

Cosco Capital, Inc.

9M 2022 Financial Results Investor Presentation



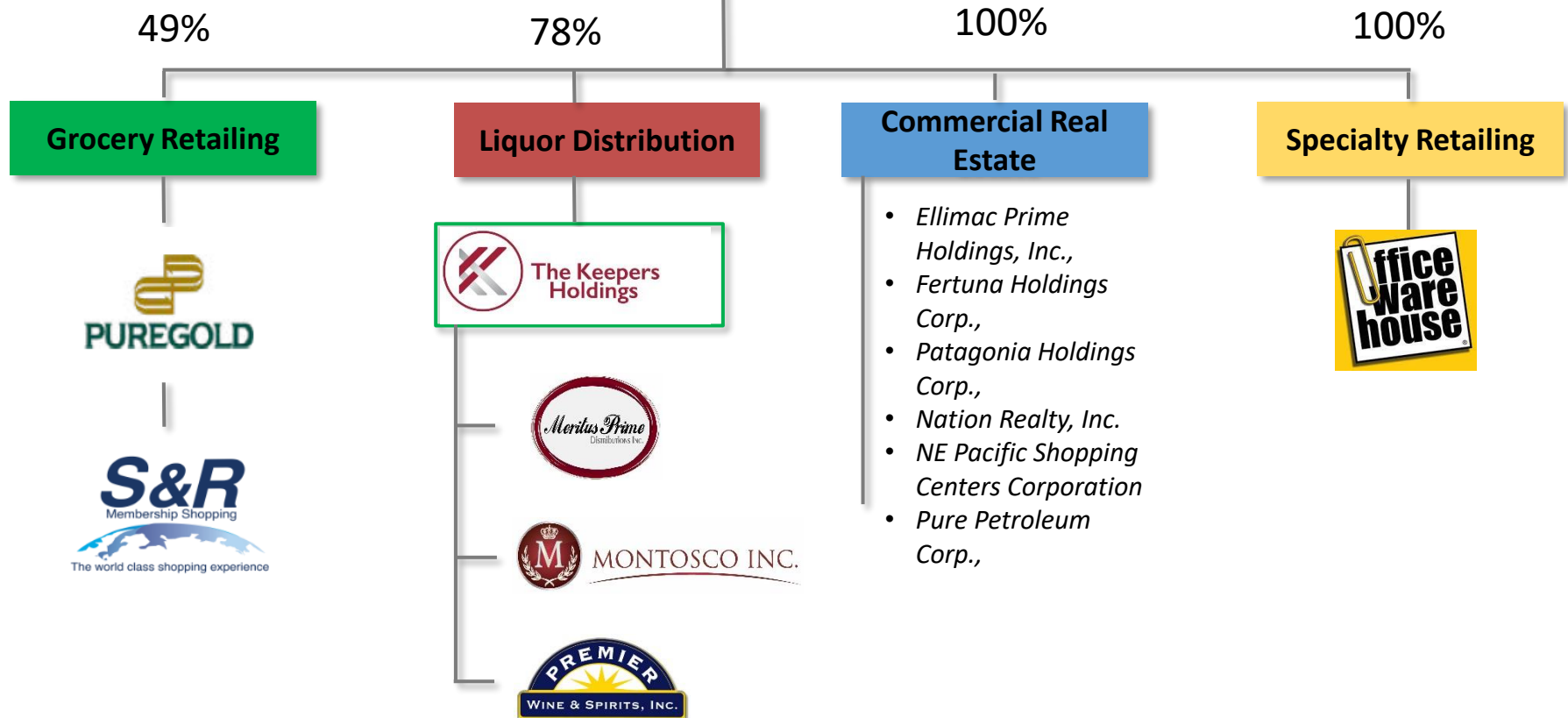
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Head Office Address

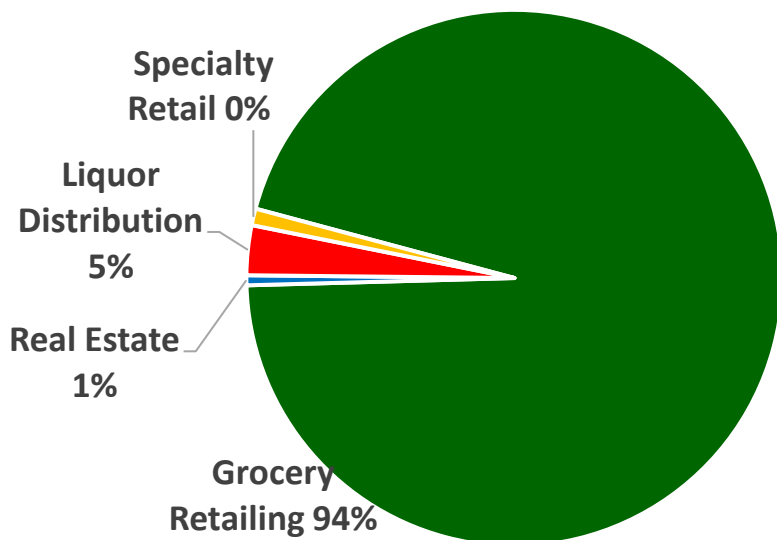
2nd floor, Tabacalera Building, 900 Romualdez Street, Paco, Manila, 1007
Philippines

Company Overview



REVENUE AND PATMI CONTRIBUTIONS 9M 2022

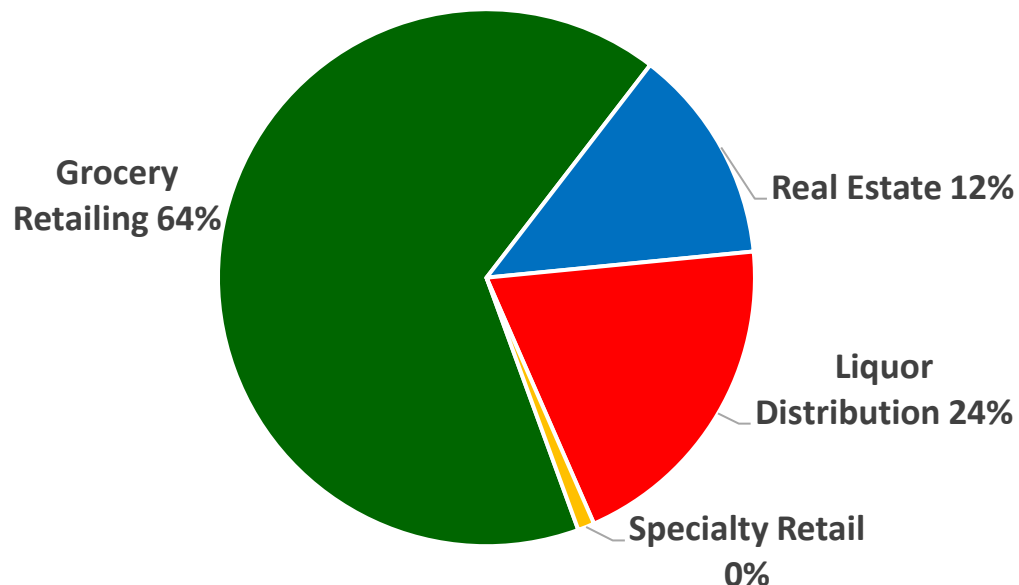
Revenues



PHP 136.03 billion

+11.5% vs 9M 2021

CORE PATMI



PHP 5.06 billion

+16.4% vs 9M 2021

9M 2022 CONSOLIDATED FINANCIAL PERFORMANCE

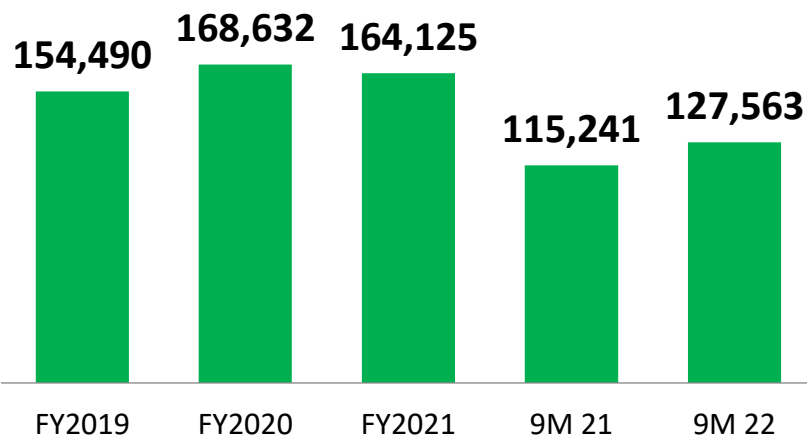
<i>(In Thousands)</i>	9M 2022	%	9M 2021	%	INCREASE (DECREASE)	%
REVENUES	136,032,817	100.00%	122,011,472	100.00%	14,021,345	11.49%
COST OF SALES/SERVICES	108,953,962	80.09%	98,142,680	80.44%	10,811,283	11.02%
GROSS PROFIT	27,078,855	19.91%	23,868,793	19.56%	3,210,062	13.45%
OTHER OPERATING INCOME	2,249,110	1.65%	2,331,934	1.91%	(82,824)	-3.55%
GROSS OPERATING INCOME	29,327,966	21.56%	26,200,727	21.47%	3,127,239	11.94%
OPERATING EXPENSES	16,630,289	12.23%	15,442,773	12.66%	1,187,516	7.69%
INCOME FROM OPERATIONS	12,697,677	9.33%	10,757,954	8.82%	1,939,723	18.03%
OTHER INCOME (CHARGES) - net	(1,437,062)	-1.06%	(1,587,123)	-1.30%	150,060	-9.45%
INCOME BEFORE INCOME TAX	11,260,614	8.28%	9,170,831	7.52%	2,089,783	22.79%
INCOME TAX EXPENSE	2,553,035	1.88%	1,897,753	1.56%	655,282	34.53%
NET INCOME FOR THE PERIOD	8,707,579	6.40%	7,273,078	5.96%	1,434,501	19.72%
PATMI	5,056,431	3.72%	4,344,072	3.56%	712,359	16.40%
Non-controlling interests	3,651,148	2.68%	2,929,006	2.40%	722,142	24.65%
	8,707,579	6.40%	7,273,078	5.96%	1,434,501	19.72%
EARNINGS PER SHARE (EPS)	0.72828		0.62522			16.48%
EBITDA	16,035,654	11.79%	14,221,460	11.66%	1,814,193	12.76%

Grocery Retail : 9M 2022 Financial Highlights

(In PHP millions)

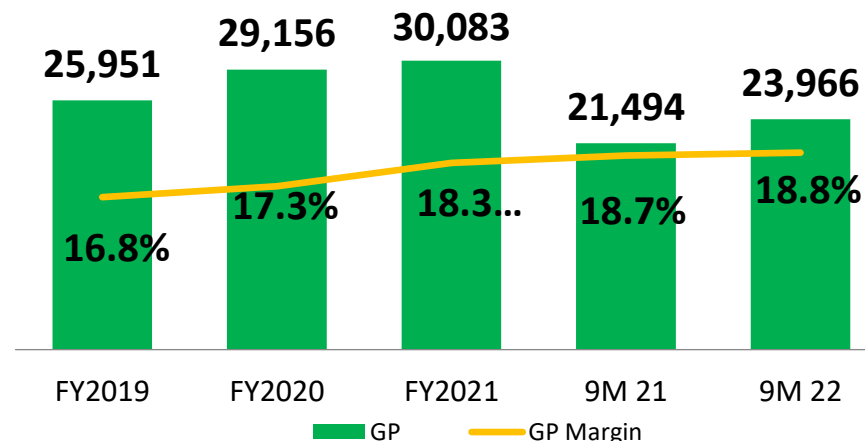
Revenues

+10.7%



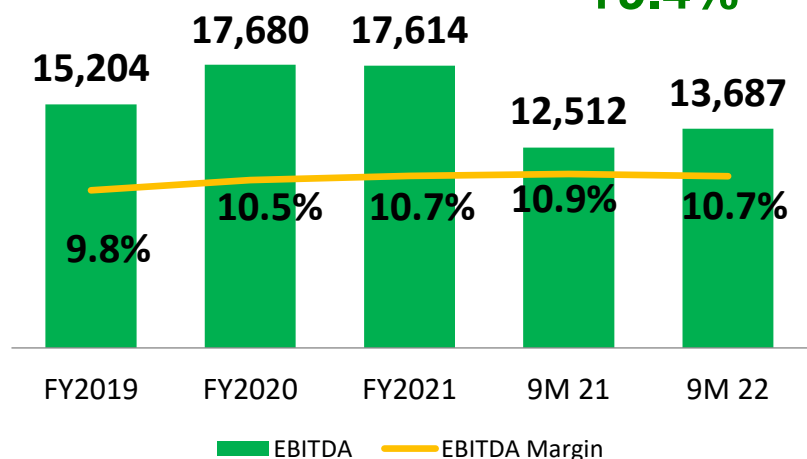
Gross Profit and Margin

+11.5%



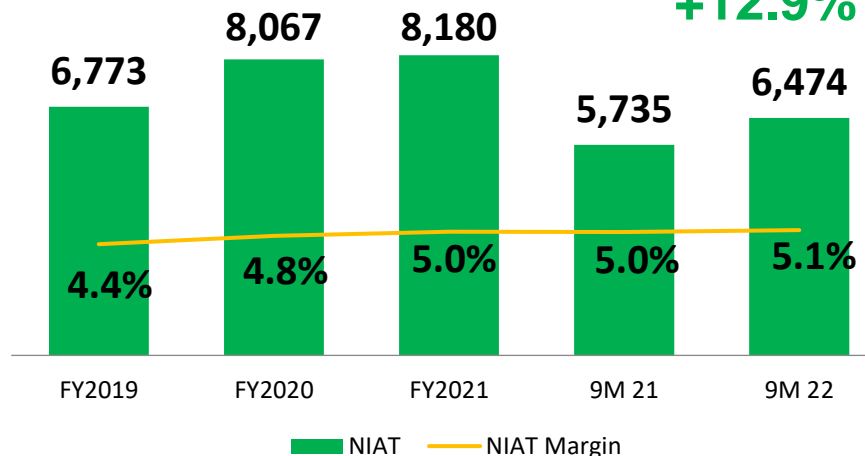
EBITDA and Margin

+9.4%

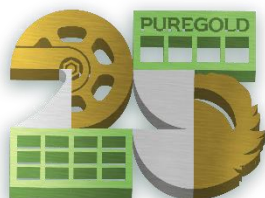


Net Profit and Margin

+12.9%



Grocery Retailing: Operating Highlights



NASA IYO ANG PANALO

- Puregold opened **15 new stores** during 9M 2022, out of targeted 25 new stores, 2 Metro manila, 11 Luzon, 2 Visayas, closed 2 store in Metro Manila
- S&R opened 1 QSR in Luzon
- 5 S&R warehouse clubs currently under development and expected to open in 2023
- As of 9M 2021, the Grocery Retailing segment is operating a total of 513 stores



	PUREGOLD	S&R	S&R QSR
Metro Manila	140	12	25
Luzon	246	6	16
Visayas	43	2	7
Mindanao	14	2	-
Total	443	22	48

9M 2022 SSSG: +2.4% +9.5%

Grocery Retail Segment – Operating Highlights

Sales Performance









































Like-for-like Growth %	Puregold		S&R	
	9M 2022 (398 stores)	9M 2021 (370 stores)	9M 2022 (20 wh)	9M 2021 (18 wh)
Net Sales	2.4%	-11.3%	9.5%	5.1%
Ticket	-6.1%	12.6%	8.8%	1.9%
Traffic	9.1%	-21.2%	0.6%	3.1%

			Traffic <i>(in thousands)</i>			Ticket		
Overall	Store Count		9M 2022	9M 2021	% growth	9M 2022	9M 2021	% growth
	CY	PY						
Puregold	443	422	91,295	80,860	12.9%	959	1,025	-6.4%
S&R WH	22	22	8,155	7,633	6.8%	4,916	4,542	8.3%

Liquor Distribution:



KEEPR has established market leadership in all leading categories of the imported spirits segment¹.

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.				

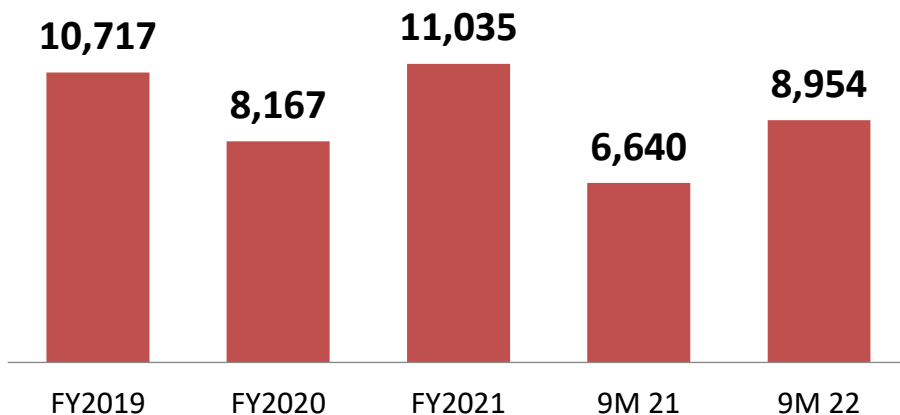
Note 1 – References to the ranking is within the imported spirits segment, according to IWSR.

Liquor Distribution: 9M 2022 Financial Highlights

(In PHP millions)

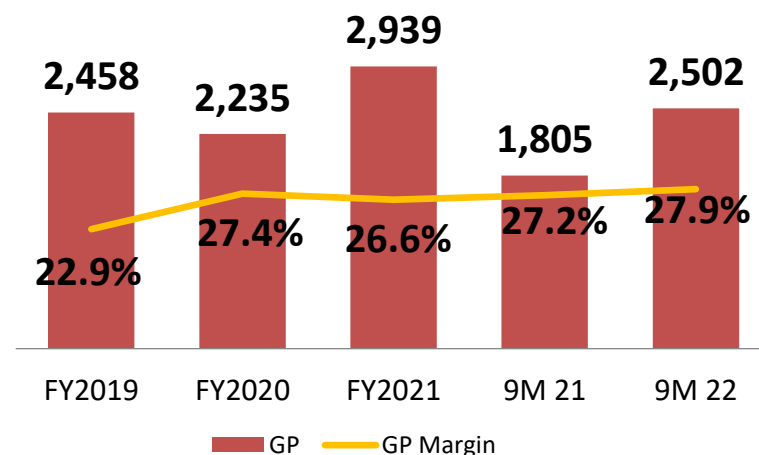
Revenues

+34.9%



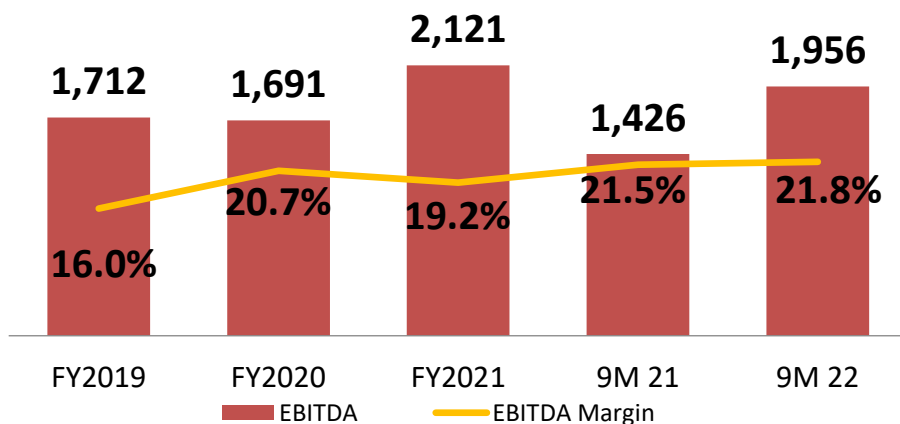
Gross Profit and Margin

+38.6%



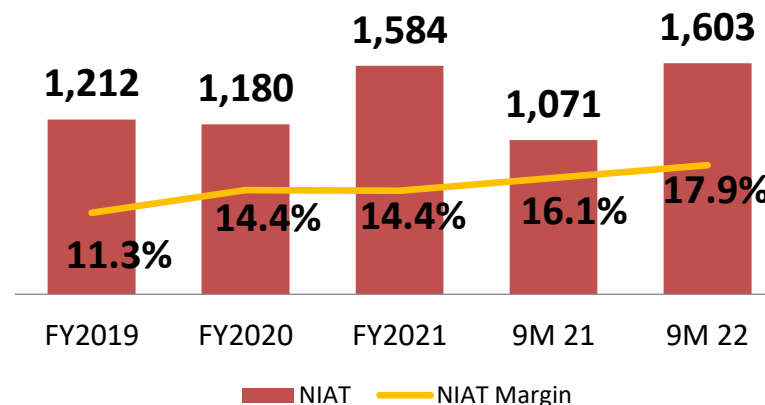
EBITDA and Margin

+37.1%



Net Profit and Margin

+49.7%



Liquor Distribution: Operating Highlights

- 26% growth in total volume of cases sold in 9M 2022
- Growth driven by the increase in the all product category

(in thousand cases)

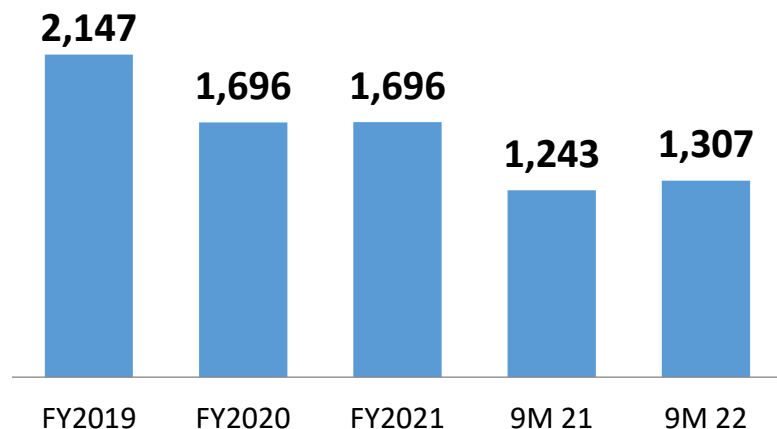
CATEGORY	9M 2022	% Mix	9M 2021	% Mix	% Growth
Brandy	2,551	75%	2,078	78%	23%
Other Spirits	422	13%	333	12%	27%
Wines	175	5%	114	4%	54%
Specialty beverages	232	7%	151	6%	54%
Grand Total	3,380	100%	2,676	100%	26%

Real Estate Segment: 9M 2022 Financial Highlights

(In PHP millions)

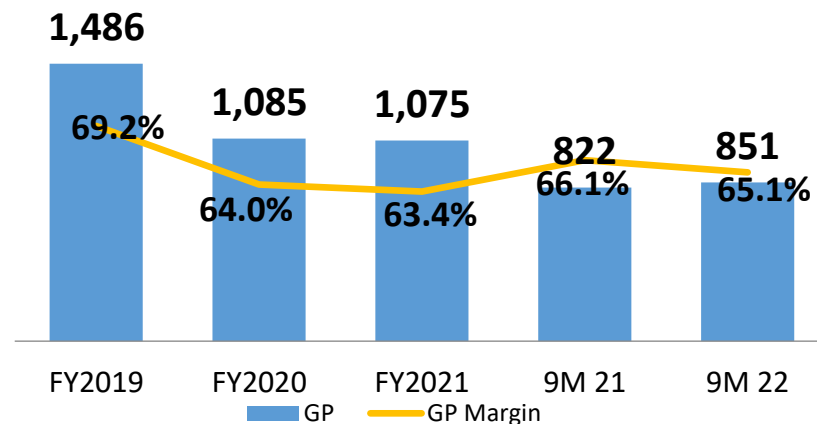
Revenues

+5.17



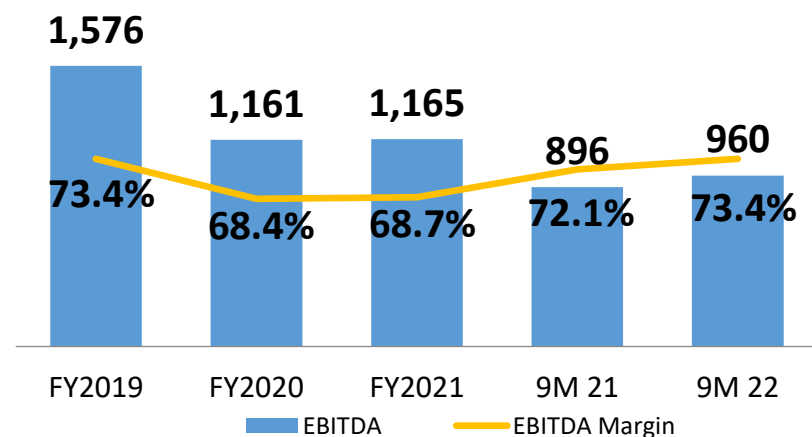
Gross Profit and Margin

+3.46%



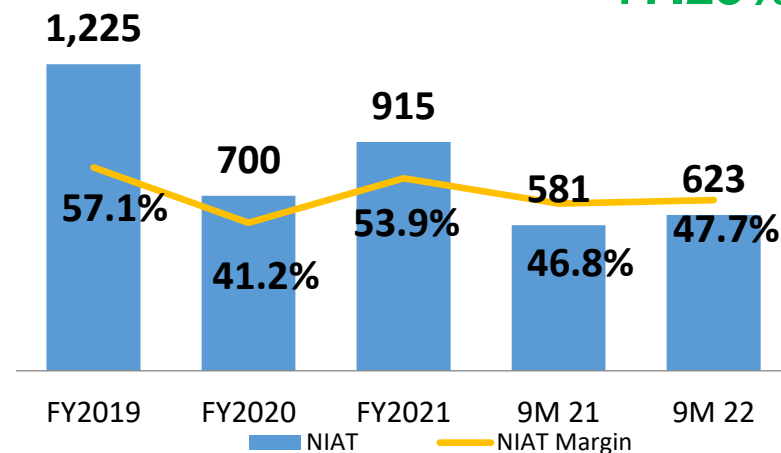
EBITDA and Margin

+7.12



Net Profit and Margin

+7.23%



Real Estate Segment-Operating Highlights



OPENED:
July 21, 2022

OCCUPANCY RATE: 69.40%



ACCOMPLISHMENT
78.10% (10/16/2022)

CONFIRMED TENANCY:
93.38%

Target to be opened on Q4 2022

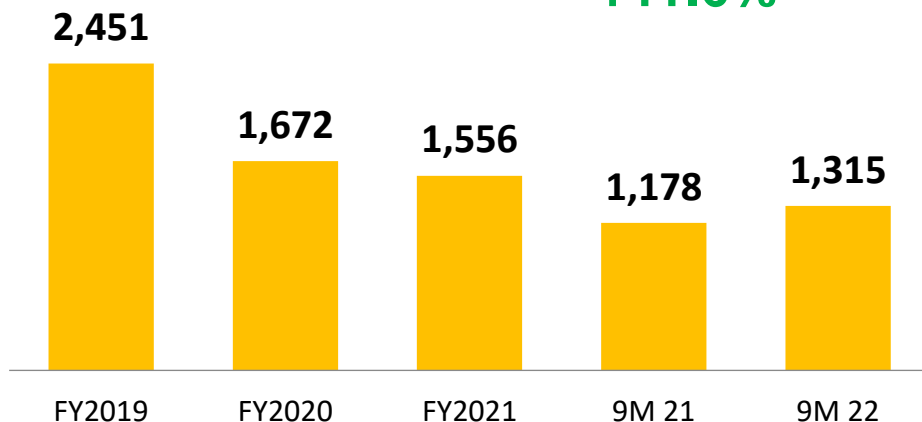
	LOT AREA (sqm)	GFA (sqm)	GLA (sqm)
SUMULONG-ANTIPOLO	4,965.00	7,297.02	3,884.85
BIÑAN	4,911.00	5,167.30	3,253.20
TOTAL	9,876.00	12,464.32	7,138.05

Office Warehouse: 9M 2022 Financial Highlights

(In PHP millions)

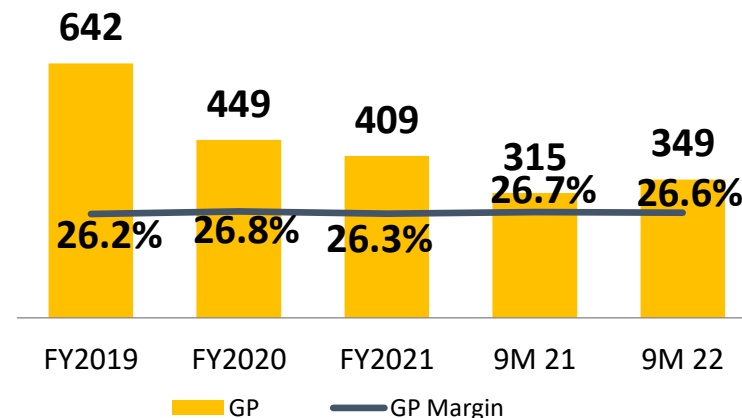
Revenues

+11.6%



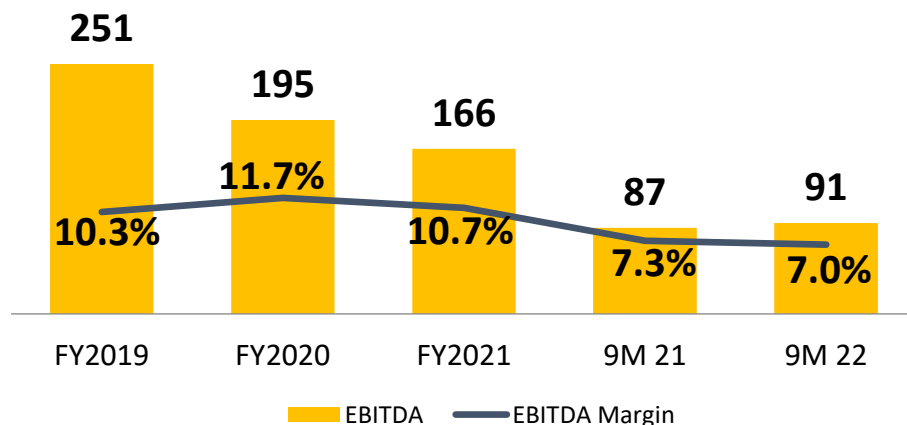
Gross Profit and Margin

+11.0%



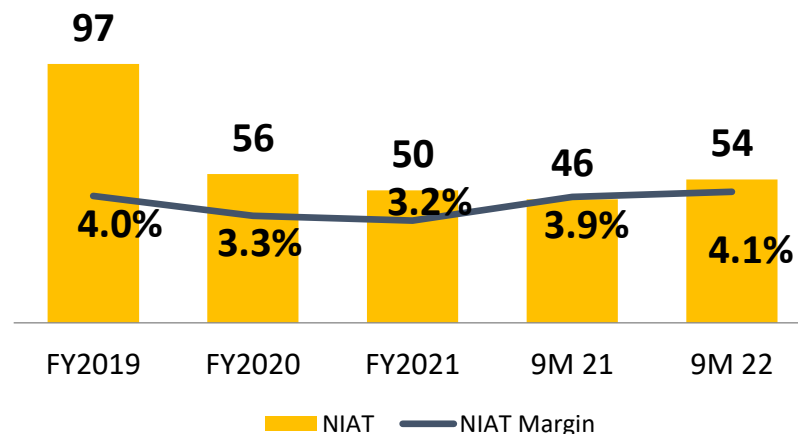
EBITDA and Margin

+5.7



Net Profit and Margin

+16.2%



Office Warehouse: Operating Highlights

OFFICE WAREHOUSE, INC.

- SSSG of **+10.35%** in 9M 2022 vs **-9%** in 9M 2021 due to opening up of the economy and increased mobility starting 2Q 2022.



	2020	2021	9M 2022
No. Stores	89	87	84
Net selling area (in sqm)	15,546	15,267	15,293

Sustainability Highlights - 2021

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

Sustainability Highlights - 2021

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.

Sustainability Highlights - 2021

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
