

Jollibee eyes 150 stores in China



JOLLIBEE Foods Corp. would build upon its existing brands in China, the biggest of which is its Yonghe King quick service restaurants (QSR).

JOLLIBEE Foods Corp. plans to open about 150 new stores in China as it further expands its international operations in the country, the company's finance chief said on Wednesday.

"Our strategy starting from this year is to elevate [our] base through significant store openings," Jollibee Chief Financial Officer Richard Chong Woo Shin said during a virtual press briefing. "We are looking at around 100 to 150 new stores in China for this calendar year."

Mr. Shin said the company would build upon its existing brands in China, the biggest of which is its Yonghe King quick service restaurants (QSR).

"We've now more or less covered all the tier-one cities and it's a combination of company-owned stores with a sprinkle of franchised stores," he added.

The company will now focus on neighboring tier-two cities in China by using capital-light franchising options to expand its store network.

"QSR is a significantly important segment in China, and we believe that our three brands have upside mobility and gain," he said.

Aside from Yonghe King, the company's two other brands in China are Tim Ho Wan, and Hong Zhuang Yuan.

Meanwhile, Mr. Shin said that the company will build on the "premiumness" of the Michelin-starred Tim Ho Wan casual dining brand.

"We are not looking at a large footprint expansion but rather building off of the 18 stores that we have, and we'll be adding five new stores this year."

It will focus its Tim Ho Wan operations by going to key geographic cities where the company could take on "above QSR levels."

During the first quarter, Jollibee grew its network to 505 stores in China, opening about 21 stores during the three-month period.

In the first three months of this year, the company recorded

a nearly 11% decrease in attributable net income to P2.06 billion from P2.31 billion in the previous year despite strong revenue growth.

Its consolidated revenues for the quarter grew by 28.5% to P55.09 billion from the P42.86 billion recorded in the same quarter last year.

System-wide sales — which measure all sales to consumers, both from company-owned and franchised stores — rose by 31.1% to P78.64 billion from P59.98 billion.

For the Philippines, system-wide sales increased by 36.7% while same-store sales went up by 31.6%. Outside the country, system-wide sales jumped by 23.3%, while same-store sales rose by 8.8%.

As of end-March, the company has operated 6,542 stores worldwide with 3,281 in the Philippines and 3,261 in its international business.

Jollibee shares went up by 1.42% or P3.20 to close at P229.20 per share on Wednesday. — **Adrian H. Halili**



HENRY D. Antonio, EEI president and chief executive officer, said the partnership between EEI and IHDC further cements the company's environmental commitment and sustainable economic growth.

EEI, IHDC plan to develop three potential solar farms

EEI Corp. said it had signed a memorandum of understanding with Industry Holdings and Development Corp. (IHDC) to explore and co-develop three potential solar farms with an expected output of 150 megawatts.

"In our Company's undertakings, we uphold the global push for clean and renewable energy. This endeavor with IHDC is an opportunity for EEI to further promote environmental sustainability," Henry D. Antonio, EEI president and chief executive officer, told the stock exchange on Wednesday.

Mr. Antonio said the partnership further cements their environmental commitment and sustainable economic growth.

"IHDC and EEI are determined to achieve fruitful outcome from this collaboration that will benefit the economy, environment, and social living standards of the people altogether," Noel Santiago, president of IHDC, said in a statement.

The listed construction company said the potential project is slated for the next two years.

Aside from solar farms, EEI and IHDC are also looking at

other opportunities, Mr. Antonio said.

He noted that possible partnerships between EEI and IHDC are opportunities in the public-private partnership (PPP) program.

"In EEI, we have relentless commitment to nation-building, thus, we are very much eager to explore future opportunities under the PPP program wherein we can help provide better facilities for the country and the people," Mr. Antonio said.

Last month, Yuchengco-led PetroEnergy Resources Corp. signed a share purchase agreement with EEI's energy arm EEI Power Corp. to acquire the latter's share in PetroEnergy's three renewable energy subsidiaries PetroGreen Energy Corp., PetroSolar Corp., and PetroWind Energy, Inc.

After the fulfillment of all conditions of the sale, EEI Power will no longer have any interest in PetroGreen, PetroWind, and PetroSolar.

At the stock exchange, EEI shares fell by eight centavos or 1.46%, ending at P5.40 apiece on Wednesday. — **Ashley Erika O. Jose**

Emperador allocates bulk of P7-B capex to boost whisky business

EMPERADOR, Inc. on Wednesday said that it is allocating P6 billion in capital expenditures (capex) for its whisky segment out of this year's P7-billion spending budget, as it gears up for overseas expansion.

"As we continue our internationalization journey and expand our market reach, we are investing in more and better capacity to ensure that we can supply the growing demand for our high-end premium brands," Emperador President Winston S. Co said in a statement.

The P6 billion in capital spending for whisky will be used to upgrade the company's five facilities in Scotland. The company currently operates four malt distilleries in the area, namely: The Dalmore, Fettercairn, Jura, and Tannavulin, which produce the company's single malts of the same names, and a grain distillery.

The move to allocate the bulk of the capex to the whisky business was due to its revenues' 18% compound annual growth rate from 2020 to 2022, the company said.

The company reported that its whisky segment performed well last year due to increased sales of its single malt whiskies in major global markets, particularly in Asia, North America, and Europe. The recovery of travel retail also contributed to the segment's performance.

Meanwhile, the remaining P1 billion was earmarked for Emperador's brandy business, which aims to improve production facilities in the Philippines, Spain, and Mexico.

"To keep up with its fast-growing business, the company is investing in capital expenditures to expand

operations, and upgrade machinery and facilities," the company said.

The company aims to expand its international operations by 2025 to account for about 50% of its business by doubling its branded single malt sales and achieving high single-digit growth in brandy sales.

Emperador is a global spirits conglomerate focused on brandy and whisky. It owns Whyte and Mackay and other brands including Fundador Brandy, The Dalmore, Jura, and Tannavulin single malt Scotch whiskies.

The company is listed on the Philippine Stock Exchange and Singapore Securities Exchange.

Emperador shares rose by 0.48% to P0.10 to end at P21.05 apiece. — **Adrian H. Halili**

BALANCE SHEET (Head Office and Branches) As of March 31, 2023			
ASSETS			
	Current Quarter	Previous Quarter	
Cash and Cash Items	P 9,519,496,527.79	P 13,177,429,341.15	
Due from Bangko Sentral ng Pilipinas (BSP)	54,587,711,008.62	63,011,415,824.69	
Due from Other Banks	8,689,639,523.25	19,146,090,957.89	
Financial Assets at Fair Value through Profit or Loss	11,853,555,206.56	7,566,547,089.02	
Available-for-Sale Financial Assets-Net	115,501,018,816.13	112,492,486,146.95	
Held-to-Maturity (HTM) Financial Assets-Net	69,547,809,158.61	69,247,485,912.23	
Loans and Receivables-Net:	493,460,163,196.66	526,415,087,796.47	
Interbank Loans Receivable	10,637,420,368.49	6,402,982,443.99	
Loans and Receivables-Others	483,077,561,788.53	499,684,900,403.13	
Loans and Receivables Arising from RA/CA/PR/SLB	—	23,518,739,984.00	
General Loan Loss Provision	2,254,818,960.36	3,191,535,034.65	
Other Financial Assets	5,391,611,795.09	5,458,034,124.19	
Equity Investment in Subsidiaries, Associates, and Joint Ventures-Net	4,560,640,454.93	4,524,256,917.91	
Bank Premises, Furniture, Fixture & Equipment-Net	4,085,677,943.29	4,015,749,753.96	
Real and Other Properties Acquired-Net	3,093,312,156.69	2,977,798,790.15	
Other Assets-Net	93,667,169,965.77	50,530,933,565.11	
TOTAL ASSETS	P 873,957,805,753.39	P 878,563,316,219.72	
LIABILITIES			
Financial Liabilities at Fair Value through Profit or Loss	P 1,480,952,054.26	P 1,752,818,352.31	
Deposit Liabilities	526,856,016,763.56	606,361,431,278.31	
Due to Other Banks	243,681,177.52	290,073,683.30	
Bills Payable:	66,786,214,228.86	41,467,636,387.78	
BSP (Rediscounting and Other Advances)	15,000,000,000.00	—	
Interbank Loans Payable	13,353,616,980.58	18,106,776,591.76	
Other Deposit Substitute	38,432,597,248.28	23,360,859,796.02	
Others	—	—	
Bonds Payable-Net	46,739,940,262.60	47,111,693,174.16	
Due to Bangko Sentral ng Pilipinas	71,354,004.00	—	
Other Financial Liabilities	11,660,618,257.29	10,064,415,972.66	
Other Liabilities	92,871,221,521.49	47,050,125,971.58	
TOTAL LIABILITIES	P 746,709,998,269.58	P 754,098,194,820.10	
STOCKHOLDERS' EQUITY			
Capital Stock	P 46,186,416,799.90	P 46,186,416,799.90	
Other Capital Accounts	(5,665,323,852.13)	151,042,871.96	
Retained Earnings	86,726,714,536.04	78,127,661,727.76	
TOTAL STOCKHOLDERS' EQUITY	P 127,247,807,483.81	P 124,465,121,399.62	
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	P 873,957,805,753.39	P 878,563,316,219.72	
CONTINGENT ACCOUNTS			
Performance Standby Letters of Credit	P 31,661,927,069.97	P 27,082,591,278.06	
Commercial Letters of Credit	11,335,011,966.18	10,438,472,038.37	
Trade Related Guarantees	1,474,212,574.11	899,839,383.21	
Commitments	78,609,421,954.90	85,656,955,017.86	
Spot Foreign Exchange Contracts	31,571,128,888.01	3,039,570,903.23	
Trust Department Accounts:	100,524,083,778.62	95,116,737,546.05	
Trust and Other Fiduciary Accounts	51,954,851,954.59	54,075,470,282.45	
Agency Accounts	48,569,231,824.03	41,041,267,263.60	
Derivatives	305,349,310,151.23	193,973,621,630.59	
Others	1,350,850,210.66	1,961,860,412.69	
TOTAL CONTINGENT ACCOUNTS	P 561,875,946,593.68	P 418,169,648,210.06	
ADDITIONAL INFORMATION			
1. Gross total loan portfolio (TLP)	P 509,213,426,227.10	P 542,574,738,278.96	
2. Specific allowance for credit losses on the TLP	13,498,444,070.08	12,968,115,447.84	
3. Non-Performing Loans (NPLs)			
a) Gross NPLs	15,867,221,298.02	15,981,222,980.90	
b) Ratio of gross NPLs to gross TLP (%)	3.12	2.95	
c) Net NPLs	4,556,513,950.23	5,684,769,409.44	
d) Ratio of Net NPLs to gross TLP (%)	0.89	1.05	
e) Ratio of total allowance for credit losses to gross NPLs (%)	99.28	101.12	
f) Ratio of specific allowance for credit losses on the gross TLP to gross NPLs (%)	85.07	81.15	
4. Classified Loans & Other Risk Assets, gross of allowance for credit losses	22,289,000,000.00	22,289,000,000.00	
5. DOSRI Loans and receivables, gross allowance of credit losses	4,471,105,370.04	4,556,940,748.84	
6. Ratio of DOSRI loans and receivables, gross of allowance for credit losses, to gross TLP (%)	0.88	0.84	
7. Gross non-performing DOSRI loans and receivables	—	—	
8. Ratio of gross non-performing DOSRI loans and receivables to TLP (%)	—	—	
9. Percent Compliance with Magna Carta (%)			
a) 8% for Micro and Small Enterprises	0.77	0.74	
b) 2% for Medium Enterprises	2.78	2.97	
10. Return on Equity (ROE) (%)	7.17	7.89	
11. Capital Adequacy Ratio (CAR) on Solo Basis, as prescribed under existing regulations			
a) Total CAR (%)	16.66	16.24	
b) Tier 1 Ratio (%)	16.31	15.75	
c) Common Tier 1 Ratio (%)	16.31	15.75	
12. Deferred Charges not yet Written Down	—	—	
13. Unbooked Allowance for Credit Losses on Financial Instruments Received	—	—	
14. Basel III Leverage Ratio on Solo Basis, as prescribed under existing regulations			
a) Tier Capital	105,023,658,848.09	101,887,902,659.94	
b) Exposure Measure	901,940,207,609.18	901,429,236,508.00	
c) Leverage Ratio (%)	11.64	11.30	
15. Liquidity Coverage Ratio (LCR) on Solo Basis, as prescribed under existing regulations			
a) Total HQLA	169,522,943,683.30	236,654,727,124.52	
b) Total net cash outflows	102,887,830,380.33	165,752,077,138.12	
c) Liquidity Coverage Ratio (%)	164.76	142.78	

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) s.s

We, Sanjiv Vohra and Eduardo M. Olbes of the above mentioned bank do solemnly swear that all matters set forth in the above balance sheet are true and correct to the best of our knowledge and belief.

(SGD.) EDUARDO M. OLBES
EVP/CFD

(SGD.) SANJIV VOHRA
President

SUBSCRIBED AND SWORN to before me this 9th day of May 2023 at City of Makati, affiants exhibiting their Passport No. P811670A, issued at DFA Manila on July 27, 2018 and Passport No. Z4836868, issued at Singapore on June 27, 2018, respectively.

(SGD.) ATTY. HENSON M. MONTALVO, CPA
NOTARY PUBLIC
Until December 31, 2024
PTR No. 9567502
January 4, 2023; Makati City

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Series of 2023

CONSOLIDATED BALANCE SHEET (Bank and Financial Subsidiaries) As of March 31, 2023			
ASSETS			
	Current Quarter	Previous Quarter	
Cash and Cash Items	P 9,519,496,527.79	P 13,177,429,341.15	
Due from Bangko Sentral ng Pilipinas (BSP)	54,587,711,008.62	63,011,415,824.69	
Due from Other Banks	8,738,428,018.88	19,210,178,101.17	
Financial Assets at Fair Value through Profit or Loss	11,853,610,407.98	7,566,548,711.30	
Available-for-Sale Financial Assets-Net	115,530,972,544.13	112,520,679,714.95	
Held-to-Maturity (HTM) Financial Assets-Net	69,547,809,158.61	69,247,485,912.23	
Loans and Receivables-Net:	492,168,491,342.78	525,215,690,703.56	
Interbank Loans Receivable	10,637,420,368.49	6,402,982,443.99	
Loans and Receivables-Others	483,786,059,288.20	498,485,681,029.66	
Loans and Receivables Arising from RA/CA/PR/SLB	—	23,518,739,984.00	
General Loan Loss Provision	2,254,818,960.36	3,191,712,554.09	
Other Financial Assets	5,388,726,510.72	5,455,340,212.31	
Equity Investment in Subsidiaries, Associates, and Joint Ventures-Net	2,442,063,684.71	2,425,240,569.43	
Bank Premises, Furniture, Fixture & Equipment-Net	5,488,061,686.88	5,299,512,223.21	
Real and Other Properties Acquired-Net	3,094,087,057.17	2,978,573,690.63	
Other Assets-Net	95,196,423,820.26	52,327,529,456.89	
TOTAL ASSETS	P 873,555,881,768.53	P 878,435,624,461.52	
LIABILITIES			
Financial Liabilities at Fair Value through Profit or Loss	P 1,480,952,054.26	P 1,752,818,352.31	
Deposit Liabilities	524,867,050,210.74	604,319,299,867.91	
Due to Other Banks	243,681,177.52	290,073,683.30	
Bills Payable:	66,900,380,895.49	41,585,969,721.08	
BSP (Rediscounting and Other Advances)	15,000,000,000.00	—	
Interbank Loans Payable	13,353,616,980.58	18,106,776,591.76	
Other Deposit Substitute	38,432,597,248.28	23,360,859,796.02	
Others	114,166,666.63	118,333,333.30	
Bonds Payable-Net	46,739,940,262.60	47,111,693,174.16	
Due to Bangko Sentral ng Pilipinas	71,354,004.00	—	
Other Financial Liabilities	11,685,064,507.64	10,079,793,442.07	
Other Liabilities	94,319,651,172.47	48,830,854,821.07	
TOTAL LIABILITIES	P 746,308,074,284.72	P 753,970,503,061.90	
STOCKHOLDERS' EQUITY			
Capital Stock	P 46,186,416,799.90	P 46,186,416,799.90	
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