

# Cosco Capital, Inc.

## FY 2021 Financial Results Investor Presentation



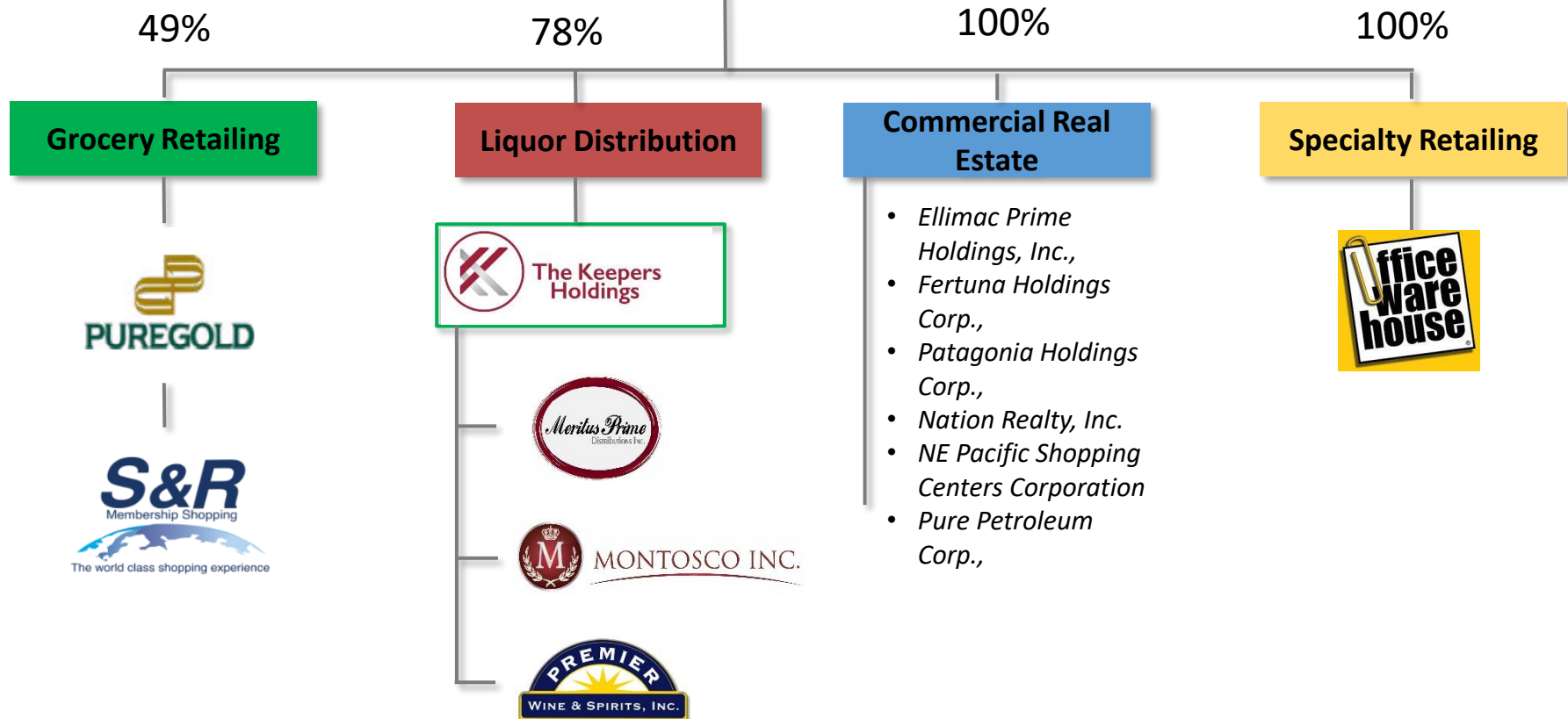
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## **Head Office Address**

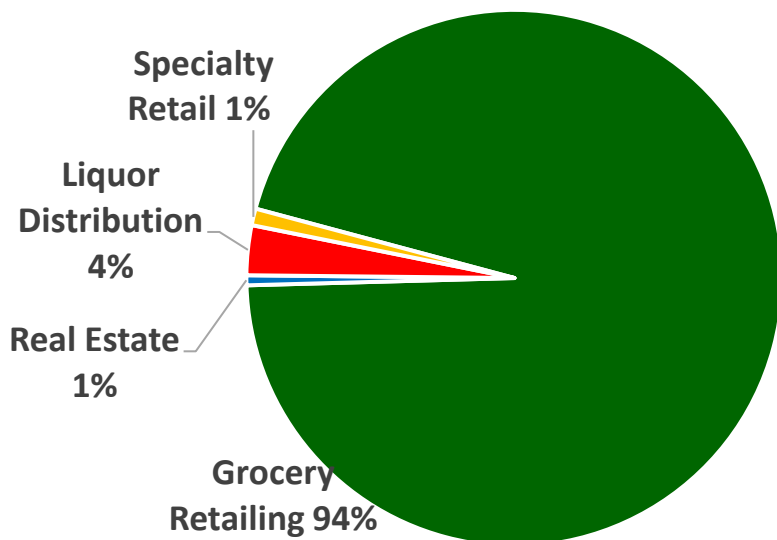
2nd floor, Tabacalera Building, 900 Romualdez Street, Paco, Manila, 1007  
Philippines

# Company Overview



# REVENUE AND PATMI CONTRIBUTIONS FY 2021

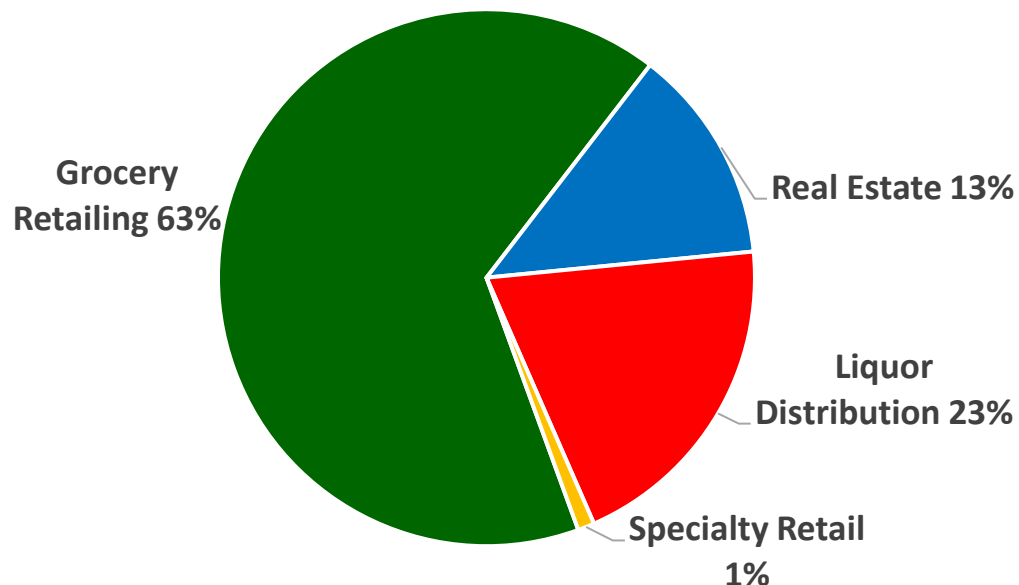
## Revenues



PHP 174.4 billion

-1.6% vs FY 2020

## CORE PATMI



PHP 6.15 billion

+4.3% vs FY 2020

# FY 2021 CONSOLIDATED FINANCIAL PERFORMANCE

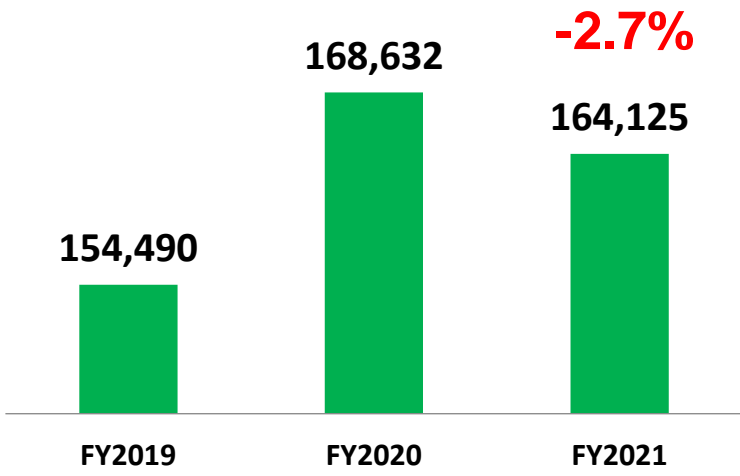
<i>(In Thousands)</i>	FY2021	%	FY2020	%	INCREASE (DECREASE)	%
REVENUES	174,453,773	100.00%	177,316,299	100.00%	(2,862,526)	-1.61%
COST OF SALES/SERVICES	140,822,162	80.72%	145,021,136	81.79%	(4,198,974)	-2.90%
GROSS PROFIT	33,631,611	19.28%	32,295,163	18.21%	1,336,448	4.14%
OTHER OPERATING INCOME	3,216,628	1.84%	3,157,850	1.78%	58,778	1.86%
GROSS OPERATING INCOME	36,848,239	21.12%	35,453,013	19.99%	1,395,226	3.94%
OPERATING EXPENSES	21,461,845	12.30%	20,147,712	11.36%	1,314,133	6.52%
INCOME FROM OPERATIONS	15,386,394	8.82%	15,305,301	8.63%	81,093	0.53%
OTHER INCOME (CHARGES) - net	(1,883,189)	-1.08%	(1,471,766)	-0.83%	(411,423)	27.95%
INCOME BEFORE INCOME TAX	13,503,205	7.74%	13,833,535	7.80%	(330,330)	-2.39%
INCOME TAX EXPENSE	2,991,716	1.71%	3,824,607	2.16%	(832,892)	-21.78%
NET INCOME FOR THE YEAR	10,511,490	6.03%	10,008,927	5.64%	502,562	5.02%
PATMI	6,151,761	3.53%	5,900,196	3.33%	251,565	4.26%
Non-controlling interests	4,359,728	2.50%	4,108,731	2.32%	250,997	6.11%
	10,511,490	6.03%	10,008,927	5.64%	502,562	5.02%
EARNINGS PER SHARE (EPS)	0.88516		0.84792			4.39%
EBITDA	20,010,975	11.47%	19,703,561	11.11%	307,413	1.56%

# Grocery Retail Segment: FY 2021 Financial Highlights

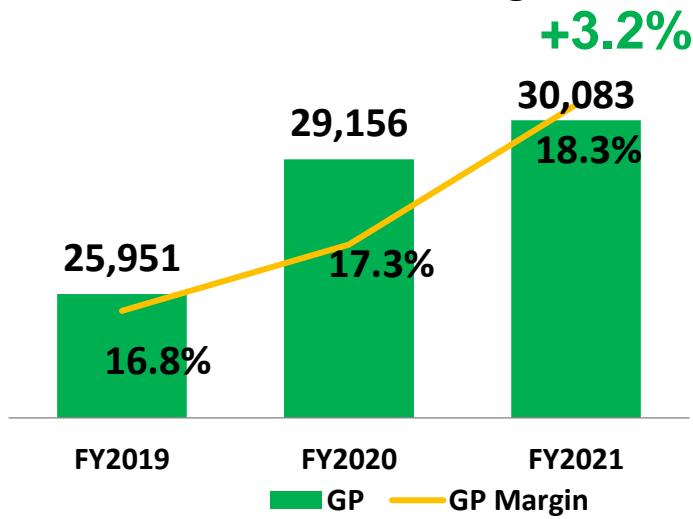


(In PHP millions)

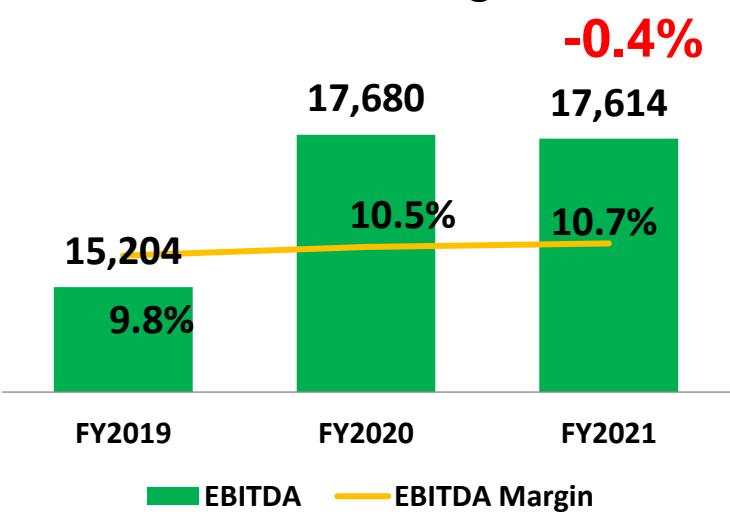
## Revenues



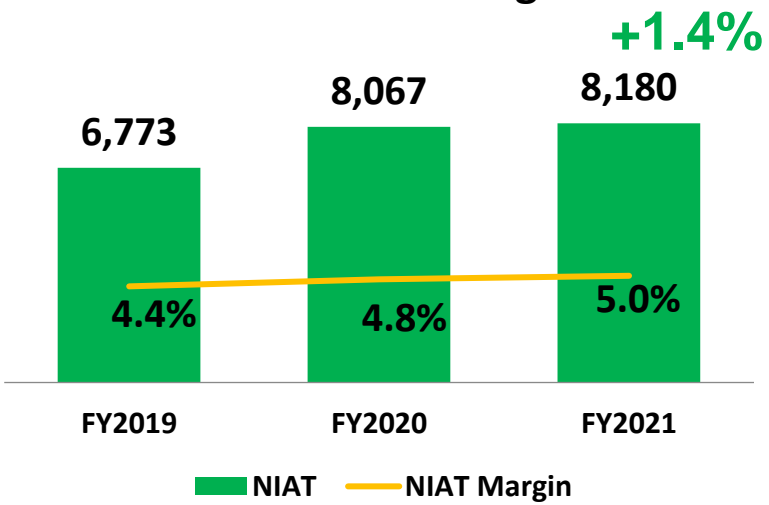
## Gross Profit and Margin



## EBITDA and Margin



## Net Profit and Margin



# Grocery Retailing: Operating Highlights



- Puregold opened **30 new stores** in 2021 out of targeted 25 new stores; 4 Metro Manila, 17 Luzon, 6 Visayas, 3 Mindanao.
- Opening of 1 S&R store in Marikina on July 29, 2021 and 1 in Sucat on September 18, 2021
- As of FY 2021, the Grocery Retailing segment is operating a **total of 499 stores; Net Selling Area** of more than **610,000 sqm**



	PUREGOLD	S&R	S&R QSR
Metro Manila	140	12	25
Luzon	235	6	15
Visayas	41	2	7
Mindanao	14	2	-
<b>Total</b>	<b>430</b>	<b>22</b>	<b>47</b>

FY 2021 SSSG:      -9.7%      +4.7%









































# Liquor Distribution:



The Keepers  
Holdings



KEEPR has established market leadership in all leading categories of the imported spirits segment<sup>1</sup>.

Non-Cognac Brandy	# 1							
Blended Scotch	# 1		# 2					
Malt Scotch	# 1		# 2					
US Whiskey	# 1		# 2					
Soju	# 1							
Cognac	# 2							
Vodka	# 1		# 2					
Gin	# 1							
Rum	# 2							
Agave	# 1							
Flavored Spirits	# 1		# 2					
Irish Whiskey	# 1			Note 1 – References to the ranking is within the imported spirits segment, according to IWSR.				

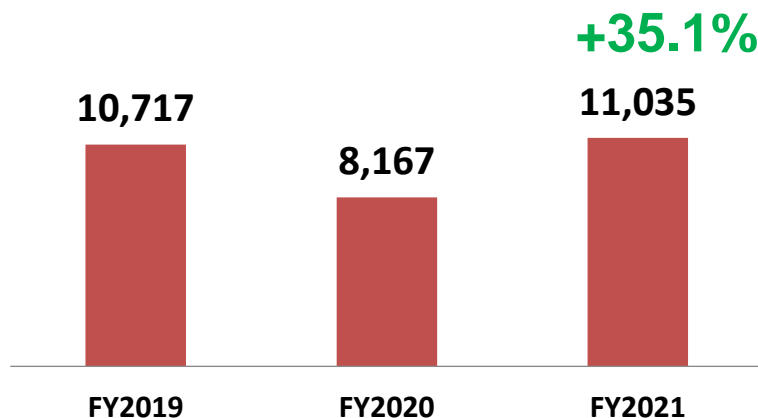
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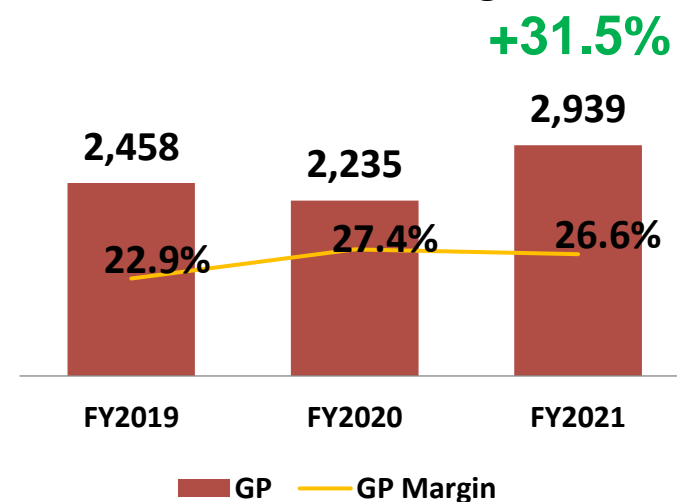
# Liquor Distribution: FY 2021 Financial Highlights

(In PHP millions)

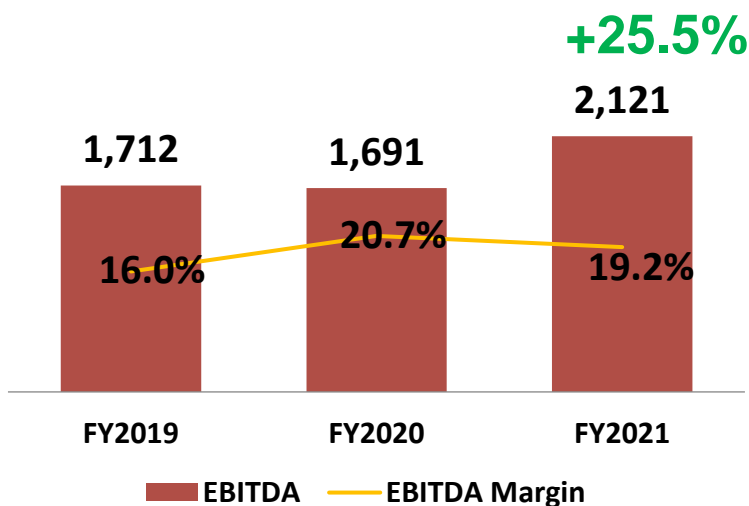
## Revenues



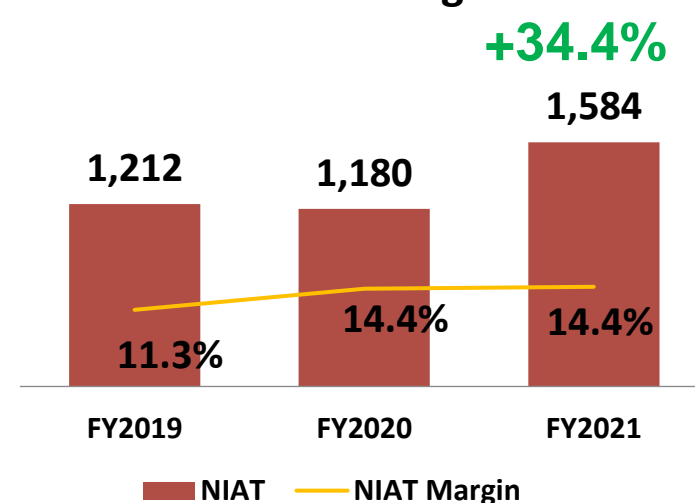
## Gross Profit and Margin



## EBITDA and Margin



## Net Profit and Margin



# Liquor Distribution: Operating Highlights

- 32% growth in total volume of cases sold in FY 2021
- Successful follow-on offering listing on November 19, 2021 in the PSE
- Growth driven by the increase in the brandy, wines and specialty beverages.

CATEGORY	2019	% Mix	2020	% Mix	2021	% Mix	% YoY
Brandy	2,997,940	73%	2,488,760	74%	3,473,246	78%	40%
Other Spirits	626,231	15%	533,170	16%	532,741	12%	0%
Wines	235,407	6%	167,335	5%	219,704	5%	31%
Specialty beverages	238,213	6%	196,660	6%	239,505	5%	22%
<b>Grand Total</b>	<b>4,097,791</b>	<b>100%</b>	<b>3,385,925</b>	<b>100%</b>	<b>4,465,196</b>	<b>100%</b>	<b>32%</b>

Growth/Decline

▲ 43%

▼ -17%

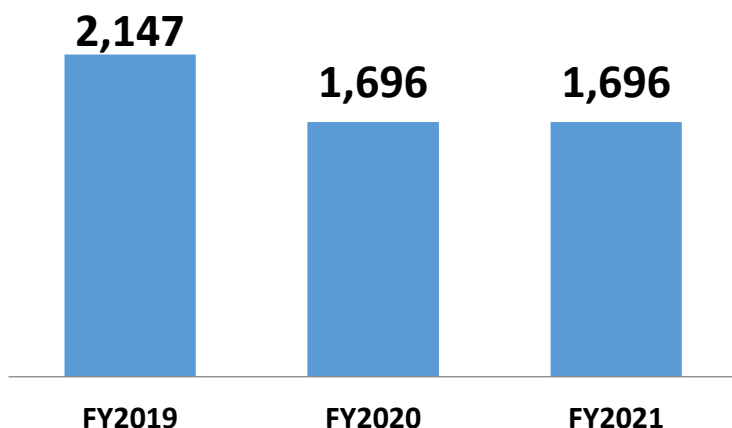
▲ 32%

# Real Estate Segment: FY 2021 Financial Highlights

(In PHP millions)

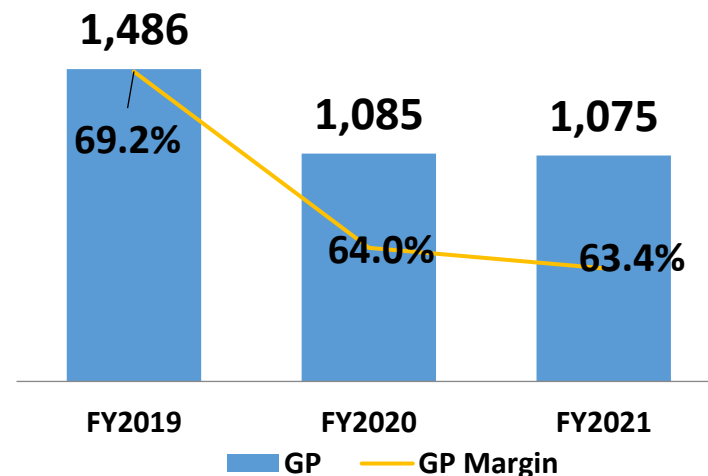
## Revenues

+0.01



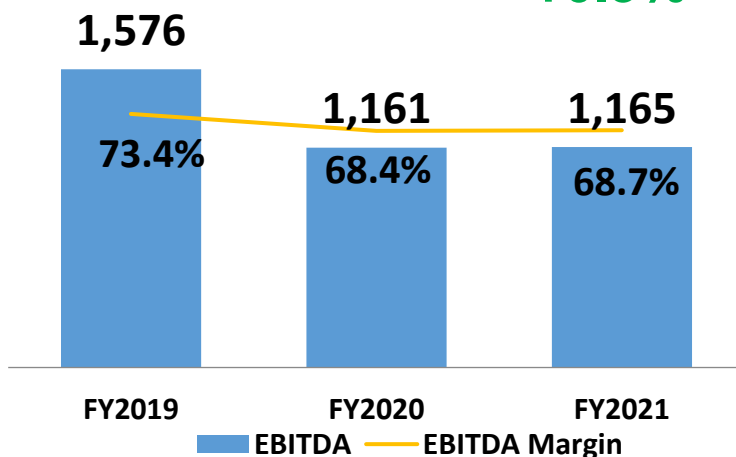
## Gross Profit and Margin

-1.0%



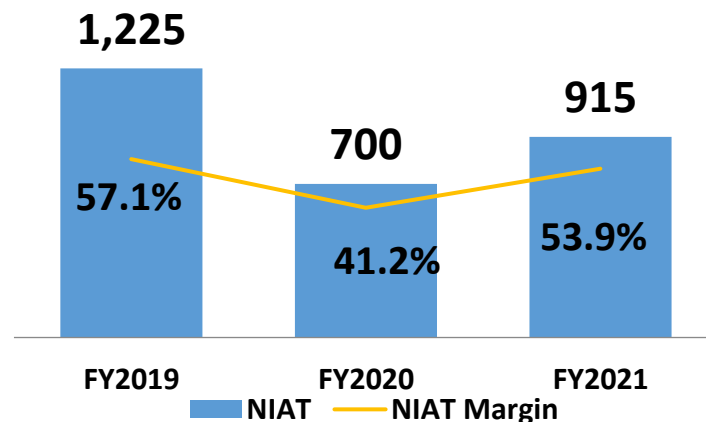
## EBITDA and Margin

+0.3%



## Net Profit and Margin

+30.7%



# Real Estate Segment: Operating Highlights

- Acquisition of 5 new properties:
  - 716 sqm lot located in Tm Road, Sucat, Muntinlupa City
  - 38,425 sqm lot located in Brgy. Tarcen, Baliuag, Bulacan
  - 1,864 sqm lot located in Bagumbong, Caloocan
  - 3,464 sqm lot located in San Rafael, Rizal with existing Luvier's Market
  - 2,052 sqm lot located in Punturin, Valenzuela City
- Started construction and development of buildings for:
  - Puregold-Biñan on February 1, 2021 with estimated completion in Q12022 adding approximately 1,700 square meters to the portfolio
  - Puregold-Antipolo during Q2 2021

Category	FY2021	FY2020	FY2019
Land under lease	11	11	11
Commercial Buildings	35	34	34
Under Development	2	1	1
Future Development	12	9	9
<b>Total Properties</b>	<b>60</b>	<b>55</b>	<b>55</b>

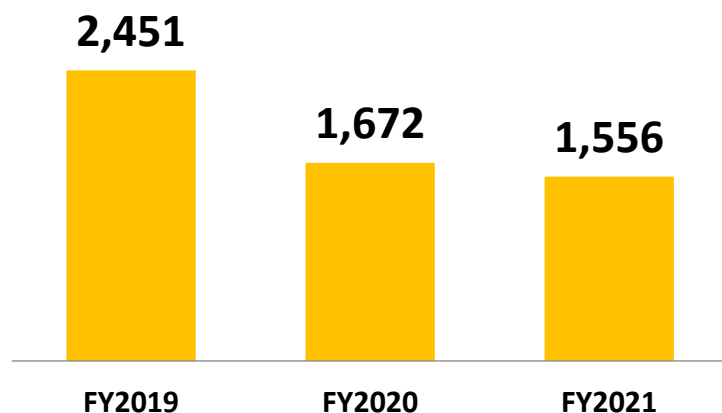
Category	FY2021	FY2020	FY 2019
Land under lease	160,921	160,921	160,921
Commercial Buildings	278,003	277,056	277,052
Under Development	9,876	8,457	8,457
Future Development	146,547	104,909	104,909
<b>Total sqm</b>	<b>595,347</b>	<b>551,342</b>	<b>551,338</b>

# Office Warehouse: FY 2021 Financial Highlights

(In PHP millions)

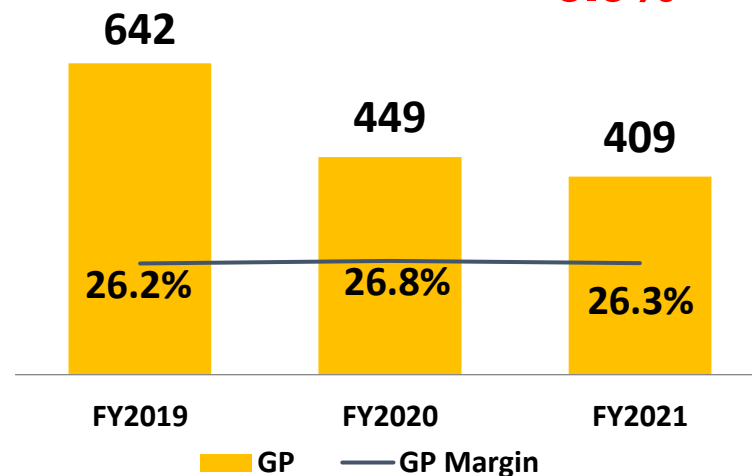
## Revenues

**-6.9%**



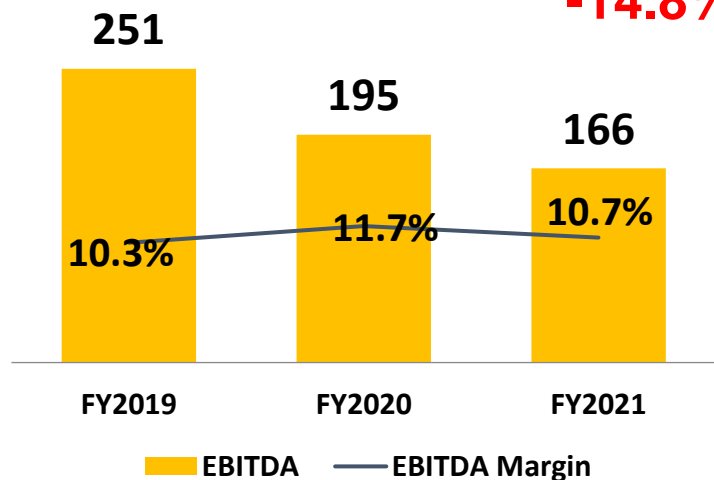
## Gross Profit and Margin

**-8.9%**



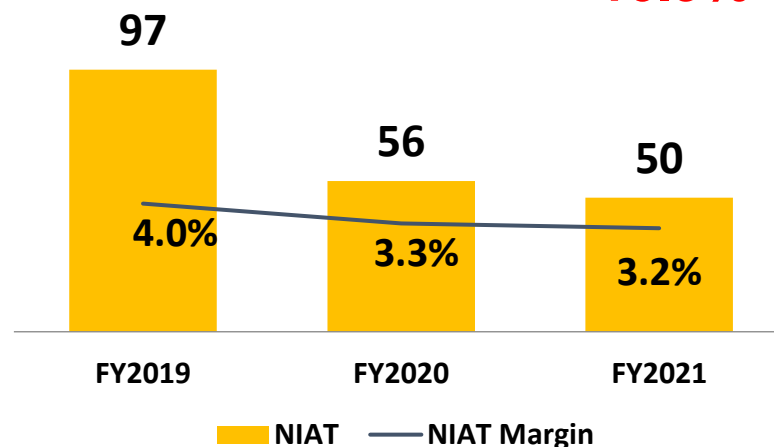
## EBITDA and Margin

**-14.8%**



## Net Profit and Margin

**-10.9%**



# Office Warehouse: Operating Highlights

## OFFICE WAREHOUSE, INC.

- SSSG of **-9.7%** in 2021 vs **-32.2%** in 2020 due to government lockdown and community quarantine starting March 16, 2020



	2019	2020	2021
<b>No. Stores</b>	89	89	87
<b>Net selling area (in sqm)</b>	15,589	15,546	15,267

# Sustainability Highlights

## Economic Contribution



**Php 4.25B**  
Taxes paid to  
the Government



**97%**  
of Cosco economic value  
generated distributed to  
key stakeholders



**Php 10.7M**  
Invested to  
scholarship and  
community  
development



**Php 3B**  
Employee wages  
and benefits



**11,647**  
Total no. of direct employees  
>95% local hiring



**0**  
Incidents of  
Corruption

## Environment Performance

**6** CLEAN WATER  
AND SANITATION



**7** AFFORDABLE AND  
CLEAN ENERGY



**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



**157**

Wastewater treatment  
facilities compliant  
with Clean Water Act



**2%**

Clean energy used.  
Solar rooftop  
installation in **12** stores.



**57%**

Direct GHG  
Emissions  
Reduction



**99.97%**

Compliant to  
Environmental Laws  
& Regulations



**100%**

of Puregold and S&R  
stores were converted  
to LED lamps.



**100M**

Reduction of plastic  
bags used in Puregold  
and S&R stores. 63%  
Puregold stores use  
paper bags.



## Social Responsibility

**4** QUALITY  
EDUCATION



**5** GENDER  
EQUALITY



**10** REDUCED  
INEQUALITIES



**753**

Scholars graduated  
**107** Passed licensure  
exam **381** Current no.  
of scholars



**56%**

Female employees in  
the workforce



**238**

Employees from  
indigenous  
communities and  
vulnerable sector



**4,325**

Employees  
attended technical  
and behavioral skills  
training



**612**

Employees in Puregold  
and S&R promoted



**0**

legal actions or  
employee grievance  
on forced or child  
labor

- **CAPEX Budget of Php 6.1 billion in 2022**
  - Php 5.8 billion for Puregold Group
  - Php 261 million for Real Estate Group
  - Php 60 million for Office Warehouse
- To be funded by internally generated cash and short term untapped bank credit lines if necessary



# Thank you

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