April 27, 2021

via electronic mail
SECURITIES AND EXCHANGE COMMISSION
Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City, 1307

ATTENTION : DIR. VICENTE GRACIANO P. FELIZMENIO, JR.
Markets and Securities Regulation Department

via PSE EDGE
PHILIPPINE STOCK EXCHANGE, INC.
PSE Tower, 28th Street, cor. 5th Avenue,
Bonifacio Global City, Taguig City

ATTENTION : MS. JANET A. ENCARNACION
Head, Disclosure Department

via electronic mail
PHILIPPINE DEALING & EXCHANGE CORP.
Market Regulatory Services Group
29th Floor BDO Equitable Tower
8751 Paseo de Roxas, Makati City

ATTENTION : ATTY. MARIE ROSE M. MAGALLEN-LIRIO
Head - Issuer Compliance and Disclosures Department

Gentlemen:

Please see attached the SEC Form 17-C (Current Report) of Aboitiz Equity Ventures Inc. filed in compliance with the Securities Regulation Code, its 2015 Implementing Rules and Regulations, the Revised Disclosure Rules of the Philippine Stock Exchange (PSE), and the Issuer Disclosure Operating Guidelines of the Philippine Dealing Exchange Corp. (PDEx).

Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

ABOITIZ EQUITY VENTURES INC.
By:

SAMMY DAVE A. SANTOS
Assistant Corporate Secretary
COVER SHEET

S.E.C. Registration Number

MANUEL ALBERTO R. COLAYCO (02) 8886-2338
Contact Person Company Telephone Number

1 2 3 1
Month Day
Fiscal Year

1 7 - C
FORM TYPE

4th Monday of April 0 4 2 6
Month Day
Annual Meeting

N/A
Secondary License Type, if Applicable

SEC
Dept. Requiring this Doc

N/A
Amended Articles Number/Section

Total No. of Stockholders

X
Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = Pls. use black ink for scanning purposes
Aboitiz Equity Ventures Inc. (“AEV” or the “Company”) recorded consolidated net income of ₱7.6 billion (bn) for the first quarter of 2021, a 276% increase from the ₱2.0 bn reported in the same period in 2020. The Company recognized non-recurring losses of ₱219 million (mn) during the period, compared to the ₱262 mn in non-recurring losses for the corresponding period in 2020, which was primarily due to the goodwill write-off related to City Savings Bank, Inc. Without these one-off losses, the Company’s core net income for the first quarter of 2021 was ₱7.8 bn, a 243% increase year-on-year (YoY). For the relevant period, AEV recorded consolidated earnings before interest, tax, depreciation and amortization (EBITDA) of ₱18.0 bn, which was 53% higher YoY.
Power accounted for 58% of the total income contributions from AEV’s Strategic Business Units (SBU) during the first quarter of 2021, while Financial Services accounted for 29%. Income contributions from Food, Infrastructure, and Real Estate SBUs were at 8%, 4%, and 1%, respectively.

"The first quarter of 2021 is solid proof that the Aboitiz Group is already making headway in its recovery and growth plans for the year. I can never emphasize enough the crucial role that our A-People, with their unwavering passion and resilience, have played in pushing our organization to thrive in times of great uncertainty. Together with our team members, we will continue to explore better ways of working to sustain our businesses as we drive change for a better world by advancing business and communities. Our early initiatives on innovation and digitalization propelled the organization’s business continuity at the onset of the pandemic and we are prepared and committed to see our businesses through with the same growth pathway and trajectory," said Sabin M. Aboitiz, Aboitiz Group President and CEO.

**Strategic Business Units**

**Power**

Aboitiz Power Corporation’s ("AboitizPower") net income contribution to AEV for the first quarter of 2021 increased by 200% YoY, from ₱1.6 bn to ₱4.8 bn.

On a stand-alone basis, AboitizPower’s core net income for the first quarter of 2021 was ₱6.2 bn, 197% higher compared to the same period in 2020. Including non-recurring losses amounting to ₱29 mn, AboitizPower’s net income for the first three months of 2021 was ₱6.2 bn, 200% higher YoY. This was due to higher water inflows, higher availability of AboitizPower’s thermal facilities, and higher spot sales. These improvements offset the lower demand for power brought about by the continued enforcement of COVID-related community quarantines. AboitizPower was also able to claim liquidated damages for the delay in the construction of GNPower Dinginin Ltd. Co. (GNPD) and received the final payment for business interruption claims resulting from the GNPower Mariveles Energy Center (GMEC) outages in 2020.

For the first quarter of 2021, the income contribution from the generation and retail electricity supply businesses, which accounted for 85% of total income contribution from AboitizPower’s business segments, totaled ₱6.1 bn, 225% higher YoY. Consolidated EBITDA for the generation and retail electricity supply business recorded in the first quarter of 2021 was ₱11.9 bn, a 60% increase YoY, which was mainly driven by higher water inflows, improved availability for thermal plants, increased spot sales, and other income from liquidated damages, and recoveries from business interruption claims.

Capacity sold for the first quarter of 2021 increased by 3% to 3,558 megawatts (MW), compared to 3,445 MW in the same period in 2020. Energy sold increased by 8% to 6,130 gigawatt-hours (GWh) for the first quarter of 2021, compared to 5,675 GWh for the corresponding period in 2020.

Meanwhile, AboitizPower’s distribution business recorded an income share of ₱1.1 bn during the first quarter 2021, a 6% increase YoY, which accounted for 15% of income contributions from AboitizPower’s business segments. Consolidated EBITDA for the distribution business in the first three months of 2021 was ₱2.1 bn, 2% lower YoY. This was driven by lower energy consumption from the Commercial and Industrial customer segments, as COVID-related community quarantines continued to restrict the operations of commercial and industrial customers.
Energy sales decreased by 8% to 1,308 gigawatt-hours (GWh) during the first three months of 2021, compared to 1,429 GWh in the same period 2020.

**Banking & Financial Services**

Union Bank of the Philippines’ (“UnionBank” or the “Bank”) income contribution to AEV for the first three months of 2021 amounted to ₱2.4 bn, 79% higher than the ₱1.3 bn recorded during the same period in 2020.

On a stand-alone basis, UnionBank and its subsidiaries recorded net income of ₱4.7 bn for the first quarter of 2021, 79% higher than the ₱2.6 bn recorded during the same period in 2020. Net revenues were at ₱14.3 bn, up 50% from the same period in 2020. Net interest income grew to ₱7.2 bn, 6% higher YoY, despite muted credit demand. This was attributable to the robust growth of CASA deposits. Meanwhile, non-interest income during the first quarter of 2021 was ₱7.1 bn, up 163% YoY, mainly driven by higher trading gains.

The higher net revenues provided cushion for the Bank to book additional loan loss provisions of ₱2.3 bn even as the NPL ratio has declined to 4.7% from 5.1% in December 2020. These also allowed UnionBank to absorb the one-time impact on deferred tax assets due to the CREATE law.

UnionBank’s earnings performance in the first quarter of 2021 resulted in a return on equity of 18.1%, a return on assets of 2.5%, and a revenue-to-expense ratio of 2.3x.

As of March 31, 2021, UnionBank’s total assets amounted to ₱747.3 bn, 1% lower YoY. Total loans and receivables were down 12% YoY to ₱344.9 bn driven by the weak demand for corporate loans. Total high-cost deposits decreased by 22% to ₱222.8 bn funding requirements were supported by low-cost CASA deposits.

**Food**

AEV’s non-listed food subsidiaries’ (Pilmico Foods Corporation, Pilmico Animal Nutrition Corporation, and Pilmico International Pte. Ltd. - which includes Gold Coin Management Holdings Pte. Ltd.) income contribution to AEV amounted to ₱630 mn for the first quarter of 2021, 262% higher than the ₱174 mn recorded in the same period in 2020.

The Farms business segment reported net income of ₱153 mn during the first three months of 2021, bouncing back from a net loss of ₱345 mn for the first quarter of 2020. This was due to increased profits from the recovery of selling prices as the spread of the African Swine Fever lowered the supply of pork in the market. The Feeds business segment recorded net income of ₱355 mn during the first quarter of 2021, 17% lower YoY as increased raw material costs offset the improvement in average selling prices. The Flour business segment recorded ₱188 mn in net income for the first three months of 2021, 2% higher than the same period in 2020, on the back of improved per unit gross profit and volume.

**Real Estate**

AEV’s non-listed real estate businesses, comprising AboitizLand, Inc. (AboitizLand) and its subsidiaries, reported a consolidated net income of ₱101 mn for the first quarter of 2021, recovering from ₱110 mn in losses recorded in the same period in 2020.
AboitizLand contributed ₱701 mn in revenues for the first quarter of 2021, 38% higher than revenue contributions from the same period in 2020. This increase was primarily due to increased construction activity for its residential business as well as increased sales of high value lots.

Of AboitizLand’s revenue for the first quarter of 2021, the residential business unit contributed ₱453 mn, the commercial business unit contributed ₱59 mn, while the industrial business unit and others contributed the remaining ₱188 mn, equivalent to 65%, 8%, and 27%, respectively.

Infrastructure

For the Infrastructure group, Republic Cement & Building Materials, Inc.’s income contribution to AEV for the first quarter of 2021 amounted to ₱334 mn, 446% higher than the ₱61 mn recorded in the same period in 2020. This was primarily due to the ramp up in sales volume resulting from new cement capacities in Bulacan and Iligan, reduced costs, and increased overall efficiency.

Financial Condition

As of March 31, 2021, the Company’s consolidated assets totaled ₱620.4 bn, a 2% increase from end-2020’s level of ₱609.2 bn. Cash and cash equivalents stood at ₱72.8 bn, 10% higher than the ₱66.0 bn as of end-2020. Consolidated liabilities totaled ₱393.4 bn, a 2% increase from the year-end 2020 level of ₱385.6 bn, while equity attributable to equity holders of the parent increased by 2% to ₱186.2 bn. AEV’s current ratio as of March 31, 2021 stood at 1.6x while its net debt-to-equity ratio was 1.1x.
SIGNATURE (S)

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ABOITIZ EQUITY VENTURES INC.
By:

Sammy Dave A. Santos
Assistant Corporate Secretary

Date: April 27, 2021