

Alliance Global doubles earnings to nearly P24B

ALLIANCE Global Group, Inc. (AGI) on Wednesday reported that its net income more than doubled to P23.8 billion in 2021, driven by a resurgence in all its business segments due to the eased mobility restrictions and the reopening of the economy.

"Despite the overall challenging business environment, AGI has delivered a sterling performance in 2021. Thanks to our diversified portfolio and our agility to

transform whatever adversities we faced into opportunities, and our continuous drive for operating efficiencies," AGI Chief Executive Kevin L. Tan said in a statement.

Meanwhile, net income to owners was up 92% year on year to P16.9 billion while consolidated revenues increased by 18% to P152.6 billion.

AGI has varied businesses, including real estate development through Megaworld

Corp.; spirits manufacturing through Emperador, Inc.; leisure, entertainment and hospitality through Travellers International Hotel Group, Inc.; quick service restaurants through Golden Arches Development Corp. (GADC), and infrastructure development through Infracorp Development, Inc.

"Our overall margins improved given the hefty growth in the topline, coupled with our cost efficiency measures which have

remained in place. During the year, the group also achieved many milestones," Mr. Tan said.

In October, Megaworld launched its real estate investment trust company MREIT, Inc. with a P15.3-billion initial public offering.

In 2021, Megaworld registered a 36% year-on-year increase in attributable net income to P13.4 billion as consolidated revenues also rose by 17% to P50.8 billion.

— **Luisa Maria Jacinta C. Jocsos**

FULL STORY



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Republika ng Pilipinas
LUNGSOD NG MAKATI
SANGGUNIANG PANLUNGSOD OF MAKATI

PRESENT:

- | | |
|---------------|---|
| Vice Mayor | HON. MONIQUE YAZMIN MARIA Q. LAGDAMEO – Presiding Officer |
| Councilor | HON. DENNIS B. ALMARIO |
| Councilor | HON. MARIA DOLORES M. ARAYON |
| Councilor | HON. MARTIN JOHN PIO Q. ARENAS |
| Councilor | HON. SHIRLEY C. ASPILLAGA |
| Councilor | HON. BENEDICT B. BANIQUED |
| Councilor | HON. ARNOLD J. CRUZ |
| Councilor | HON. ISRAEL S. CRUZADO |
| Councilor | HON. VIRGILIO V. HILARIO, JR. |
| Councilor | HON. LUIS S. JAVIER, JR. |
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| Councilor | HON. ARMANDO P. PADILLA |
| Councilor | HON. TOSCA CAMILLE T. PUNO-RAMOS |
| Councilor | HON. RENE ANDREI Q. SAGUISAG, JR. |
| Councilor | HON. KRISTINA T. SAROSA |
| Councilor | HON. JOSE C. VILLENA, IV |
| Councilor | HON. ANNA ALCINA M. YABUT |
| LnB President | HON. MARIBEL F. VITALES |
| SK President | HON. RODOLFO C. SAN PEDRO, JR. |

ALSO IN ATTENDANCE:

Secretary to the Sanggunian **ATTY. DINDO R. CERVANTES**

Upon motion of Hon. L.S. Javier, Jr., duly seconded, the Sangguniang Panlungsod of Makati unanimously approved City Ordinance No. 2022-057 on third and final reading.

CITY ORDINANCE NO. 2022-057

Authors: Hon. A.P. Padilla, Hon. R.A.Q. Saguisag, Jr., Hon. B.B. Baniqued, Hon. V.V. Hilario, Jr., Hon. L.S. Javier, Jr., Hon. D.B. Almario, Hon. A.J. Cruz, Hon. J.C. Villena, IV and Hon. R.C. San Pedro, Jr.

Co-Authors: Hon. M.D.M. Arayon, Hon. M.J.P.Q. Arenas, Hon. T.C.T. Puno-Ramos, Hon. K.T. Sarosa, Hon. A.A.M. Yabut and Hon. M.F. Vitales

AN ORDINANCE DECLARING THE ANNUAL INVESTMENT PROGRAM FOR C.Y. 2022 OF BARANGAY TEJEROS TO BE IN CONFORMITY WITH EXISTING LAWS, RULES AND REGULATIONS.

WHEREAS, R.A. No. 7160, otherwise known as the Local Government Code of 1991, provides that the barangay development council shall prepare the barangay development plans based on local requirements;

WHEREAS, Section 114 (a) of the same Code states that the policies, programs, and projects proposed by local development councils shall be submitted to the sanggunian concerned for appropriate action;

WHEREAS, the pertinent provisions of the abovementioned law likewise imply that the Sangguniang Panlungsod shall have the power to review/approve the public investment programs of the barangays;

WHEREAS, the Sangguniang Barangay of Tejeros, by virtue of Barangay Resolution No. 02 Series of 2022, adopted its Annual Investment Program for C.Y. 2022, a copy of such barangay resolution, including its supporting documents, is hereto attached and made an integral part hereof as **Annex "A"**;

WHEREAS, the Honorable Members of the Sangguniang Panlungsod of Makati extensively reviewed the abovementioned document, including its attachments;

WHEREAS, after careful perusal of available documents, it was ruled upon by the Members of the Sangguniang Panlungsod of Makati that the proposed Annual Investment Program for C.Y. 2022 of the Sangguniang Barangay of Tejeros is compliant with the minimum requirements as prescribed by existing laws, rules and regulations; hence, this Ordinance.

NOW, THEREFORE, BE IT ENACTED, AS IT IS HEREBY ENACTED BY THE SANGGUNIANG PANLUNGSOD OF MAKATI, METRO MANILA, BY VIRTUE OF THE POWERS VESTED IN IT BY LAW, IN SESSION ASSEMBLED, that:

Section 1. The Annual Investment Program for C.Y. 2022 of Barangay of Tejeros is hereby declared to be in conformity with existing laws, rules and regulations.

Section 2. The *Joint Endorsement* issued by the Urban Development Department (UDD) and Budget Department dated 22 April 2022, which attests that the Annual Investment Program for C.Y. 2022 of Barangay Tejeros substantially complies with the provisions of pertinent laws, rules and regulations, is hereby adopted *in toto*, a copy of such *Joint Endorsement* is hereto attached and made an integral part hereof as **Annex "B"**;

Section 3. The provisions of this Ordinance are hereby deemed separable. If any provision hereof should be declared invalid or unconstitutional, the remaining provisions shall remain in full force and effect.

Section 4. All ordinances, resolutions and executive orders which are inconsistent with any of the provisions of this Ordinance are hereby repealed or modified accordingly.

Section 5. Let copies of this Ordinance be furnished to the Office of the Mayor, Office of the City Administrator, Law Department, Budget Department, Accounting Department, Urban Development Department, Department of the Interior and Local Government (DILG)-Makati City, Liga ng mga Barangay, Sangguniang Barangay of Tejeros and other departments, offices, and agencies concerned for their information, guidance and reference.

Section 6. This Ordinance shall take effect immediately upon its approval.

ENACTED BY THE SANGGUNIANG PANLUNGSOD OF MAKATI, METRO MANILA, in its Regular Session held on 27 April 2022.

Certified true and correct by:

ATTY. DINDO R. CERVANTES
Secretary to the Sangguniang Panlungsod

Attested by:

HON. MONIQUE YAZMIN MARIA Q. LAGDAMEO
Vice Mayor & Presiding Officer

Approved by:

HON. MAR-LEN ABIGAIL S. BINAY
City Mayor

AEV posts lower net profit

ABOITIZ Equity Ventures, Inc. (AEV) reported a 64% drop in core net income to P3.2 billion in the first quarter as its business units registered slower growth during the period.

Including one-off items, consolidated net income fell by 54% to P3.9 billion in the first three months of 2022, it added.

"The company recognized non-recurring gains of P766 million during the period, primarily due to foreign exchange gains from the revaluation of dollar-denominated assets, compared to the P211 million in non-recurring losses for the corresponding period in 2021," AEV said in a disclosure on Wednesday.

Consolidated earnings before interest, tax, depreciation and amortization (EBITDA) was also lower by 28% to P13 billion year on year.

Excluding extraordinary items such as liquidated damages, business interruption claims, Typhoon Odette, advanced outages, as well as extraordinary trading gains, net income for the first quarter would have been lower by 4% compared with the same period in 2021.

"2022 started with a strong sense of optimism coming out of the pandemic with the reopening of borders, resumption of travel, and reduction of cases through vaccination — all resulting in economic recovery in the first quarter," AEV President and Chief Executive Sabin M. Aboitiz said in a statement.

Mr. Aboitiz said that although new global disruptions emerged with the continuing conflict in Ukraine, the group is prepared to deal with uncertainties through its "agile and resilient mechanisms and mindsets that were deeply embedded in our organization long before the pandemic."

AEV's energy company, Aboitiz Power Corp., accounted for 41% of total income contributions from business units, followed by financial services at 36%, food at 14%, real estate and infrastructure at 4% each.

AboitizPower's net income for the quarter went down by 53% to P2.9 billion from P6.2 billion in the similar period a year earlier.

The energy unit recognized non-recurring losses of P22 million during the period, primarily due to the revaluation of dollar-denominated liabilities, compared with the non-recurring losses of P29 million in the same period in 2021.

Currency,
from SI/1

"We believe that we need to address this issue by reducing transaction costs, shortening processing times, and enhancing the transparency of such transfers," Mr. Diokno said.

"Second is the settlement risk exposure arising from the use of commercial bank money in our equities market. We intend to mitigate this risk with CBDC, being a central bank money," he added.

The BSP governor said wholesale CBDCs may also ease challenges related to the intraday liquidity facility which is not yet automated end-to-end.

The central bank said the pilot project will develop its capacity in operation-

Diokno,
from SI/1

"Recent key economic developments give us confidence in the country's ability to sustain recovery in the near term," Mr. Diokno said.

"Growth will be supported by the implementation of the 2022 national budget, the 'Build, Build, Build' projects, the Corporate Recovery and Tax Incentives for Enterprises law, as well as amendments to the Retail Trade Liberalization Act, the Foreign Investment Act, and Public Service Act," he added.

Mr. Diokno acknowledged uncertainties caused by the Russia-Ukraine war on the outlook for trade, investments, and remittances, but emphasized the limited economic linkages to the countries involved.



PHILSTAR / FILE PHOTO

The firm noted that its core net income a year ago included liquidated damages for the delay in the construction of GNPower Dinginin Ltd. Co. and business interruption claims for the plant outages of GNPower Mariveles Energy Center Ltd. Co.

"AboitizPower was also hit during the first quarter of 2022 with outages related to Typhoon Odette and had to advance planned outages in anticipation of the country's 2022 national elections," AEV said.

It added that if AboitizPower excluded these non-recurring items and events "the first quarter of 2022 would have resulted in only a 4% decline in consolidated net income compared to the same period in 2021."

In the first quarter, the generation and retail electricity supply businesses were down 47% to P3.2 billion, accounting for 81% of AboitizPower's total income contribution.

Capacity sold for the period increased by 1% to 3,534 megawatts (MW) compared with the 3,558 MW sold in the same period last year.

Meanwhile, energy sold decreased by 1% to 6,055 gigawatt-hours (GWh) for the first quarter, compared with 6,130 GWh in the same period last year.

AboitizPower's distribution business segment recorded an income of P742 million, or 32% down in the first quarter. The segment accounts for 19% of total income contributions.

Meanwhile, AEV's banking and financial units also posted lower growth.

UnionBank of the Philippines and its subsidiaries recorded a net income of P2.6 billion in the first three months, 45% lower year on year.

"This was due to extraordinary trading gains recorded in the first quarter of 2021," AEV said.

Meanwhile, recurring income grew to P9.4 billion, 21% higher year on year due to higher net interest income and fee income. Net interest income grew 12% to P8.1 billion due to higher yields in earning assets, coupled by lower cost of funds from the expansion of its current account and savings account or CASA deposits.

"Fee income, on the other hand, grew on the back of higher InstaPay and interchange fees," AEV said.

Loan-loss provisions went down by 78% to P504.5 million while the nonperforming loan or NPL ratio remained stable at 5.2% as of end-March this year.

UnionBank's earnings performance for the first quarter resulted in a return on equity of 9% and a return on assets of 1.2%.

AEV's non-listed food subsidiaries Pilmico Foods Corp., Pilmico Animal Nutrition Corp., and Pilmico International Pte. Ltd. reported lower net income during the period.

The agribusiness segment, which consists of the regional animal nutrition businesses, reported a net income of P211 million or 37% lower than the P334 million recorded in the same period in 2021.

AEV said that the decrease was due to the recognition of unrealized foreign exchange losses from the devaluation of the Sri Lankan rupee.

In the real estate segment, Aboitiz Land, Inc. and its subsidiaries along with Lima Land, Inc. reported a 48% rise in consolidated net income to P390 million.

At the stock exchange, AEV shares went down by 2.85% or P1.60 to P54.50 a piece. — **Luisa Maria Jacinta C. Jocsos**

alizing CBDCs. The project covers areas including policy and regulatory considerations, technological infrastructure, governance and organizational requirements, legal matters, payment and settlement models, reconciliation procedures, and risk management.

External advisers from multilateral institutions and international standard-setting bodies have also been tapped for the project.

The BSP chose to focus on the wholesale aspect of CBDCs as it assessed that it will have bigger impact compared with retail use cases.

"There is minimal value added of the use of retail CBDC in the Philip-

pine in the short term given the progress in our widespread implementation of retail payment digitalization and financial inclusion reforms," Mr. Diokno said.

He has become more open to exploring CBDCs, in contrast to earlier statements that the central bank is not in a hurry to implement CBDCs.

The BSP has previously said it sees opportunities from CBDCs in terms of additional options for monetary policy action, boosting competition and innovation among financial industry players, as well as broader financial inclusion. — **Luz Wendy T. Noble**

Philippine GDP rose by 5.7% in 2021 after the record 9.6% contraction in 2020. Economic managers expect GDP to rise by 7-9% this year.

Mr. Diokno has said policy interventions to support the economy during the pandemic infused over P2.2 trillion into the financial system. This is equivalent to about 11.1% of GDP.

Earlier this month, the BSP extended another P300-billion zero-interest loan to the National Government in March, payable until June 12. This was the sixth time the central bank extended budgetary support to the National Government.

The central bank chief also significantly lowered purchases of government securities. — **Luz Wendy T. Noble**