

# Earnings Results Briefing

9 March 2026  
2:30 PM PHT



Together we are building the Philippines' first **techglomerate**

# Disclaimer

*This presentation and the information contained herein (this "Presentation") are the sole and exclusive property of Aboitiz Equity Ventures ("AEV") and shall only be used for the purpose intended herein and may not be used, published or redistributed without the prior written consent of AEV. None of the information contained in this Presentation constitutes a solicitation, offer, opinion, or recommendation by AEV to buy or to sell any securities or financial instrument or to provide any investment service or investment advice. AEV gives no undertaking and is under no obligation to provide the recipient with access to any additional information or to update this Presentation or to correct any inaccuracies in it which may become apparent. Further, it reserves the right, without any reason whatsoever, at any time and in any respect, to amend the information provided herein. The opinions expressed herein are made in good faith and while every care has been taken in preparing this Presentation, no representation or warranty is given by AEV as to its accuracy or completeness. All statements in this Presentation, other than statements of historical facts, that address activities, events, or developments that AEV expects or anticipates will or may occur in the future (including, but not limited to, projections, targets, estimates and business plans) are forward-looking statements based upon what AEV believes are reasonable assumptions and expectations in light of currently available information as of the date of this Presentation. As such, AEV's actual results or developments may differ materially from those which are expressed or implied in these forward-looking statements as a result of various factors and uncertainties, including, but not limited to, price fluctuations, actual demand, exchange rate fluctuations, market shares, competition, changes in legal, financial, and regulatory frameworks, international economic and financial market conditions, political risks, cost estimates, and other risks and factors beyond AEV's control. Your use of, or reliance on, this Presentation and any conclusion you may form from this Presentation shall be at your sole risk. AEV shall not, directly or indirectly, be liable, in any way, for any inaccuracies, errors, or omissions in this Presentation, including, but not limited to, any quotes or financial data contained therein, nor for any damages resulting therefrom. Any opinion/data/forward-looking statements herein reflected may be subject to change by AEV without notice.*

# Agenda



**Dominic Banal**  
Global Markets - Trading Head

1. Macroeconomic and Industry Outlook



**Dmi Lozano**  
Chief Financial Officer

2. Financial Performance

# Macroeconomic and Industry Outlook

## Israel-Iran war brings significant volatility in sharp risk-off move

- **Oil shoots up to 115/bbl on Strait of Hormuz closure**
  - Over the weekend, UAE and Kuwait announced cuts due to storage and bottleneck concerns
  - Some projects are at 4M bbl/day in reduced production, around 5% of global oil production
  
- **Trump estimates that war could take 4 weeks**

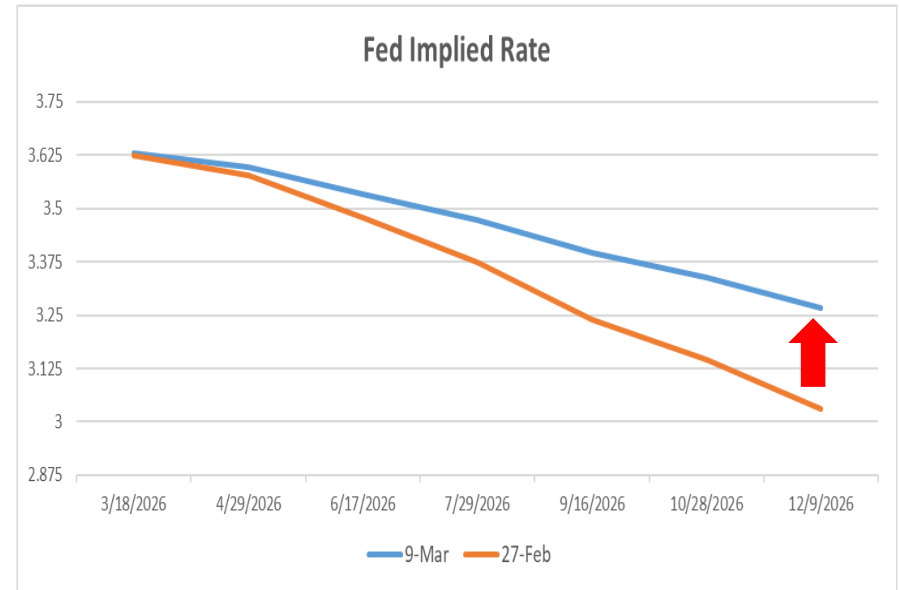
# 2026 cut odds decrease on oil spike

## February 24

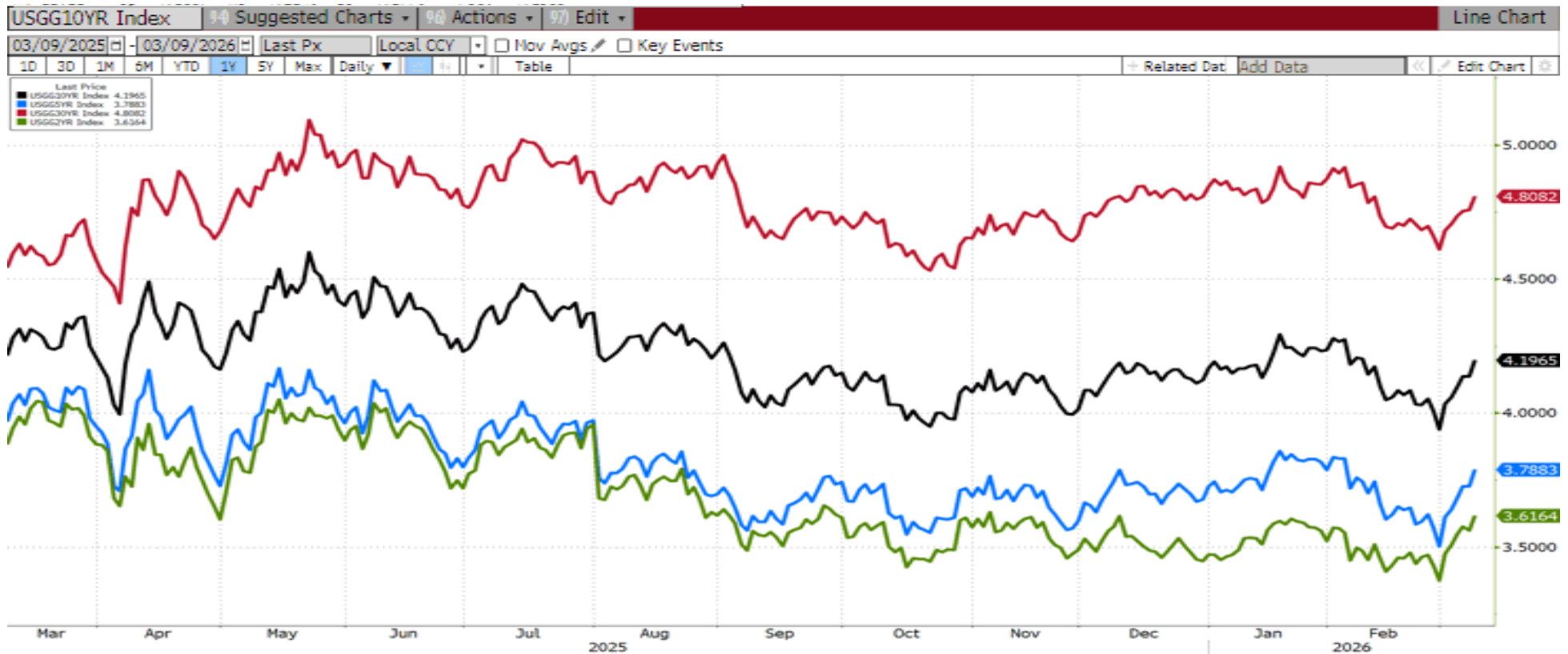
Meeting	#Hikes/Cuts	%Hike/Cut	Imp. Rate Δ	Implied Rate
03/18/2026	-0.026	-2.6%	-0.007	3.632
04/29/2026	-0.165	-13.9%	-0.041	3.597
06/17/2026	-0.533	-36.8%	-0.133	3.505
07/29/2026	-0.985	-45.2%	-0.246	3.392
09/16/2026	-1.531	-54.6%	-0.383	3.256
10/28/2026	-1.885	-35.4%	-0.471	3.168
12/09/2026	-2.307	-42.2%	-0.577	3.062

## March 9 (Current)

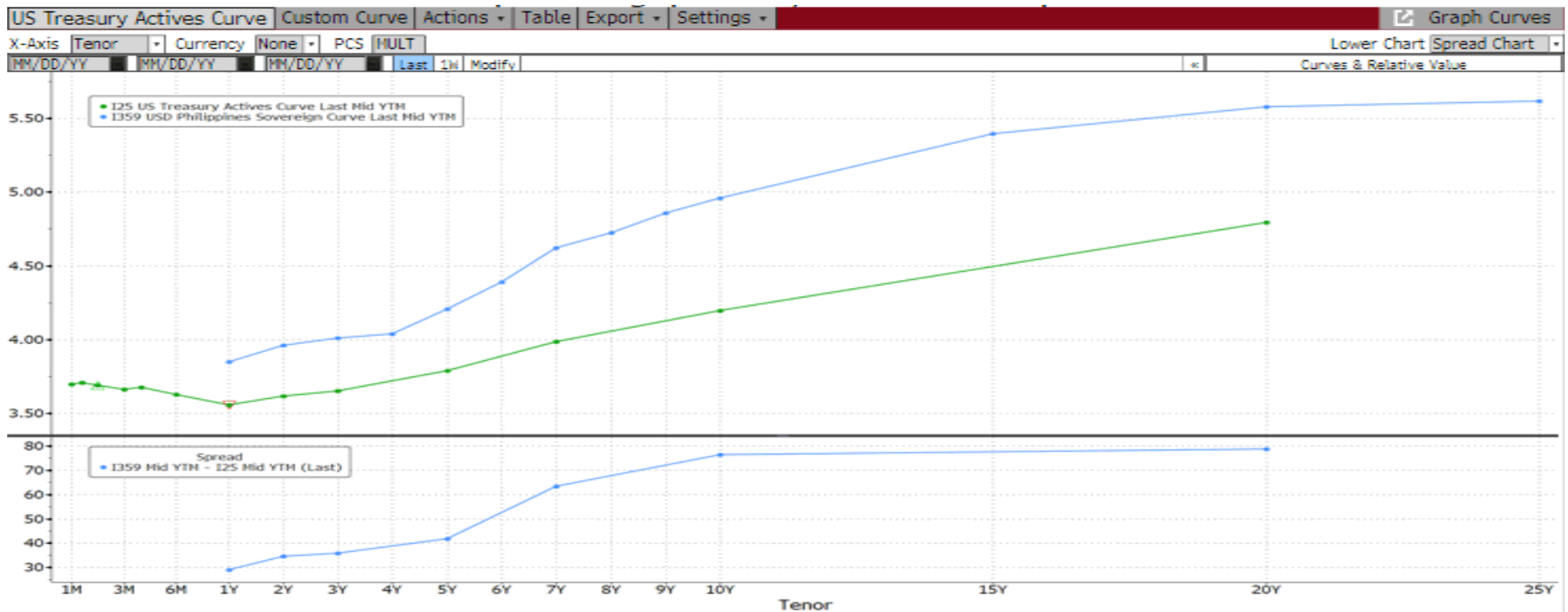
Meeting	#Hikes/Cuts	%Hike/Cut	Imp. Rate Δ	Implied Rate
03/18/2026	-0.053	-5.3%	-0.013	3.631
04/29/2026	-0.187	-13.4%	-0.047	3.597
06/17/2026	-0.436	-24.9%	-0.109	3.535
07/29/2026	-0.687	-25.1%	-0.172	3.472
09/16/2026	-0.996	-30.9%	-0.249	3.395
10/28/2026	-1.227	-23.1%	-0.307	3.338
12/09/2026	-1.509	-28.2%	-0.377	3.267



# Treasuries sell off on global risk off move



# US curve continues to steepen, newly issued ROP trading at 100 bps higher than Treasuries

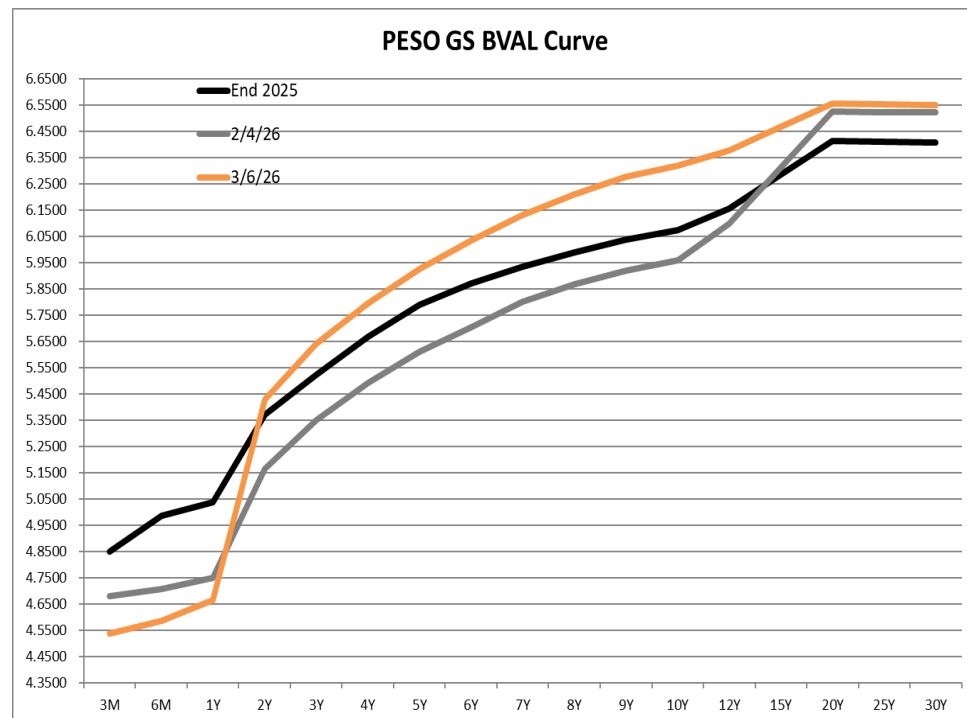


## BSP cuts rates to 4.25%; Recent events could trigger shift in policy stance

- **In latest interview, Gov Remolona offers insights on how this can impact the monetary policy path**
  
- **Gov Remolona: "10% (oil) is still very manageable. If it goes up 50% then that's going to be something we have to deal with more and more strongly."**
  - "But it's possible that \$100 / bbl, then we will begin to breach what we call our tolerance range. We breach 4% and then we have to do something with monetary policy"
  - I think that it's not something it's still something we can manage, It's when the price of oil begins to affect prices of many other things then we have to do something on the demand side to compensate for what is really a supply chain problem.
  - We might have to tighten. So if oil prices rise sharply and persistently, then we have work to do.
  
- **PH impact to inflation will be felt in the next few months, especially given base effects**
  - **Gov't looking to suspend excise tax on oil**
  - **Announces plan to purchase oil from US / Australia**

## BVAL curve shifted higher due to the conflict in the Middle East

PESO GS BVAL RATES					
Tenor	End 2025	2/4/26	3/6/26	MoM Change	YTD Change
3M	4.8496	4.6820	4.5370	-0.15	-0.31
6M	4.9863	4.7088	4.5881	-0.12	-0.40
1Y	5.0391	4.7497	4.6658	-0.08	-0.37
2Y	5.3721	5.1640	5.4295	0.27	0.06
3Y	5.5219	5.3490	5.6402	0.29	0.12
4Y	5.6672	5.4910	5.7955	0.30	0.13
5Y	5.7879	5.6100	5.9253	0.32	0.14
6Y	5.8702	5.7056	6.0350	0.33	0.16
7Y	5.9342	5.8000	6.1300	0.33	0.20
8Y	5.9890	5.8690	6.2112	0.34	0.22
9Y	6.0360	5.9190	6.2756	0.36	0.24
10Y	6.0722	5.9570	6.3182	0.36	0.25
12Y	6.1560	6.0969	6.3773	0.28	0.22
15Y	6.2859	6.3140	6.4685	0.15	0.18
20Y	6.4126	6.5251	6.5548	0.03	0.14
25Y	6.4088	6.5220	6.5510	0.03	0.14
30Y	6.4079	6.5220	6.5502	0.03	0.14



➤ Bellies to the long ends were hit hard, up roughly 40 - 70bps since the war began

## Base effects will be unfavorable in the next five readings; Headline could jump

Philippines CPI All items MoM% 2018=100

Range 01/31/2021 - 01/31/2026 Period Monthly High 1.1 on 01/31/21  
 Low -0.4 on 04/30/25  
 Fields Last Price Mid Price Currency USD Average 0.3 0.3  
 View Price Table Net Chg -0.3 -28.53%

Date	Last Price	Mid Price	Date	Last Price	Mid Price	Date	Last Price	Mid Price
12/31/26			12/31/25	0.9	0.9	12/31/24	0.6	0.6
11/30/26			11/30/25	0.2	0.2	11/30/24	0.4	0.4
10/31/26			10/31/25	0.1	0.1	10/31/24	0.2	0.2
09/30/26			09/30/25	0.0	0.0	09/30/24	-0.2	-0.2
08/31/26			08/31/25	0.6	0.6	08/31/24	0.1	0.1
07/31/26			07/31/25	0.3	0.3	07/31/24	0.7	0.7
06/30/26			06/30/25	0.1	0.1	06/30/24	0.0	0.0
05/31/26			05/31/25	-0.1	-0.1	05/31/24	0.1	0.1
04/30/26			04/30/25 L	-0.4	-0.4	04/30/24	-0.1	-0.1
03/31/26			03/31/25	-0.2	-0.2	03/31/24	0.1	0.1
02/28/26			02/28/25	-0.2	-0.2	02/29/24	0.6	0.6
01/31/26	0.8	0.8	01/31/25	0.5	0.5	01/31/24	0.6	0.6

## USD/Asia sharply lower for the month as regional outlook improves

Symbol	Price	Net Chg	Time	1D%	5D%	1M%	3M%	6M%	YTD%
10 USDTWD BGN	31.878	+.197	11:22	-.618	-1.123	-.932	-2.183	-4.878	-1.449
11 USDTHB BGN	32.120	+.246	11:22	-.769	-2.148	-3.104	-.894	-1.186	-1.952
12 USDSGD BGN	1.2830	+.0052	11:22	-.413	-.701	-1.348	+1.138	-.016	+1.187
13 USDPHP BGN	59.620	+.616	11:22	-1.033	-2.390	-1.941	-.696	-4.405	-1.124
14 USDMYR BGN	3.9655	+.0175	11:22	-.441	-.996	-.769	+3.732	+6.045	+2.383
15 USDKRW BGN	1493.03	+9.50	11:22	-.636	-1.636	-2.313	-1.568	-7.047	-3.242
16 USDJPY BGN	158.76	+.98	11:22	-.617	-.863	-1.814	-1.184	-7.149	-1.291
17 USDINR BGN	91.7513	+.1462	3/6	-.159	-.842	-1.184	-1.822	-3.801	-2.044
18 USDIDR BGN	16978	+53	11:22	-.312	-.648	-1.019	-1.779	-2.921	-1.755
19 USDHKD BGN	7.8154	-.0069	11:22	+0.088	+0.075	+0.004	-.421	-.337	-.417
20 USDCNY BGN	6.9206	+.0162	11:22	-.234	-.225	+0.004	+2.066	+2.936	+9.988
21 USDCNH BGN	6.9247	+.0217	11:22	-.313	-.342	-.137	+1.968	+2.878	+7.36

## DXY remains range-bound as safe-haven demand is offset by US tariff uncertainty

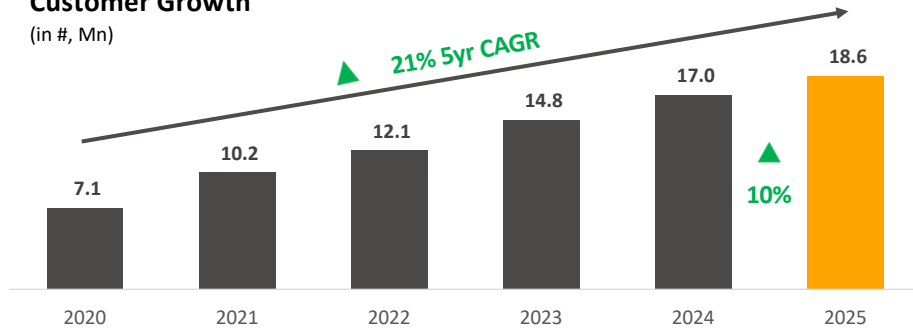


# Financial Performance FY2025

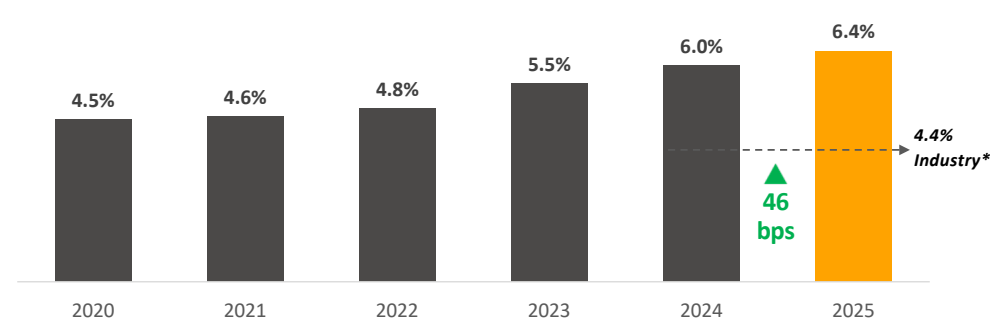
# Topline growth underpinned by expanding customer base and improving margins

## Customer Growth

(in #, Mn)

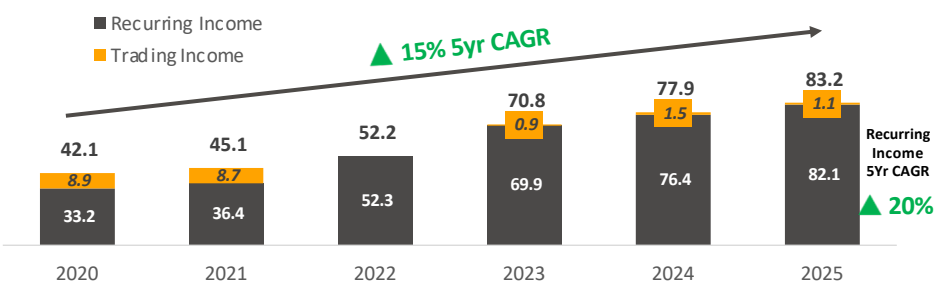


## Net Interest Margin

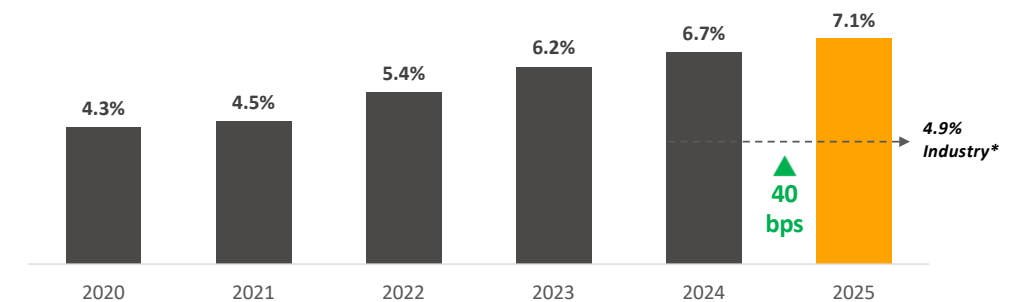


## Net Revenues

(in PHP, Bn)



## Net Revenues (excluding trading) to Assets

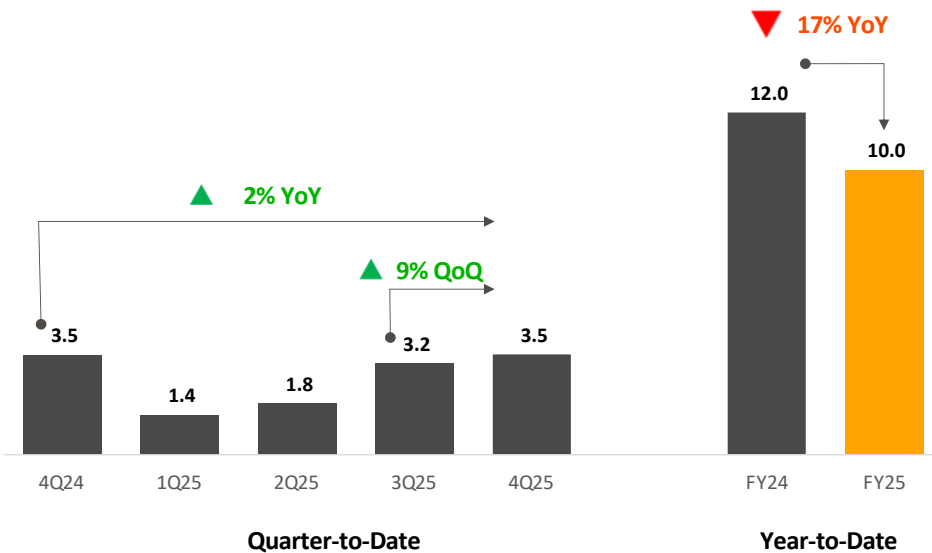


Note: (\*) Average Industry data is based on FY25 figures

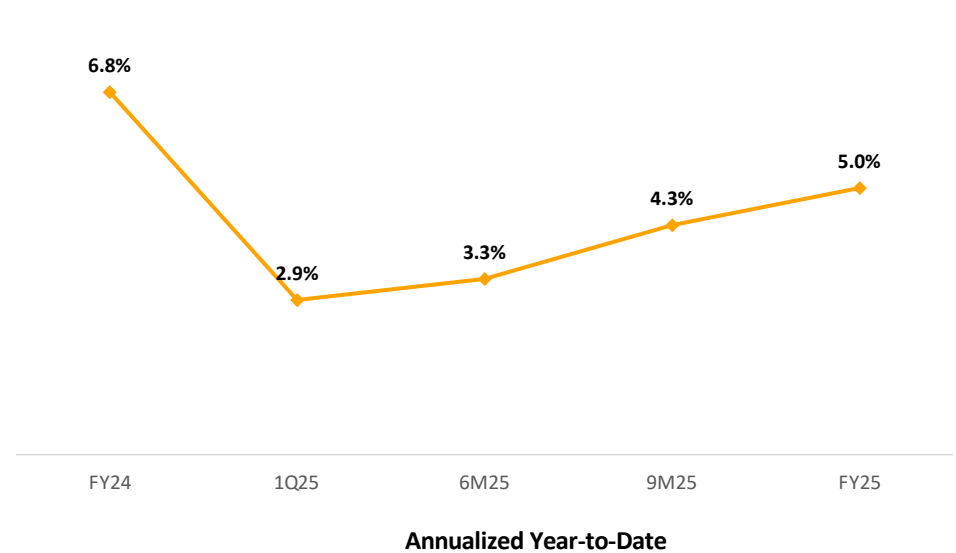
# UnionBank FY25 net income at P10.0Bn

- ▶ 4Q25 net income ended at P3.5Bn, up 9% QoQ and sustaining the upward trajectory throughout the year
- ▶ Earnings for the second half of the year more than doubled to P6.8Bn, up 108% versus first half
- ▶ FY25 net income is down 17% YoY due to one-time costs — largely booked at the subsidiary level — to strengthen financial and operational resiliency. Excluding the impact of these, net income would have grown by double digit

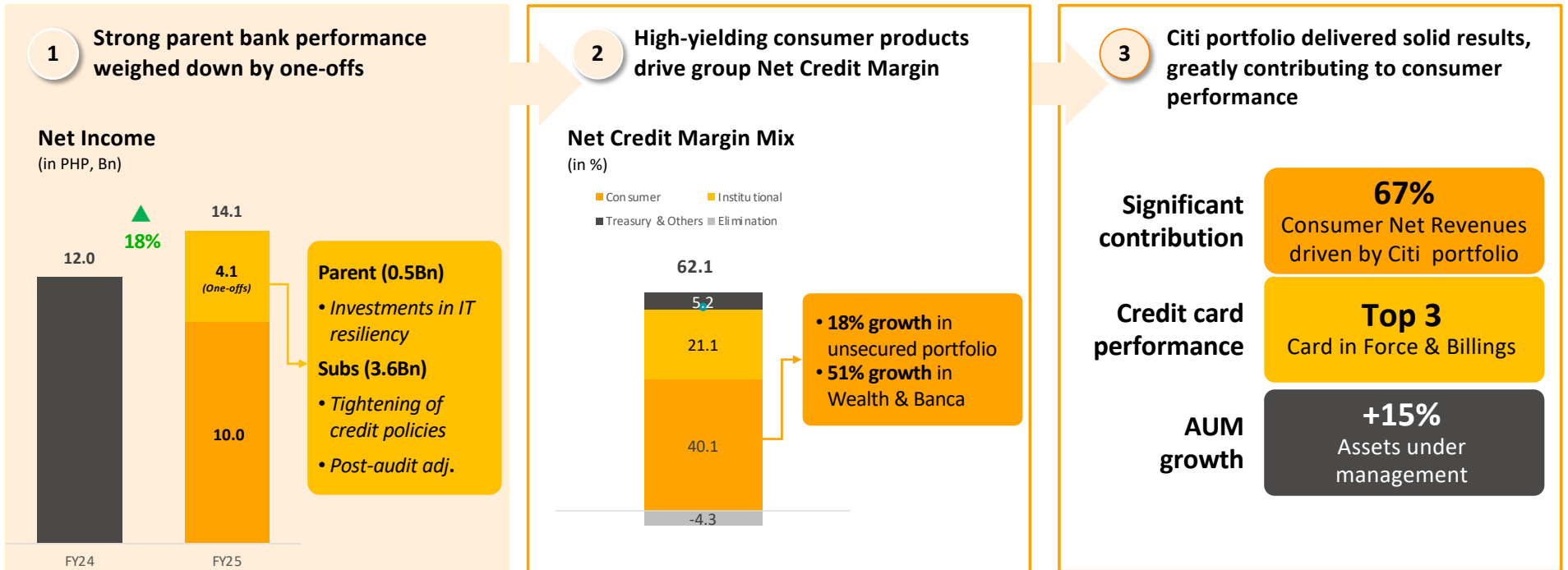
**Net Income**  
(in PHP, Bn)



**Return on Equity (Average)**



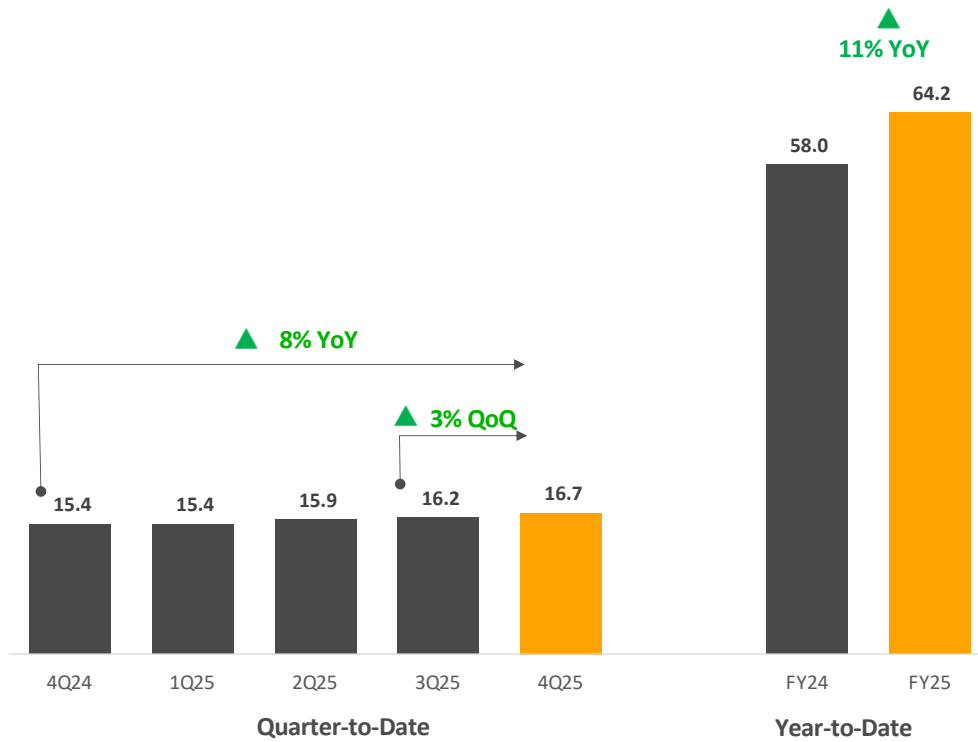
# Removing the noise, UBP Parent performance remains strong, anchored on its consumer portfolio



# NIM continues to improve, supported by lower funding costs

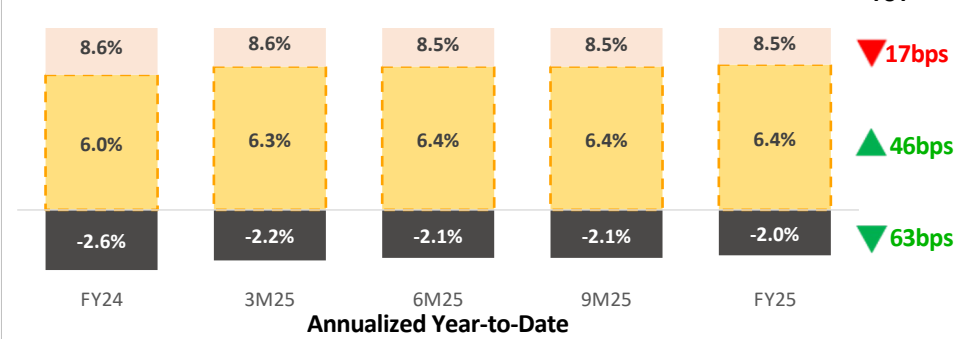
## Net Interest Income

(in PHP, Bn)



## Net Interest Margin

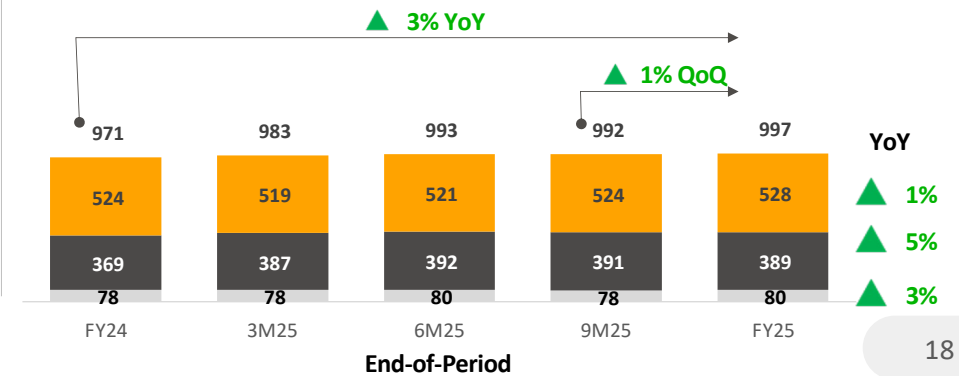
■ Cost ■ NIM ■ Yield



## Earning Assets

(ADB in PHP, Bn)

■ Liquid Assets ■ Securities ■ Current Loans

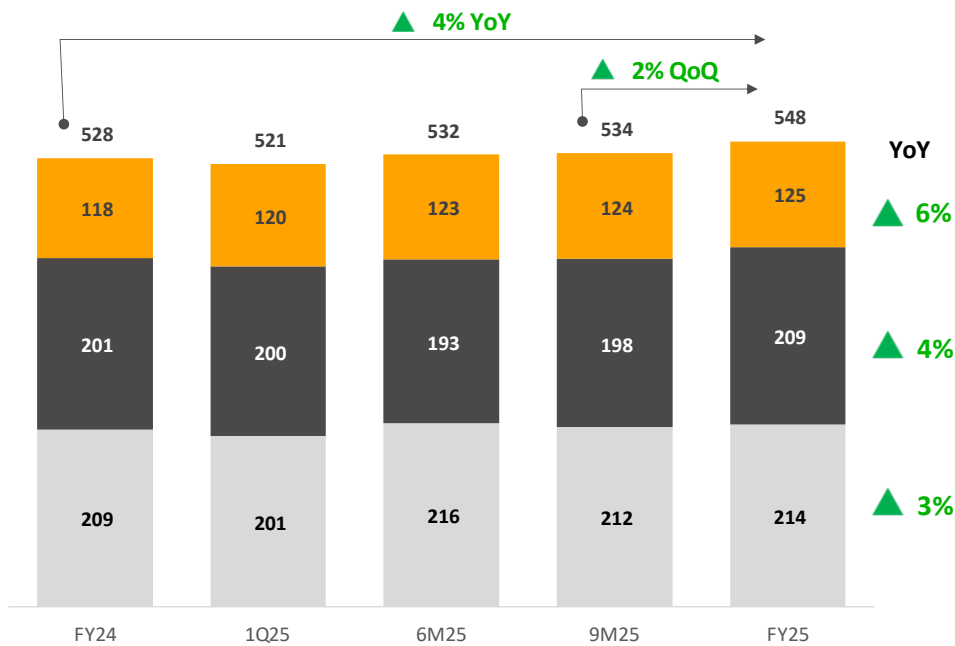


# Higher yielding credit cards is the main driver of loan growth

## Gross Loans, OSB

(in PHP, Bn)

■ Institutional ■ Retail (Parent) ■ CSB, UD, Other Subs



End-of-Period

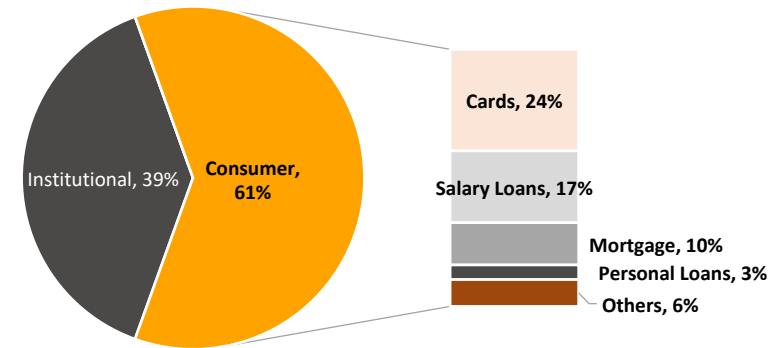
abotiz



## Loan Mix

Industry's Consumer Loans ~ 23%

Based on 9M25 BSP Data

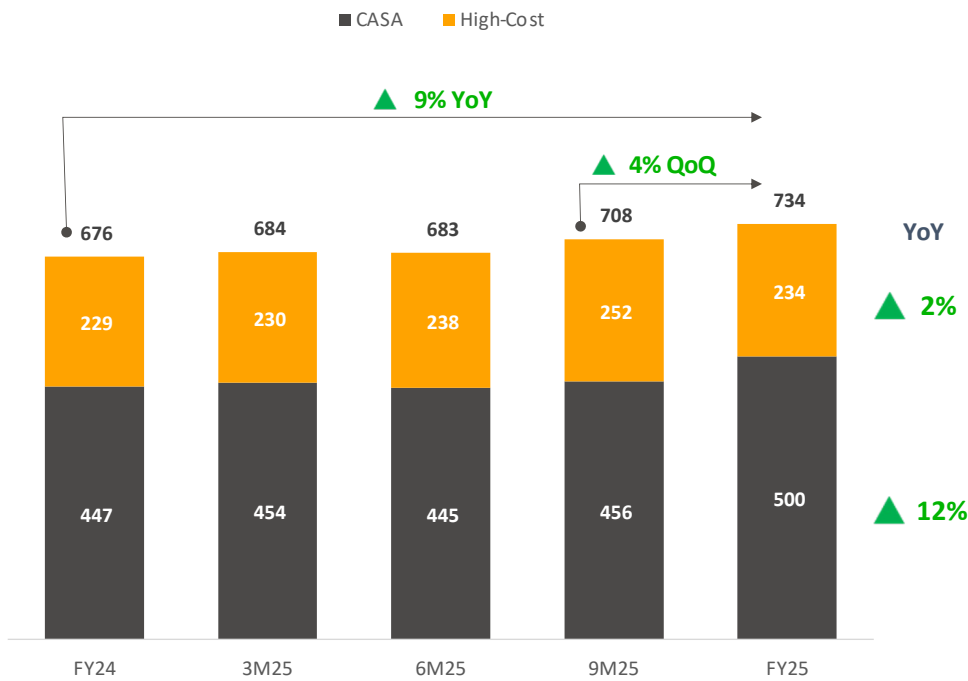


Gross Loans (OSB in PHP Bn)	FY24	FY25	Variance	%
<b>Institutional</b>	209	214	6	3%
<b>Consumer</b>	201	209	7	4%
Home Loans	69	55	(14)	-21%
Credit Card	109	132	22	21%
Personal Loans	18	19	1	5%
Other Consumer Loans	5	3	(2)	-36%
<b>Total Gross Loans of Parent</b>	<b>410</b>	<b>423</b>	<b>13</b>	<b>3%</b>
CitySavings and Subsidiaries	113	121	9	8%
UnionDigital	5	3	(2)	-34%
<b>Total Gross Loans of Subs</b>	<b>118</b>	<b>125</b>	<b>7</b>	<b>6%</b>
<b>Total Gross Loans</b>	<b>528</b>	<b>548</b>	<b>20</b>	<b>4%</b>
<b>% Consumer Loans</b>	<b>60%</b>	<b>61%</b>		

# Improving funding mix on the back of strong CASA growth

## Total Deposits (Consolidated), OSB

(in PHP, Bn)

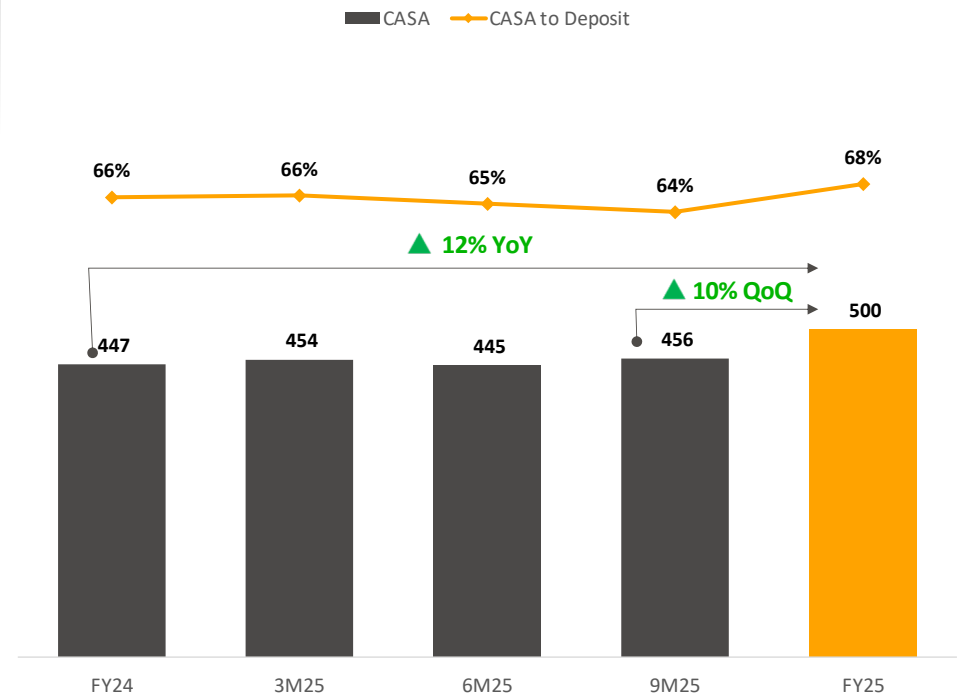


End-of-Period



## CASA Deposits (Consolidated), OSB

(in PHP, Bn)



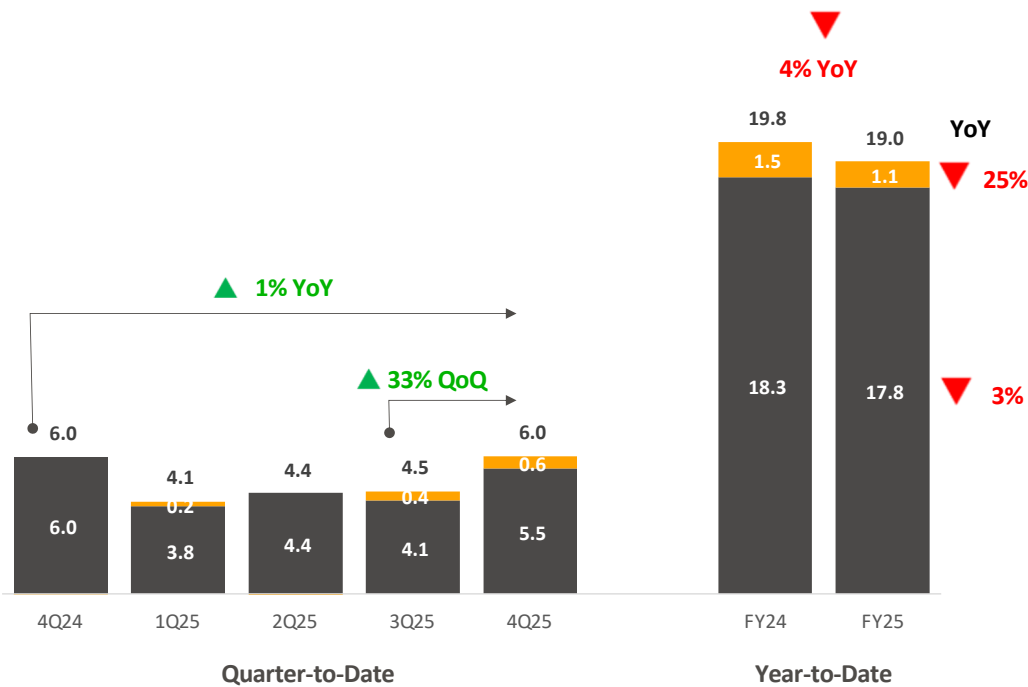
End-of-Period

# Parent bank customer transactions driving recurring fee income

## Non-Interest Income

(in PHP, Bn)

■ Fees & Others   ■ Trading Income



## YTD Fees & Others

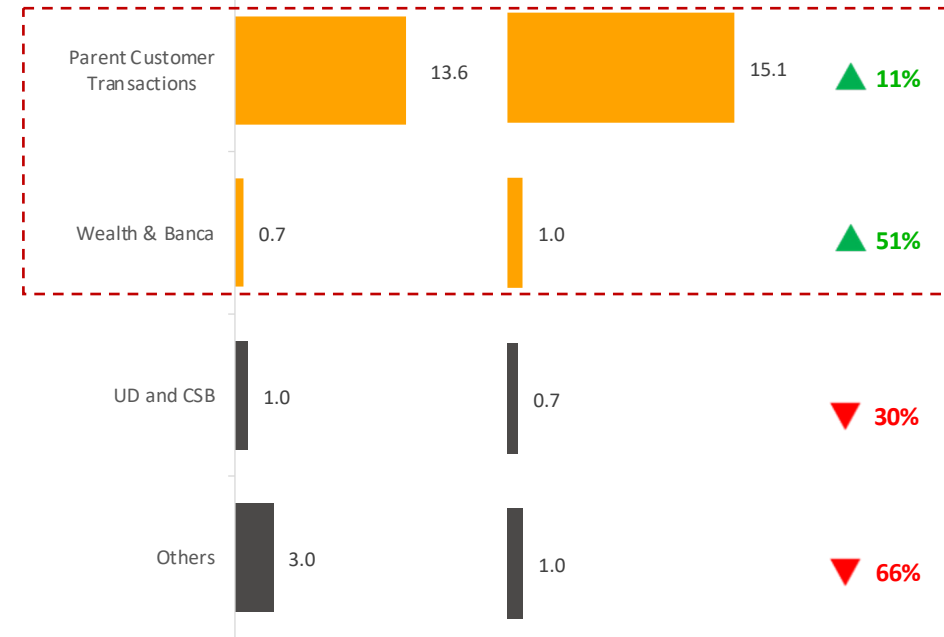
(in PHP, Bn)

FY24

FY25

YoY

*Fees from Customer transactions, Wealth, and Banca posted strong growth*

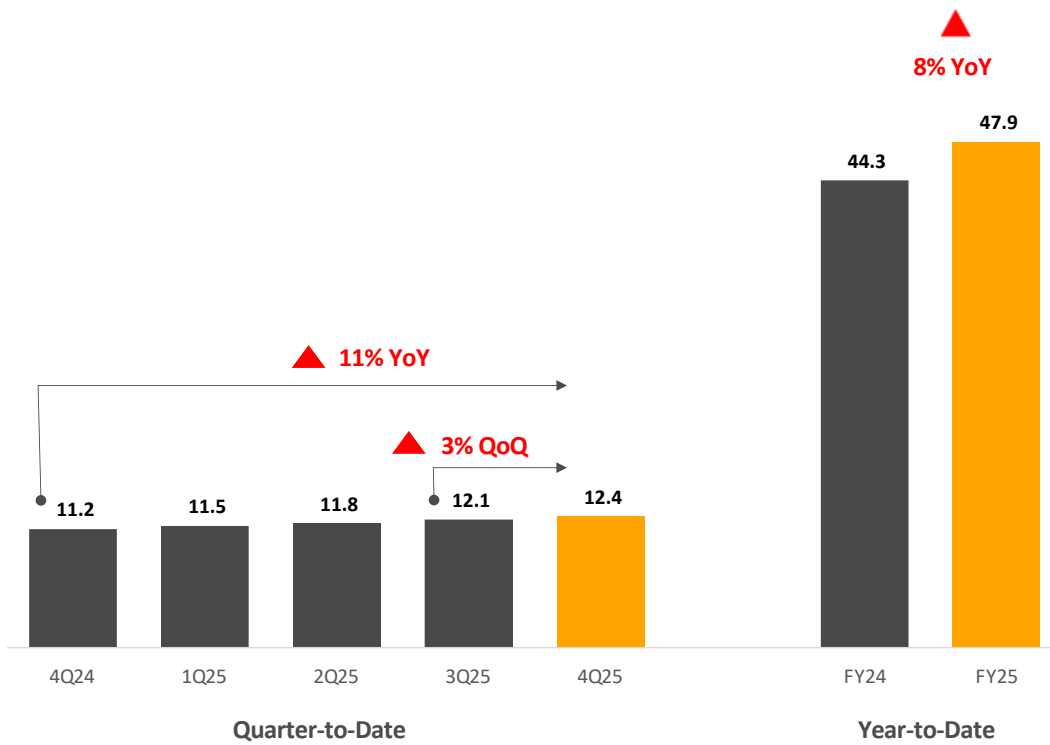


\*Note: Income from Trust business adjusted in FY25 to reflect the merger with ATRAM

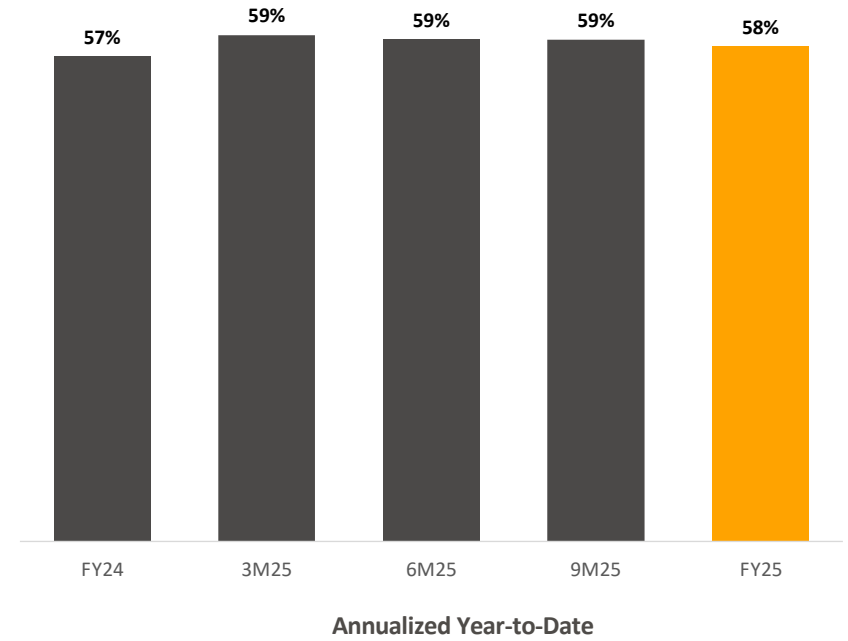
# OPEX growth driven by investments in IT

## Operating Expense

(in PHP, Bn)

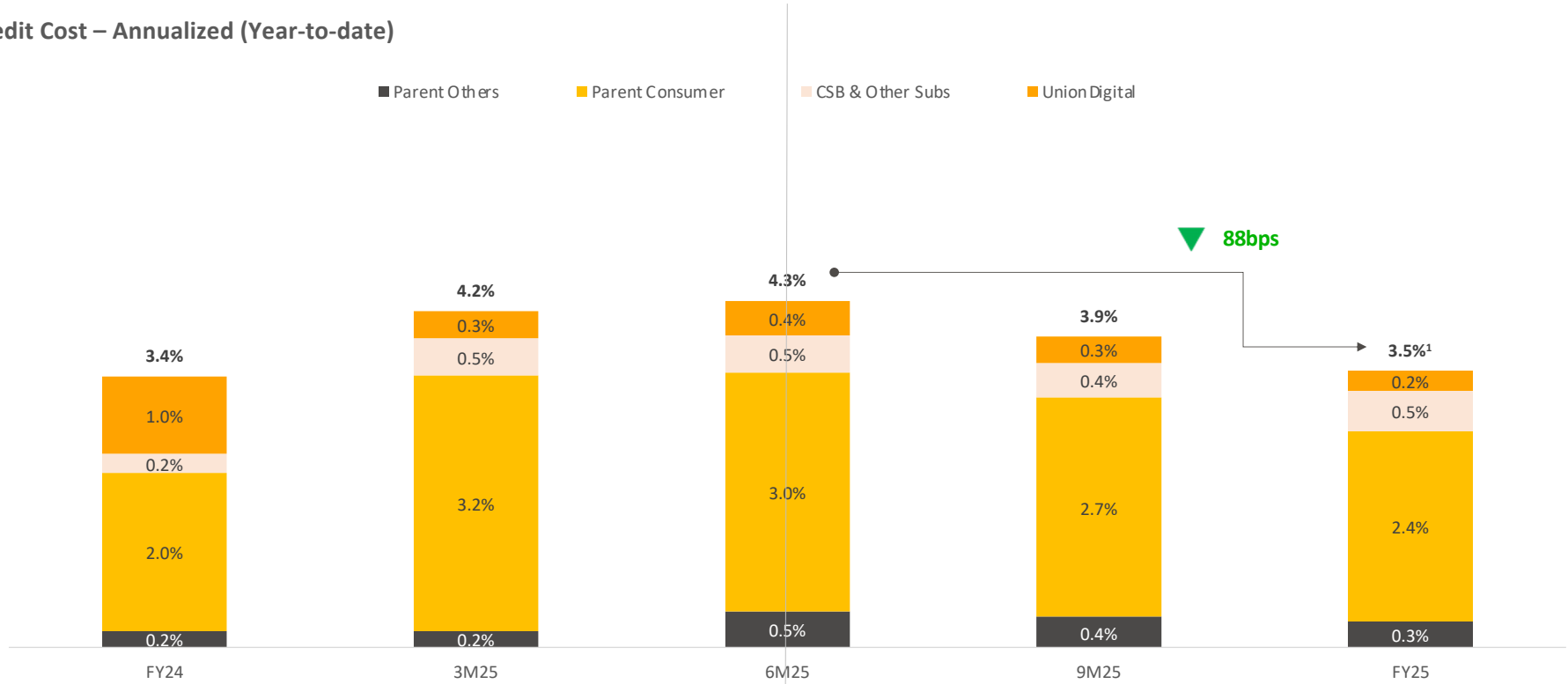


## Cost-to-income Ratio



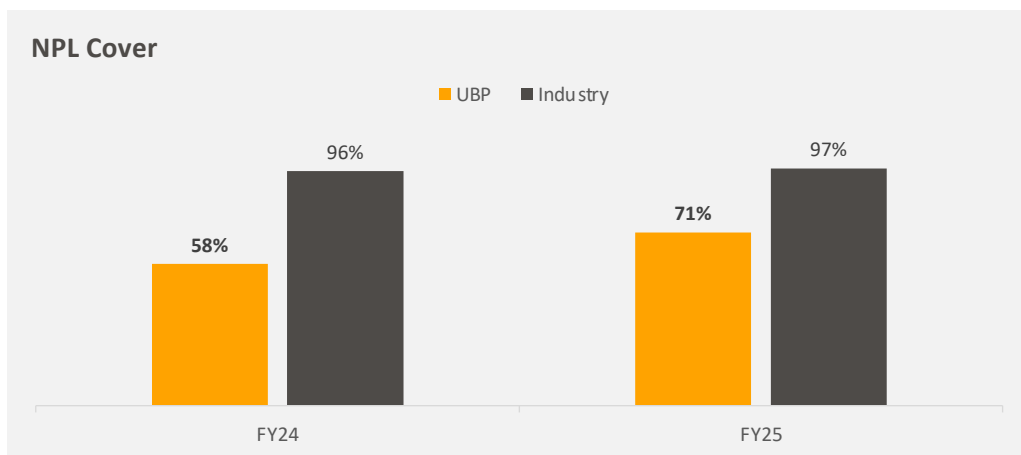
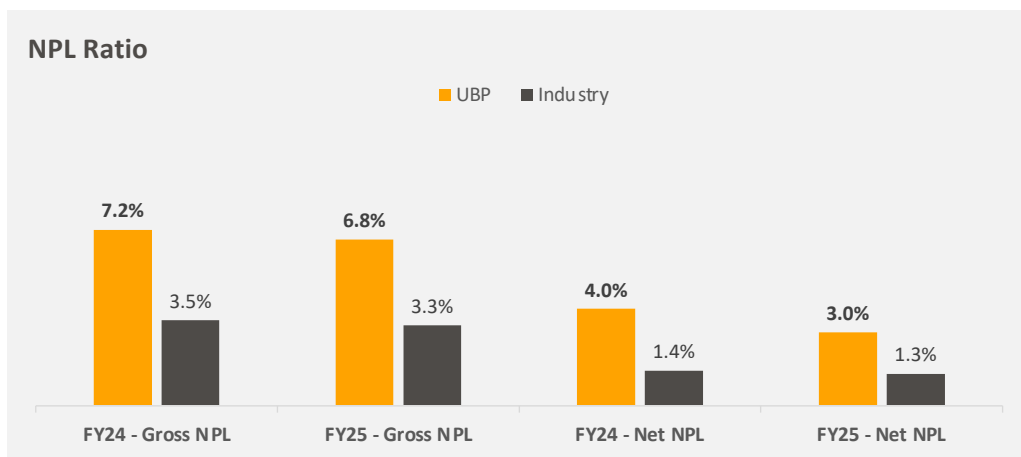
# Credit costs beginning to normalize

Credit Cost – Annualized (Year-to-date)



<sup>1</sup> Credit costs exclude one-off, non-credit related items. If we include this, credit cost increases by 0.4%

## Asset quality and coverage ratios show sustained improvement

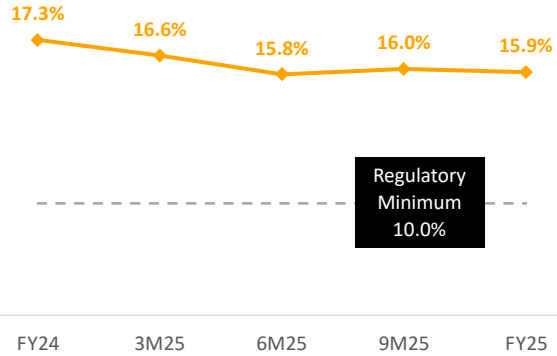


	FY24	FY25
Parent	5.9%	<b>5.9%</b>
Parent Consumer	6.2%	<b>5.7%</b>
UnionDigital	22.9%	<b>12.6%</b>

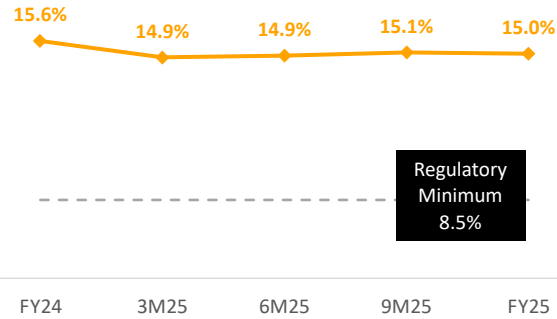
	FY24	FY25
Parent	69%	<b>79%</b>
Parent Consumer	69%	<b>84%</b>
Parent Consumer – Unsecured	130%	<b>138%</b>
UnionDigital	49%	<b>116%</b>

# Sufficient capital ratios to support growth

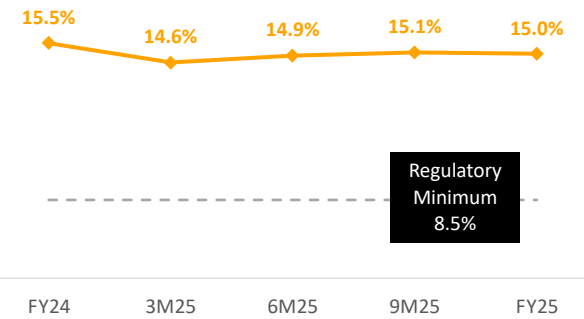
Capital Adequacy Ratio Group (CAR)



Common Equity Tier 1 Capital Ratio Group (CET1)



Common Equity Tier 1 Capital Ratio Parent (CET1)



## Other items

1

### Regular Cash Dividend Declaration

The Board approved a regular cash dividend of Php1.00 per common share, payable from unrestricted retained earnings as of December 31, 2025. Record date is March 16, 2026.

Payment date is March 23, 2026

2

### Adoption of Dividend Policy (Effective 2027)

The Board approved the Bank's Dividend Policy as part of its capital management strategy, effective 2027. The Bank intends to declare regular cash dividends of Php 1.00 per share annually, payable in two equal semi-annual tranches:

- **February:** Php 0.50 per share
- **July:** Php 0.50 per share

The Board may declare special dividends when conditions permit and retains discretion to adjust or defer payouts based on profitability, capital requirements, funding needs, and market conditions.

# Key takeaways and outlook

## Key takeaways

1

Second-half earnings more than doubled, up 108% compared to first-half of the year. Net income improving sequentially since Q1 signaling a clear upward trajectory.

2

Net revenues continue to track at record high ending at P83.5 billion. This is driven by continued customer acquisition, higher NIMs, and recurring fee growth. The improvement in NIMs was supported by our high-yielding consumer portfolio and lower funding costs.

3

Asset quality indicators improved over the course of the year. Net NPL ratio declined to 3.0%, an improvement of nearly 100 basis points. Coverage increased from 58.2% to 70.8%, while UnionDigital's legacy portfolio is now more than fully covered.

## Outlook

1

### **Net Revenues will continue to expand**

Net revenues are expected to continue expanding into 2026, supported by solid business drivers throughout 2025. Driven by customer growth and improving NIMs

2

### **Credit costs trending toward steady-state levels**

Credit costs projected to trend toward steady-state levels as portfolio seasoning improves and legacy items subside.

3

### **Balance sheet well-positioned to support growth**

Solid capital buffers and improving coverage ratios provide capacity to support disciplined portfolio growth while maintaining risk management.

4

### **Transition from stabilization to earnings expansion**

With one-off items largely behind us, the Bank's core business is now positioned to drive earnings expansion. Strategic investments in resiliency set the foundation for stronger performance in 2026.

# Thank you!

For comments and queries, contact us via:  
[investorrelations@unionbankph.com](mailto:investorrelations@unionbankph.com)

*Strictly Private & Confidential*