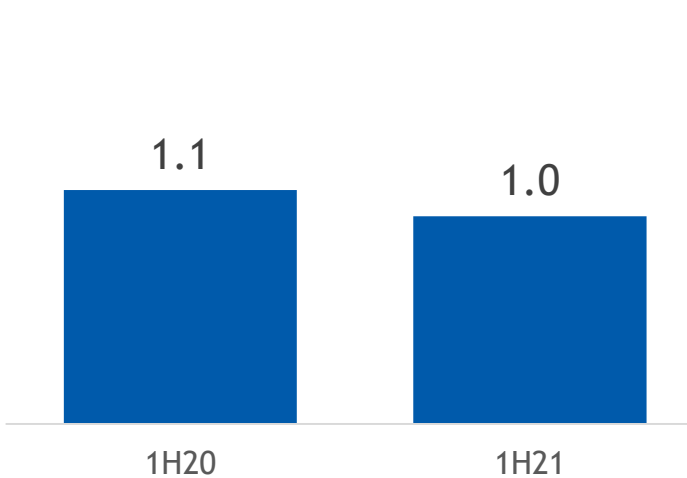
EQUITY INCOME*



- Stable energy consumption in Residential buoyed up by Commercial and Industrial's recovery
- Impairment loss on Pacific Light last year led to significant net income growth



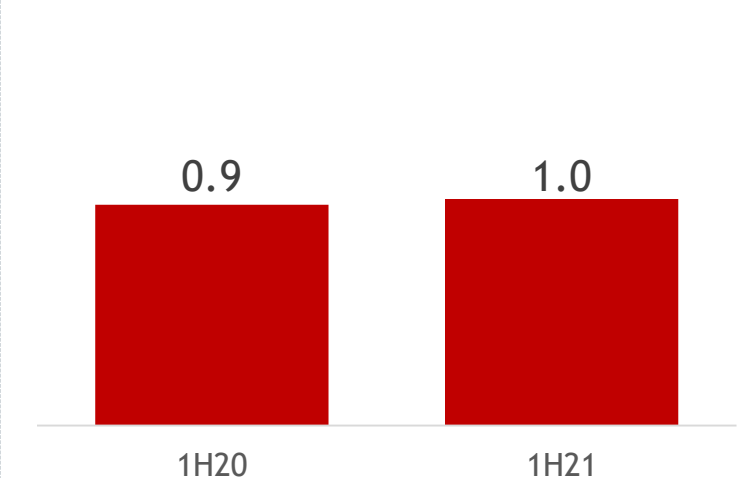
EQUITY INCOME*



- Negative impact of the pandemic to residential and hotels tempered by higher share in earnings from its JV with UOL



DIVIDENDS RECEIVED



- Higher dividend rate of Php40/sh vs SPLY

*Pertains to JGS's share in the company's net income attributable to equity holders of the parent (in Php Billions)

Ecosystem Plays

JG Digital Equity Ventures (JGDEV)



- Digital retail bank TymeBank has reached the landmark 3.5 million customer milestone as of June 2021 amid the challenging Covid-19 crisis
- As of end-2020, GrowSari had a user base of 50,000 stores in over 100 municipalities across the Luzon island.

Luzon International Premier Airport Development Corporation (LIPAD)



- The final inspection of the new CRK Passenger Terminal Building done in July.
- Saudia launched non-scheduled direct flights between Riyadh and Clark in May.
- CRK Vaccination Hub in partnership with private medical groups, Region 3 DOH, and the City Health Office of Mabalacat, Angeles, Pampanga

Data Analytics Ventures, Inc. (DAVI)



- Launched **GoRewards**, a lifestyle rewards program that integrates retail (Robinsons Rewards) and airline (GetGo) platforms, providing a rich single customer view of customer preferences and engagement.
- Go Rewards provides new and more precise ways to engage with our customers that matches their lifestyles with the right offers, allowing us to learn more about new customer habits and needs

DHL Summit Solutions, Inc.



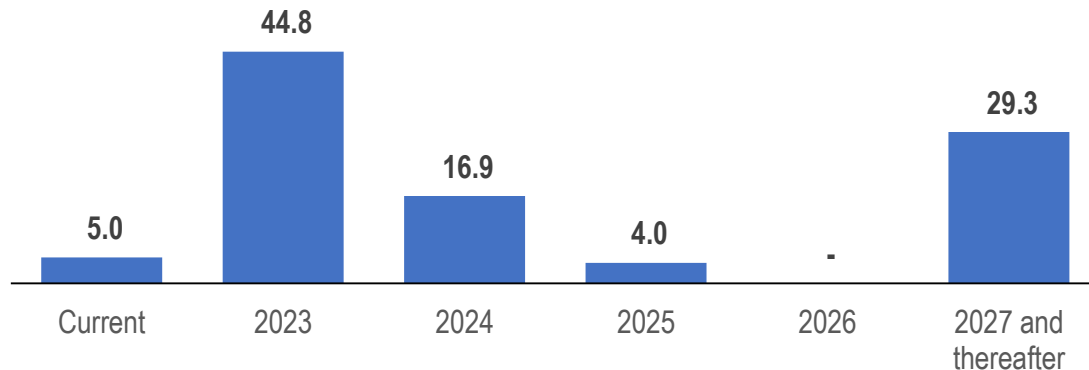
- DSSI operations have stabilized and still demonstrating strong service performance for its customer URC and RSC Sucat.
- Strong efficiency pipeline of programs are being implemented leveraging on technology and people's expertise

JGS: Robust balance sheet to weather COVID-19

Consolidated

	Dec-20	Jun-21	Growth
Cash(1)	70.5	78.0	11%
Financial Debt	316.8	330.6	4%
Total LT Debt	272.3	277.3	2%
FX-Denominated	131.3	141.7	8%
Net Debt	246.2	252.6	3%
D/E Ratio	0.78	0.81	
Net D/E Ratio	0.60	0.62	

Schedule of parent LT debt maturities



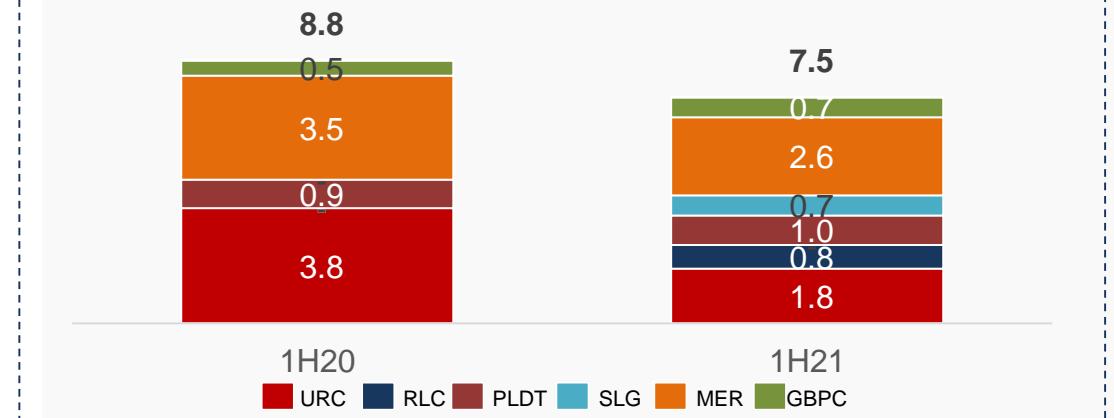
In PHP billions, except ratios

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

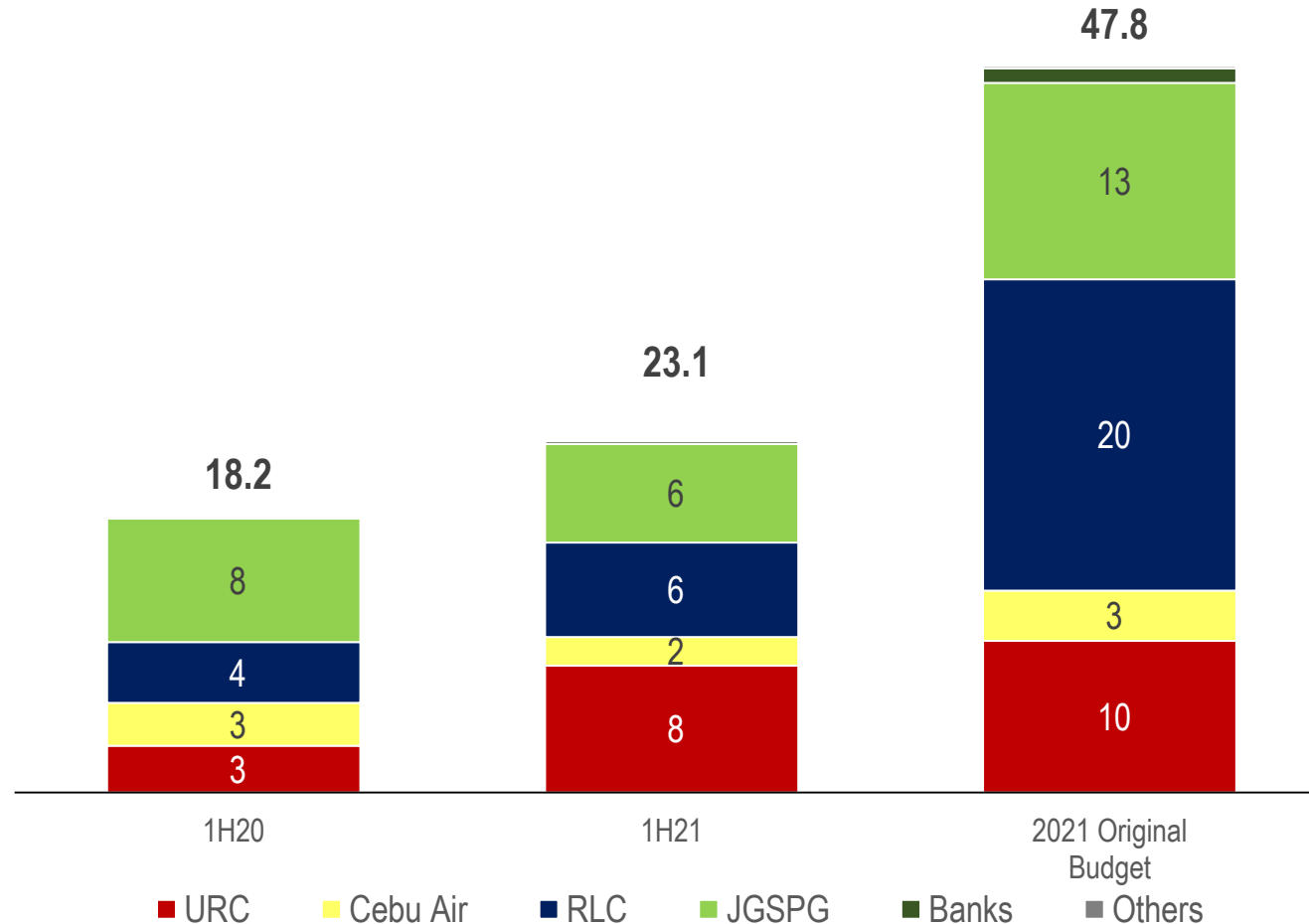
Parent

	Dec-20	Jun-21	Growth
Cash	30.5	28.8	-5%
Total LT Debt	104.2	99.7	-4%
Total ST Debt	0.1	0.0	-85%
Net Debt	73.8	70.9	-4%
Blended Cost of LT Debt	4.0%	3.9%	
Blended Avg. Remaining Life	4.4 yrs	4.1 yrs	

Dividends



1H21 CAPEX Spending driven by URC, JGSPG and RLC



1H2021 CAPEX Spending



- BCF-PH Mega DC and transfer of lines
- BCF- INT and AIC capacity expansion



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



- CAPEX for maintenance and ground operations



- Expansion projects
- Machineries and equipment



- Business development initiatives

Business Updates, Plans and Prospects



- The remaining 60% stake in the consolidated Australia and New Zealand business sold to existing joint venture partner Intersnack Group
- URC will be increasing the next tranche of dividends payout by 15 centavos to Php1.80/share, to increase full year dividends from Php3.15/share to Php3.30/share. In addition to this, they will be executing a Php3B buyback program in 2021 aligned with our commitment to increase shareholder value.
- Elected Mr. Antonio Jose U. Periquet , Jr. as an independent director last May 13, 2021



- Launched digital and other initiatives such as Mall Dash and Partner's Portal for Malls, Digital Solutions for Hotels, and stronger partnerships with online property listings for Residential
- 27 of 52 malls are being used as vaccination sites (7 in Metro Manila, 8 in Luzon and 12 in Vismin)
- Continue to expand its businesses, to diversify, and invest in scale
- Grow land bank through strategic property acquisitions



- Implement and constantly revisit CEB's Future Size and Shape and its business transformation plan to be well positioned into recovery
- Commercial priorities focused on maintaining network, ensuring positive contribution margins, and increasing international footprint
- 90% of CEB pilots and cabin crew have been vaccinated



- Merger for JGSOC and JGSPC filed with SEC in April 2021, with JGSOC to be the surviving entity as of January 1, 2022
- Aromatics extraction unit, expanded naphtha cracker and expanded PP plants, and LPG trading business has started commercial operations as of 2H 2021
- Butadiene extraction unit to start up 3Q 2021, and new PE plant to be commissioned by 1Q 2022



- Launched *InstaBale*, a loan service with a maximum term of 14 days to client's RBank payroll account; Full payment on due date on incoming payroll.
- Renewed Bancassurance partnership with PRU LIFE UK
- Implemented tightening of overall credit standards (new credit guidelines and parameters) to mitigate risks due to the continuous impact of the pandemic
- Continues to focus sales efforts on essential industries and to offer digital cash management solutions to ramp up deposit volumes

How to Win Initiatives

Leadership and People Development

Invested in **best-in-class learning partners offering immersive and integrated topics** among expanded JGSHI Leaders based on their priorities and areas for development



Reinforced a **culture of coaching culture** through deployment of **Better Conversations Everyday** to people Managers across the group



Customer Centricity: Internal and External

We continue our commitment to improve the Employee Experience via enabling our workforce on **cutting-edge HR platforms** such as Darwinbox



Improving overall **supplier experience** through **Project Judith**



Key Objectives



PAYMENT ON-TIME



TURNAROUND TIME (TAT)



SUPPLIER SATISFACTION RATING



NEW REVENUE STREAMS

Digital Transformation



Held Gokongwei Group's first annual **innovation festival** last **July** which aims to inspire and challenge the employees' thinking as they take part of the Group's digital transformation

Themes discussed by expert speakers



Digital Transformation



Agility



Customer-centricity



Data-drivenness



Emerging Technology

Sustainability

Initiating Climate Journey

Building capability in Integrated **Enterprise Risk Management (ERM)** as foundation for adoption of TCFD Framework which will be completed in about 2 to 3 years.

Where we are in our Integrated ERM initiative:




Assessment through baseline, gap analysis and approach towards sustainability integration



Identify risk based on strategy and business objective, including environmental and social risks material to the company



Ecosystem support in national vaccination program

Transport
and distribution



45%

doses of PH's COVID-19 vaccines



Administration
and accessibility





>370K

vaccinated at RLC Malls with LGU vaccines



Gokongwei Group
Program



7.7K

vaccinated workforce

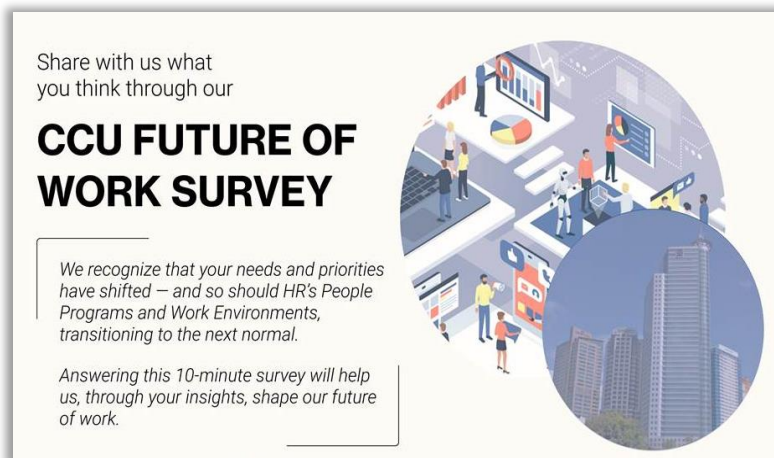


We are staying ahead of the curve by preparing for the Future of Work

Released an employee survey* to gather feedback

88% of remote workers said that being on-site half of the time or a minority of the time would be effective for them.

Digital collaboration tools and flexible schedules are the top factors that make employees more productive and engaged.



**Respondents: Corporate Center Unit employees*

Cautious Return: Most SBU head offices are continuing low onsite density and hybrid work arrangement until year-end*



**Or until quarantine restrictions are lifted with ongoing review of Next Normal work arrangement*

Thank You!

Appendix

Corporate Structure



JG SUMMIT
HOLDINGS, INC.

Market Capitalization:
₱450.5 bn

CORE BUSINESSES

Strengthen and drive the full potential of these BUs

Food & Beverage



Stake: 55.3%
Mkt Cap: ₱296.9 bn
Att Mkt Cap: ₱164.0 bn

Air Transportation



Stake: 67.2%
Mkt Cap: ₱26.4 bn
Att Mkt Cap: ₱17.7 bn

Real Estate



Stake: 61.0%
Mkt Cap: ₱85.3 bn
Att Mkt Cap: ₱52.0 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%
Stake: 45.2%

Logistics



in partnership with
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: ₱302.1 bn
Att Mkt Cap: ₱89.3 bn

Real Estate



Stake: 37.0%
Mkt Cap: ₱141.6 bn
Att Mkt Cap: ₱52.5 bn

Communications



Stake: 11.3%
Mkt Cap: ₱269.9 bn
Att Mkt Cap: ₱30.4 bn

Balance Sheet

(Php Millions)	As of Dec 2020	As of Jun 2021
Cash & cash equivalents (including Financial assets at FVPL and financial assets at FVOCI)	115,335	113,576
Other current assets	185,953	179,637
Investments in Associates and JVs - net	139,333	139,503
Property, plant, and equipment	260,416	264,505
Other noncurrent assets	298,571	309,271
TOTAL ASSETS	999,608	1,006,492
Current liabilities	295,579	303,987
Noncurrent liabilities	295,919	295,872
TOTAL LIABILITIES	591,498	599,859
Stockholders' Equity	308,321	305,532
Non-Controlling Interest	99,789	101,101
TOTAL EQUITY	408,110	406,633

Income Statement

(Php Millions)	1H20	1H21	YoY
REVENUES	117,809	128,144	9%
Cost of sales and services	79,679	90,699	14%
GROSS INCOME	38,129	37,445	-2%
Operating Expenses	29,475	29,614	0%
OPERATING INCOME	8,654	7,831	-10%
Financing costs & other charges	(4,856)	(4,621)	-5%
Foreign exchange gain/ (loss) - net	522	(868)	-266%
Market valuation gain/ (loss)	(2,274)	257	NM
Finance income	636	508	-20%
Others	(69)	(340)	394%
INCOME BEFORE TAX	2,613	2,767	6%
Provision for Income Tax	1,704	1,425	-16%
NET INCOME	909	1,342	48%
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	-720	937	NM
CORE NET INCOME	1,421	1,688	19%