



October 27, 2024

via electronic mail

SECURITIES AND EXCHANGE COMMISSION

SEC Headquarters, 7907 Makati Avenue,
Salcedo Village, Bel-Air, Makati City

ATTENTION : **DIR. OLIVER O. LEONARDO**
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 : **ATTY. STEFANIE ANN B. GO**
Officer-in-Charge, 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. SUZY CLAIRE R. SELLEZA**
Head, Issuer Compliance and Disclosures Department

Gentlemen:

Please see attached the SEC Form 17-C (Current Report) on the third quarter 2024 financial and operating results 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

C E O 2 5 3 6

S.E.C. Registration Number

A B O I T I Z E Q U I T Y V E N T U R E S I N C .

(Company's Full Name)

3 2 N D S T R E E T , B O N I F A C I O G L O B A L

C I T Y , T A G U I G C I T Y , M E T R O M A N I L A

P H I L I P P I N E S

(Business Address: No. Street City / Town / Province)

CONNIE G. CHU

Contact Person

(02) 8 886-2800

Company Telephone Number

1 2 3 1

Month Day Fiscal Year

1 7 - C

FORM TYPE

4th Monday of April

0 4 2 2

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

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE (SRC)
AND SRC RULE 17.2(c) THEREUNDER

1. **October 27, 2024**
Date of Report (Date of earliest event reported)
2. SEC Identification Number: **CEO2536** 3. BIR TIN: **003-828-269-V**
4. **ABOITIZ EQUITY VENTURES INC.**
Exact name of registrant as specified in its charter
5. **Philippines**
Province, country or other jurisdiction of incorporation
6. 
(SEC Use Only)
Industry Classification Code
7. **32nd Street, Bonifacio Global City, Taguig City, Metro Manila, Philippines** **1634**
Address of principal office Postal Code
8. **(02) 8 886-2800**
Registrant's telephone number, including area code
9. **N/A**
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the RSA
- | Title of Each Class | Number of Shares of Common Stock
Outstanding and Amount of Debt Outstanding |
|---|--|
| Common Stock ₱1 Par Value | 5,553,805,057 |
| Amount of Debt Outstanding (As of June 30, 2024) | ₱ 384,546,392,000.00 |
11. Indicate the item numbers reported herein: 9

Item 9: Other Matters

Aboitiz Equity Ventures Inc. ("AEV" or "the Company") recorded consolidated net income of ₱18.8 billion for the first nine months of 2024, a 4% increase from the ₱18.0 billion reported for the first nine months of 2023. Excluding non-recurring foreign exchange losses of ₱20 million, the Company's core net income for the first nine months of 2024 was ₱18.8 billion, which was 9% higher than the Company's core net income of ₱17.3 billion during the corresponding period in 2023.

The Company recorded consolidated net income of ₱7.3 billion for the third quarter of 2024, a 4% decrease from the ₱7.6 billion reported for the third quarter of 2023. Excluding non-recurring net foreign exchange losses of ₱104 million, the Company's core net income for the third quarter of 2024 was ₱7.4 billion, which was 20% higher than the Company's core net income of ₱6.2 billion during the corresponding period in 2023.

Power accounted for 64% of the total net income contributions from AEV's Strategic Business Units (SBU) for the first nine months of 2024, while Financial Services and Food and Beverage SBUs each accounted for 19%. Net income contributions from Real Estate and Infrastructure SBUs were at 2% and -4%, respectively.

"Our third-quarter results reflect not only the strength of our diversified businesses but also the positive momentum we are seeing in the broader economy. With inflation moderating and recent rate cuts providing relief, we are optimistic about the opportunities ahead. These improving macroeconomic conditions will allow us to continue to create long-term value for our stakeholders and to contribute to the economic growth of our country," said Aboitiz Group President and CEO Sabin M. Aboitiz.

Strategic Business Units

Power

Aboitiz Power Corporation's (AboitizPower) net income contribution to AEV for the first nine months of 2024 amounted to ₱14.5 billion, 4% higher than the ₱13.9 billion recorded during the same period in 2023.

On a stand-alone basis, AboitizPower's beneficial earnings before interest, taxes, depreciation, and amortization (EBITDA) increased by 12% year-on-year to ₱56.1 billion for the first nine months of 2024. This was largely driven by higher generation portfolio margins, and additional capacities from the 159 megawatt ("MW") Laoag and 94 MW Cayanga solar plants. In addition, the growth in retail volume and higher energy sales from the Distribution Utility business further increased AboitizPower's beneficial EBITDA for the period.

AboitizPower's Generation and Retail Supply business beneficial EBITDA for the first nine months of 2024 was ₱50.9 billion, 11% higher than the ₱46.0 billion during the same period in 2023. This was driven by higher portfolio margins and energization of AboitizPower's Cayanga and Laoag solar plants. Energy sold reached 26,910 gigawatt-hours (GWh), or 2% higher compared to the same period in 2023.

For the first nine months of 2024, AboitizPower's Distribution business beneficial EBITDA was ₱6.6 billion, higher by 11% from the ₱6.0 billion during the same period last year, driven by higher energy sales. Energy sales increased by 8% to 4,939 GWh for the first nine months of 2024, compared to 4,569 GWh during the same period in 2023 due to the higher demand driven by the effect of the *El Niño* phenomenon. Energy sales from Residential, Commercial and Industrial customers increased by 14% and 5% year-on-year, respectively.

Banking & Financial Services

Net income contribution from Union Bank of the Philippines (“UnionBank”, or “the Bank”) amounted to ₱4.2 billion for the first nine months of 2024. This was 4% higher than the ₱4.0 billion recorded in the same period in 2023.

On a stand-alone basis, UnionBank recorded a net income of ₱8.6 billion for the first nine months of 2024. This was 6% higher than the ₱8.1 billion recorded during the same period in 2023. Core operations remain healthy as the Bank’s revenues for the first nine months of 2024 increased by 9% year-on-year to ₱57.7 billion. Net interest income for the first nine months of 2024 also rose by 14% year-on-year to ₱42.6 billion as a result of higher net interest margin of 5.9%, which was attributable to the 5.9% year-on-year growth in consumer loans. As of September 30, 2024, consumer loans accounted for 60% of UnionBank’s total loan portfolio, which declined by 1% compared to its total loan portfolio as of September 30, 2023.

The 2% year-on-year decline in the Bank’s operating expenses to ₱33.0 billion for the first nine months of 2024 was primarily driven by the reduction in IT cost, as a result of the successful migration of the acquired Citi Consumer business into the UnionBank system. The Bank’s cost-to-income ratio has improved to 57.2% for the first nine months of 2024, compared to 63.4% during the same period in 2023.

Total assets of the Bank as of September 30, 2024 was ₱1.1 trillion. Total loans of the Bank was ₱523.2 billion, while low-cost CASA deposits were at ₱419.4 billion.

Real Estate

Aboitiz Land, Inc. (“AboitizLand”) and its Subsidiaries reported a consolidated net income of ₱521 million for the first nine months of 2024, 27% lower than the ₱716 million recorded during the same period in 2023. This was primarily due to the higher operational expenses and overhead costs and asset monetization in 2023.

Food and Beverage

Net income contribution from the Food and Beverage segment, which includes Pilmico Foods Corporation, Pilmico Animal Nutrition Corporation, and Pilmico International Pte. Ltd. (which houses Gold Coin Management Holdings Pte. Ltd.) (collectively, the “Aboitiz Foods”), and Coca-Cola Beverages Philippines, Inc. (CCBPI), was ₱4.2 billion for the first nine months of 2024. This is more than 8x higher than the ₱499 million recorded during the same period in 2023. This was primarily driven by the Aboitiz Foods’ Flour and Agribusiness divisions, which continued to benefit from stabilizing commodity prices, optimized formulations in both feeds and flour, strategic selling prices adjustments, and fresh contributions from CCBPI, where AEV acquired a 40% stake on February 23, 2024.

Infrastructure

Aboitiz InfraCapital, Inc. recorded a net loss of ₱148 million income contribution to AEV for the first nine months of 2024, a reversal from the ₱1.4 billion profit recorded in the same period in 2023, which included ₱1.2 billion of non-recurring gain.

AEV's share in Republic Cement & Building Materials, Inc.'s ("Republic Cement") loss for the first nine months of 2024 amounted to ₱726 million. This was higher than its share of losses during the same period in 2023, which amounted to ₱592 million, as sales volume and selling prices continued to decline year-on-year due to weak market demand for cement.

Financial Condition

As of September 30, 2024, AEV's consolidated assets was ₱844.9 billion, 1% higher from year end-2023 level of ₱833.9 billion. Cash and cash equivalents was ₱79.0 billion, 30% lower from year end-2023 level of ₱112.3 billion. Consolidated liabilities was ₱453.0 billion, 1% lower from the year-end 2023 level of ₱458.5 billion, while equity attributable to equity holders of the parent increased by 4% at ₱284.0 billion from year end-2023 level of ₱272.0 billion. AEV's current ratio as of September 30, 2024 stood at 1.9x while its net debt-to-equity ratio was 0.8x.

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: October 27, 2024