

# Cosco Capital, Inc.

## 9M 2018 Financial Results Investor Presentation



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## **Head Office Address**

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

# Company Overview

Lucio Co Family  
73%

Public  
27%



51%

100%

100%

## Grocery Retailing



## Liquor Distribution



## Specialty Retailing

90%



100%

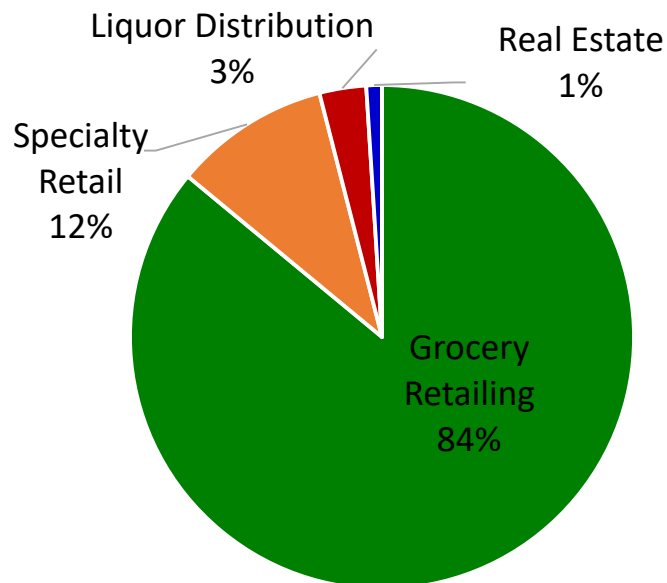


## Commercial Real Estate

- Ellimac Prime Holdings, Inc.,
- Fertuna Holdings Corp.,
- Patagonia Holdings Corp.,
- Nation Realty, Inc.
- NE Pacific Shopping Centers Corporation
- Pure Petroleum Corp.,

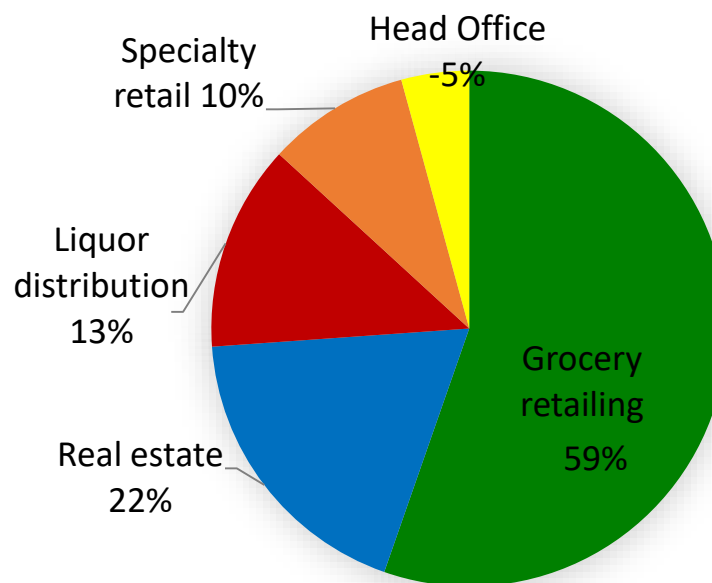
# Revenue & Net Income Contribution 9M 2018

## Revenues



PHP 119.3 billion

## PATMI



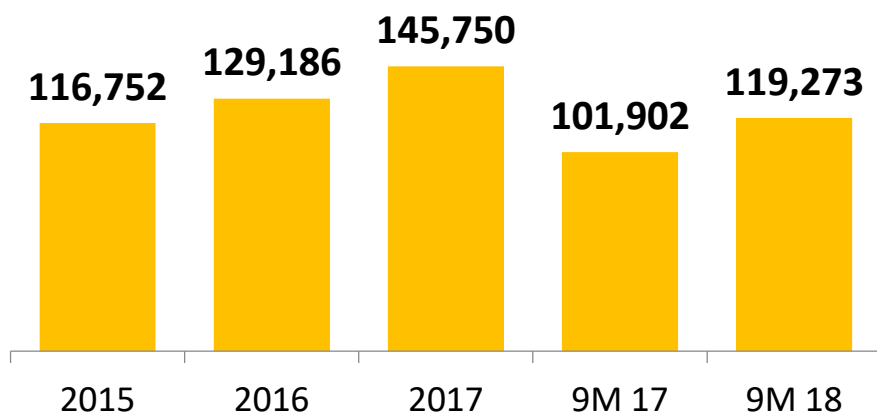
\*PHP 3.97 billion

\*Net Income includes one-time gain on sale of Lawson amounting to Php 362.8 million

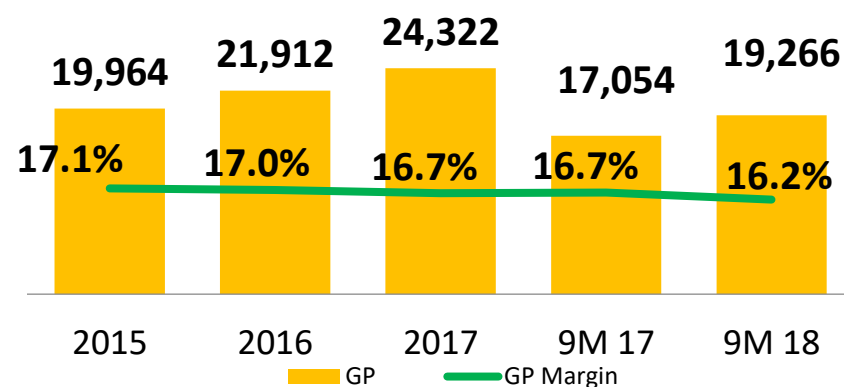
# 9M 2018 Consolidated Financial Highlights

(In PHP millions)

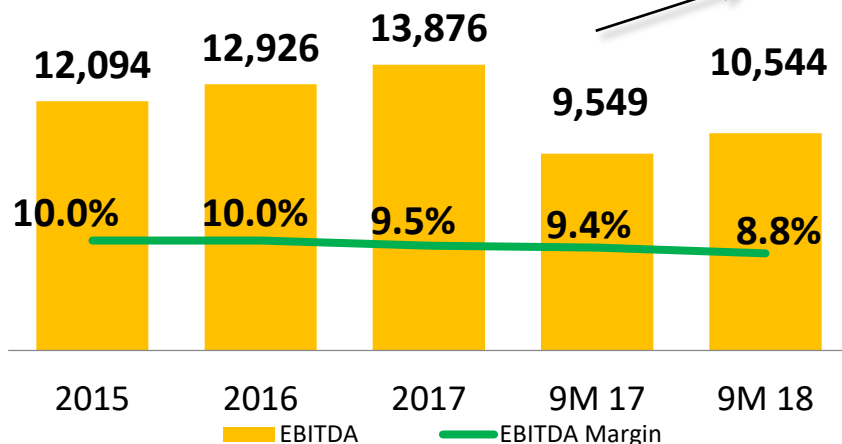
## Revenues +17%



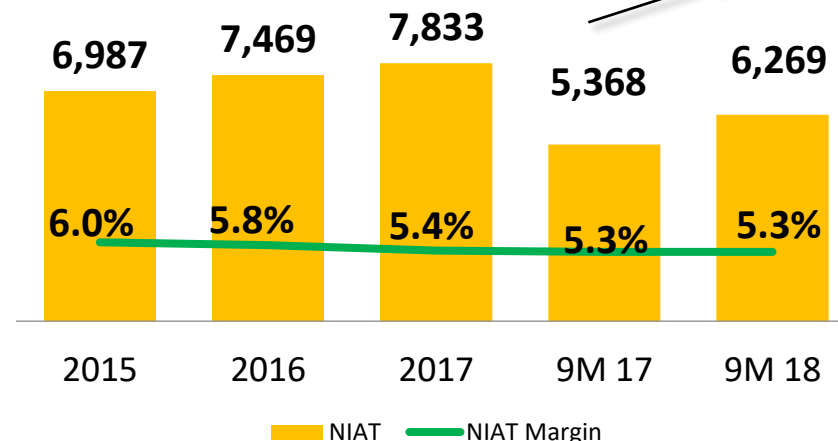
## Gross Profit +13%



## EBITDA +10.4%



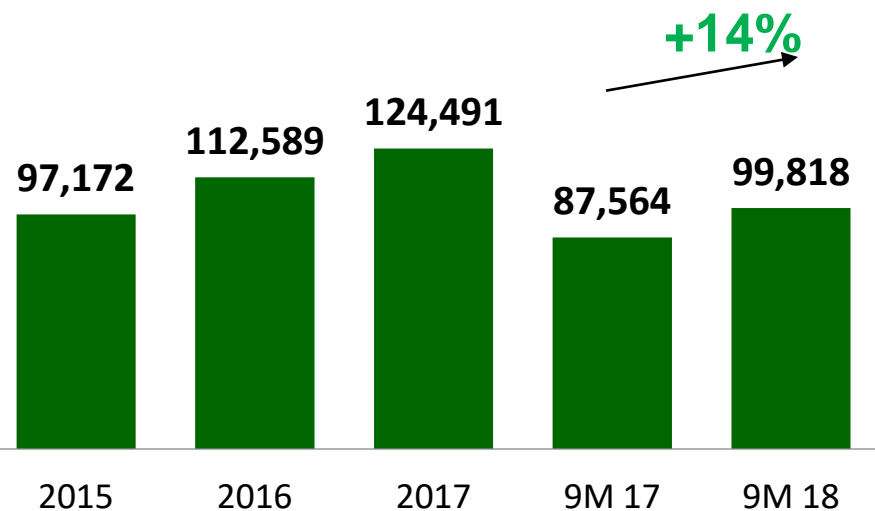
## Net Income +16.8%



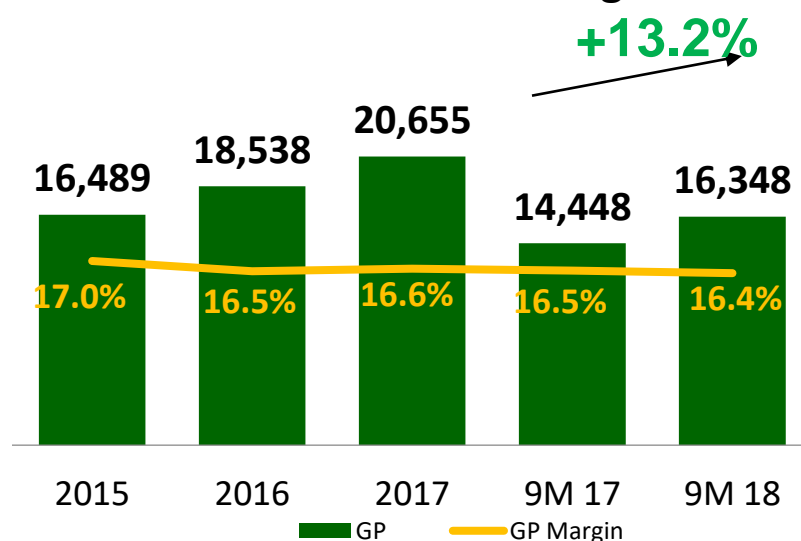
# Grocery Retailing: 9M 2018 Financial Highlights

(In PHP millions)

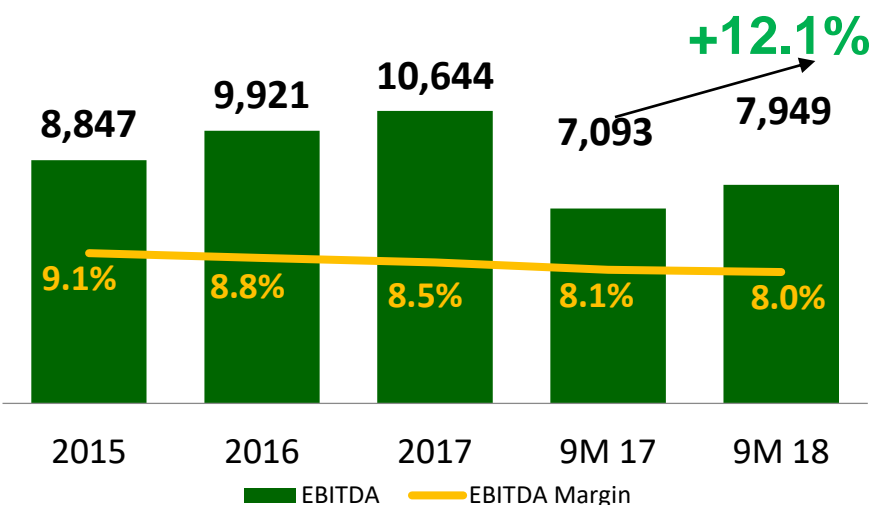
## Revenues



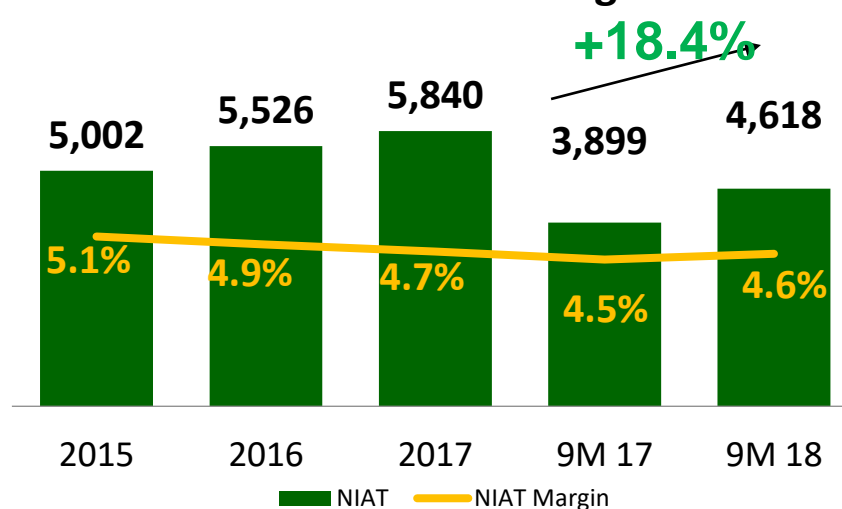
## Gross Profit and Margin



## EBITDA and Margin



## Net Profit and Margin



\*Net Income includes one-time gain on sale of Lawson amounting to Php 362.8 million

# Grocery Retailing: Operational Highlights



- Puregold opened **21 new stores** in 9M 2018 and closed down 2 stores during 3<sup>rd</sup> Quarter.
- S&R opened **2 new S&R warehouse** and **5 new S&R QSR**
- As of 9M 2018, the Grocery Retailing segment is operating a total of 397 stores
- SSSG PGOLD only is at 5.8% while S&R is at 8.8%
- Merger and conversion of NE Bodega and Budgetlane supermarket stores effective **January 1, 2018**



	PUREGOLD	S&R	S&R QSR
Metro Manila	122	7	23
Luzon	189	5	8
Visayas	24	2	4
Mindanao	10	2	1
<b>Total</b>	<b>345</b>	<b>16</b>	<b>36</b>

# Liquor Distribution: Products



## Brandy

Alfonso  
Alfonso Light  
Excelente

## Tequila

Patron

## Whiskey

Johnnie Walker  
Jack Daniels

Various Wines



## Brandy

Fundador  
Fundador Light

## Whiskey

Jim Beam  
Glenfiddich



## Tequila

Jose Cuervo

## Whiskey

Bushmills  
Chivas Regal

## Cognac

Martel

## Vodka

Absolut

## Liqueurs

Jagermeister

## Specialty Beverages

Red Bull

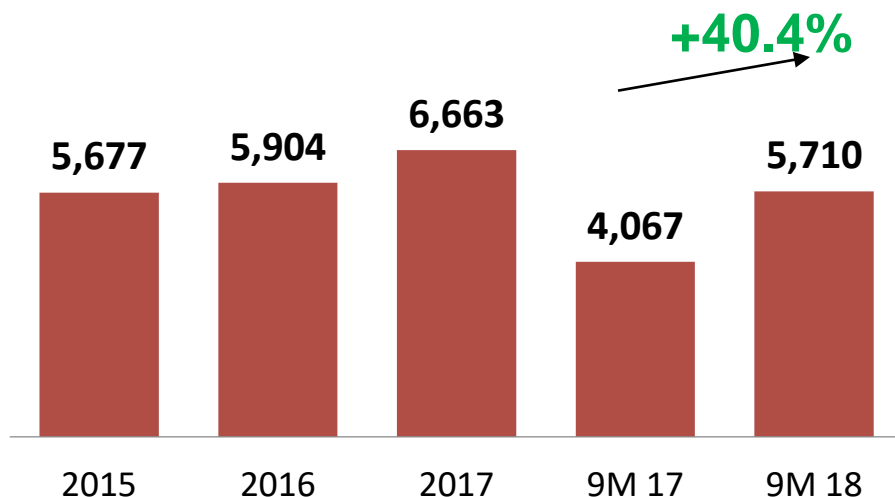
Various Wines



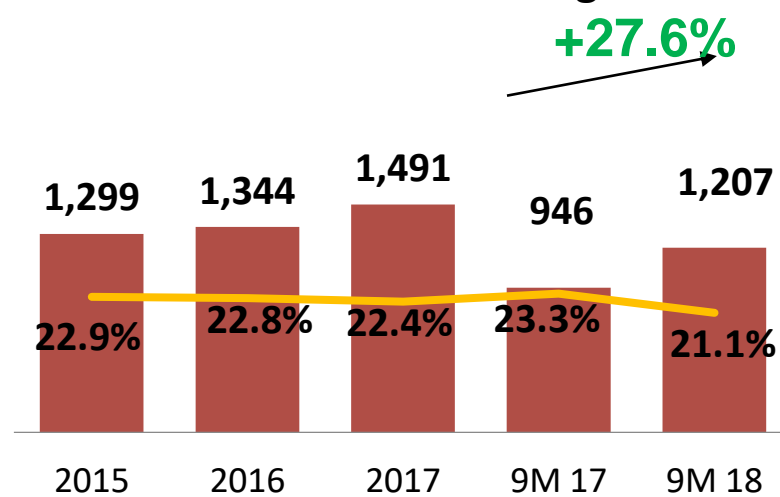
# Liquor Distribution: 9M 2018 Financial Highlights

(In PHP millions)

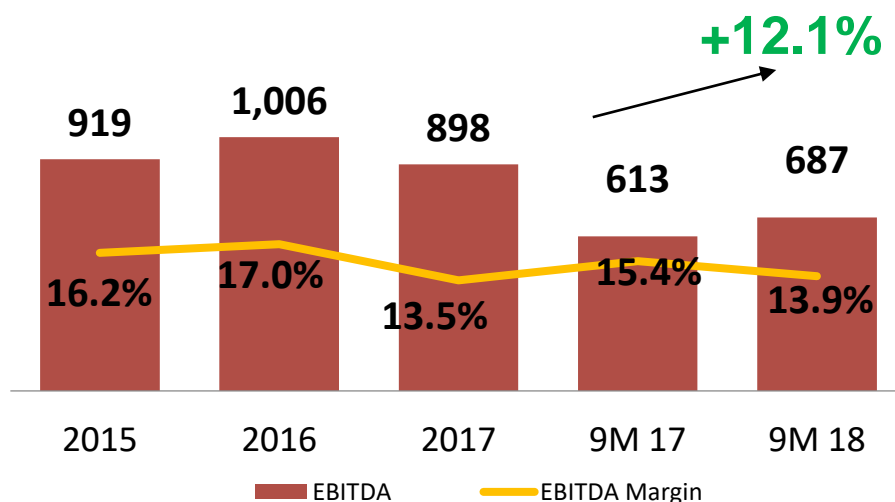
## Revenues



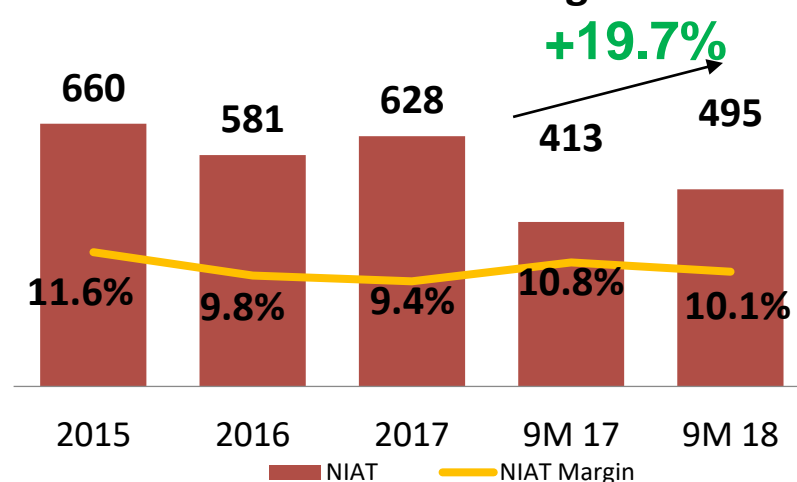
## Gross Profit and Margin



## EBITDA and Margin



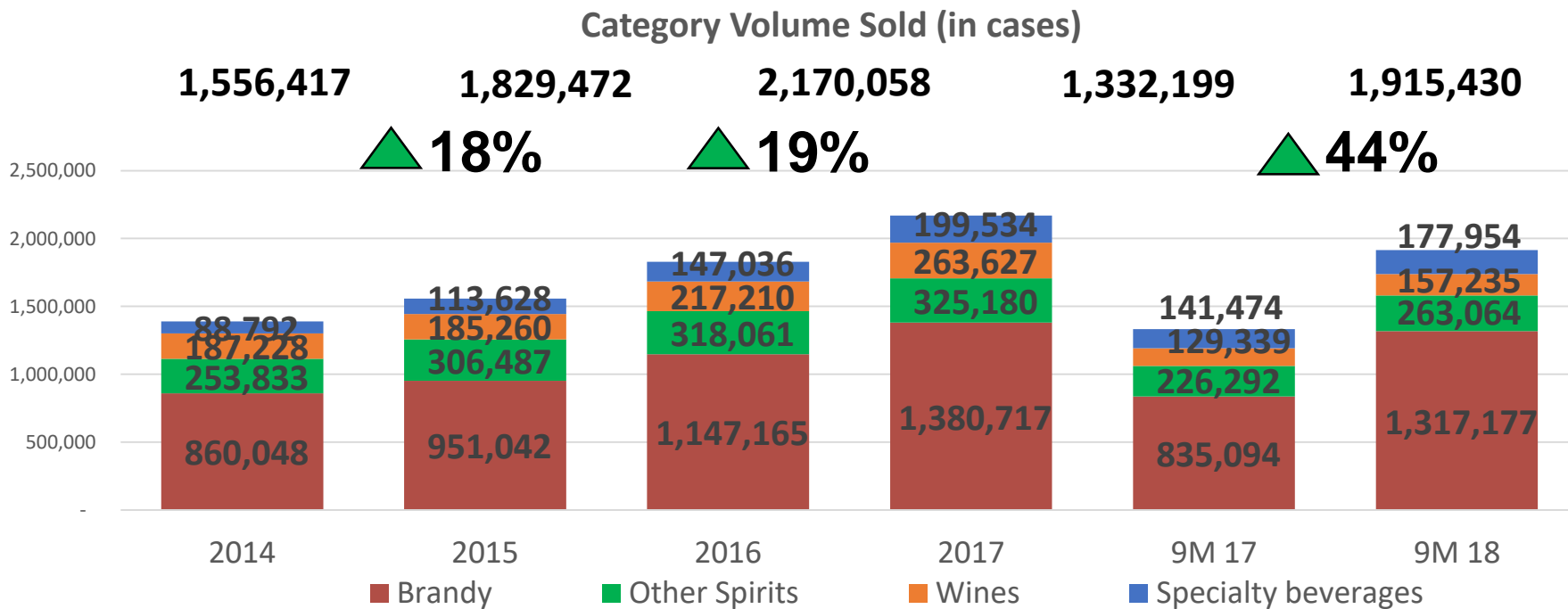
## Net Profit and Margin



# Liquor Distribution: Total Volume Sales

- 44% growth in total volume of cases sold in 9M 2018
- Growth driven by the increase in Alfonso Light and Alfonso .

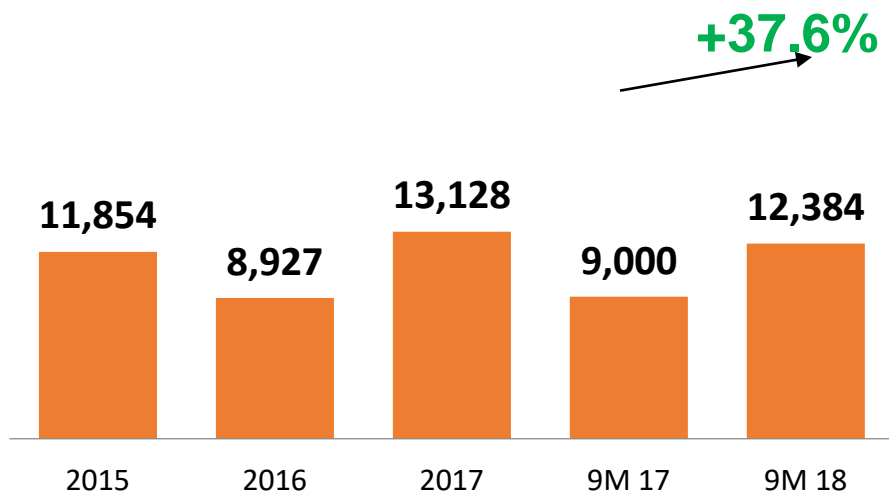
CATEGORY	9M 17	Mix %	9M 18	Mix %	Inc/Dec	Growth
Brandy	835,094	63%	1,317,177	69%	482,083	58%
Other Spirits	226,292	17%	263,064	14%	36,772	16%
Wines	129,339	10%	157,235	8%	27,896	22%
Specialty beverages	141,474	11%	177,954	9%	36,480	26%
	<b>1,332,199</b>	<b>100%</b>	<b>1,915,430</b>	<b>100%</b>	<b>583,231</b>	<b>44%</b>



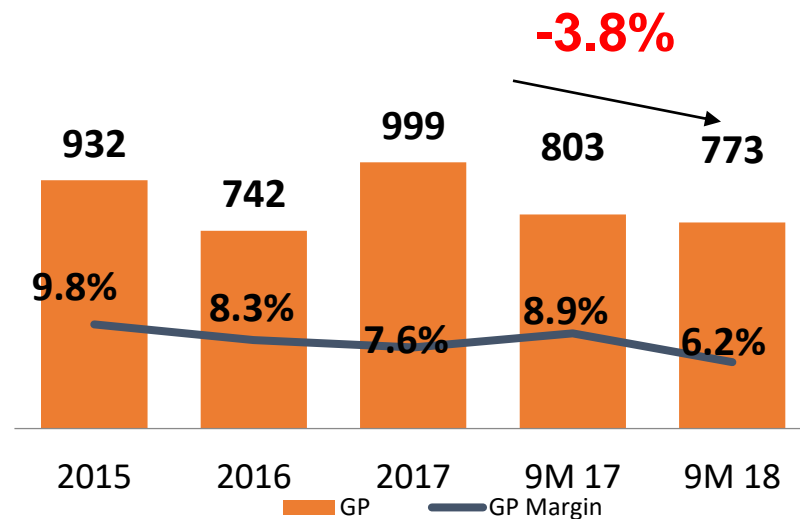
# Liquigaz: 9M 2018 Financial Highlights

(In PHP millions)

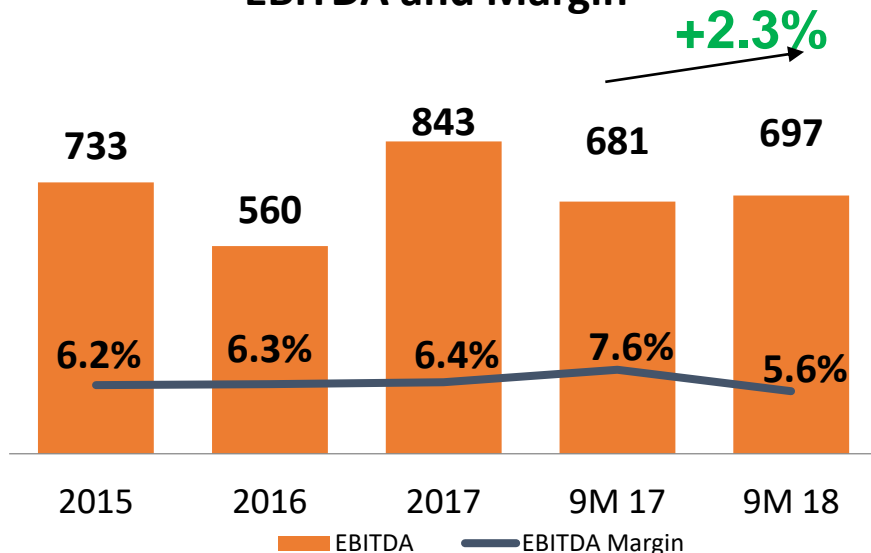
## Revenues



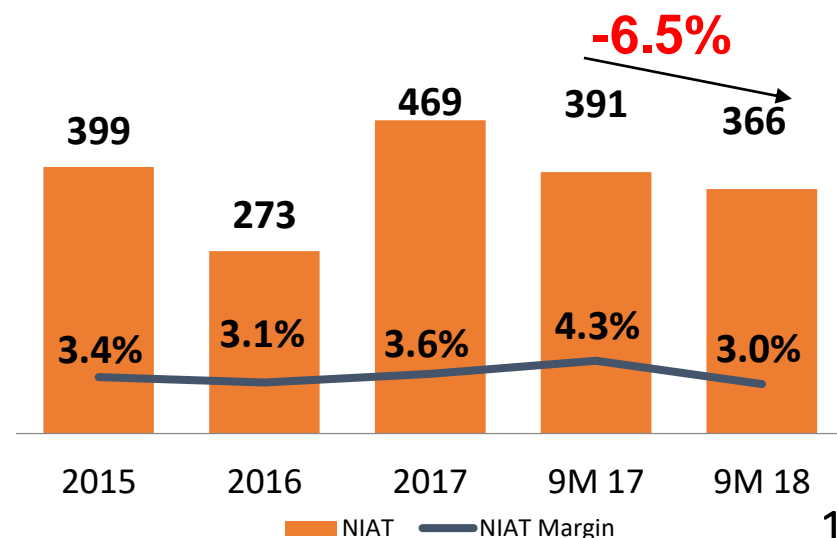
## Gross Profit and Margin



## EBITDA and Margin



## Net Profit and Margin



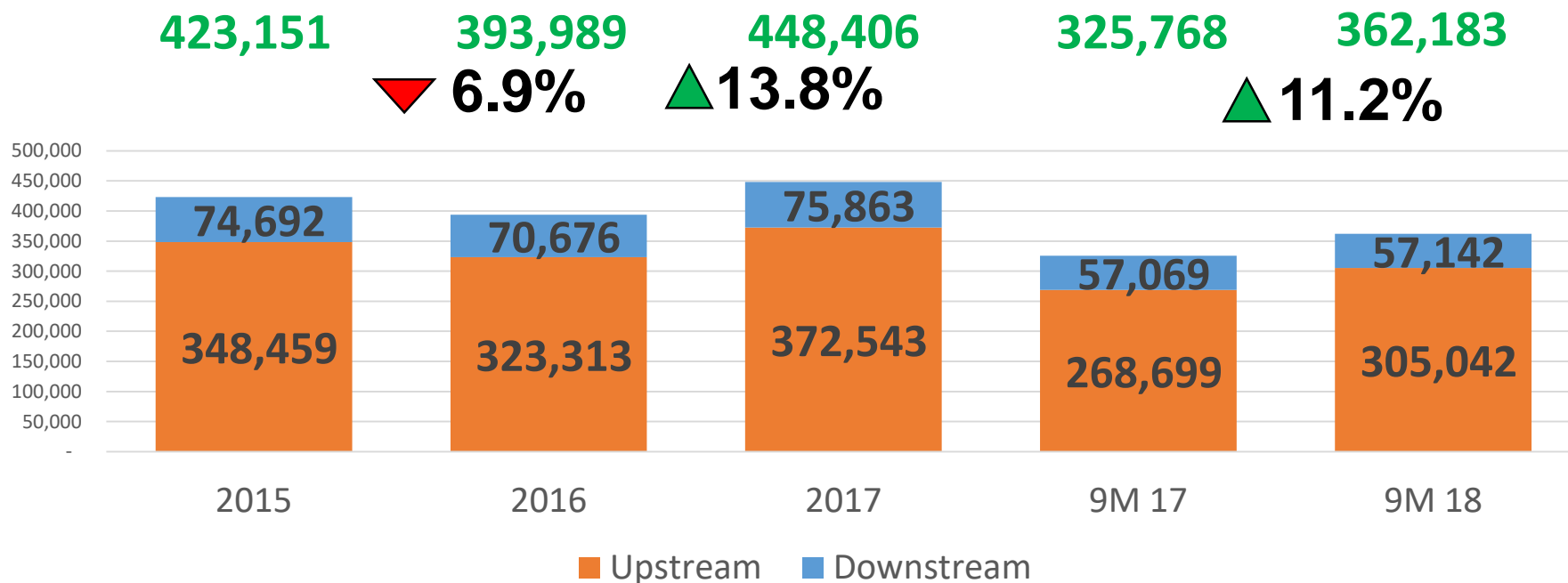
# Liquigaz: Operational Highlights

## LIQUIGAZ PHILIPPINES CORPORATION



- 11.2% increase in total sales volume due to higher sales from wholesale and major clients in 9M 2018
- New terminal facility in Sairaya, Quezon to start full commercial operations in 2H 2018

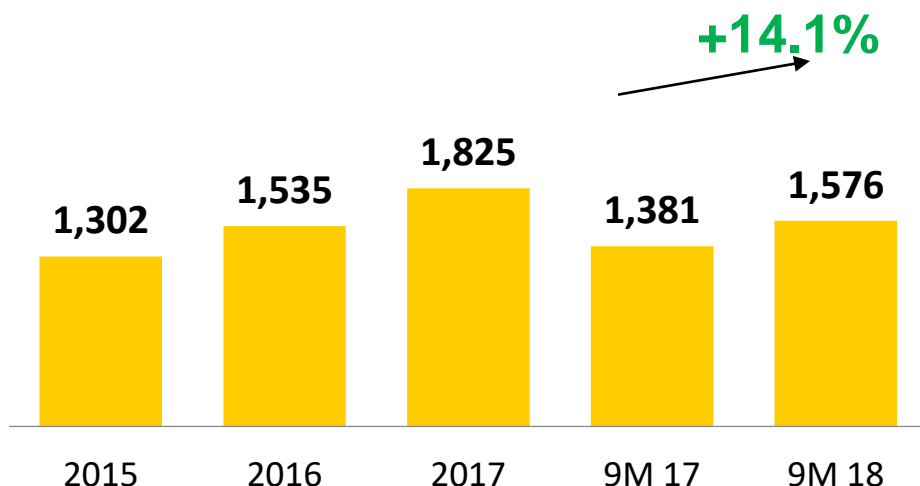
### Total Volume (mT)



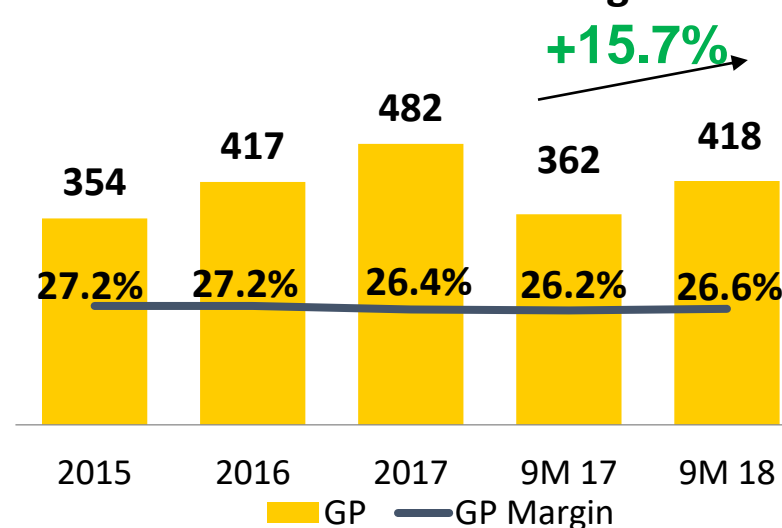
# Office Warehouse: 9M 2018 Financial Highlights

(In PHP millions)

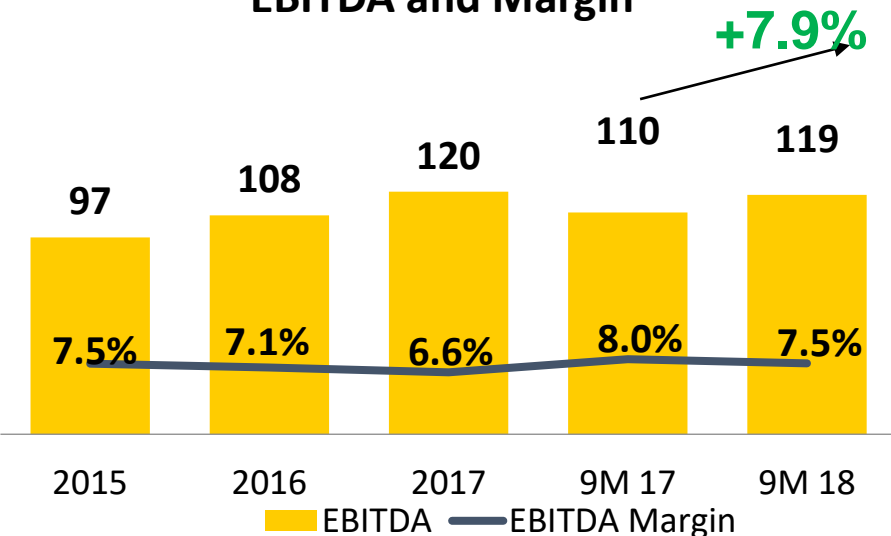
## Revenues



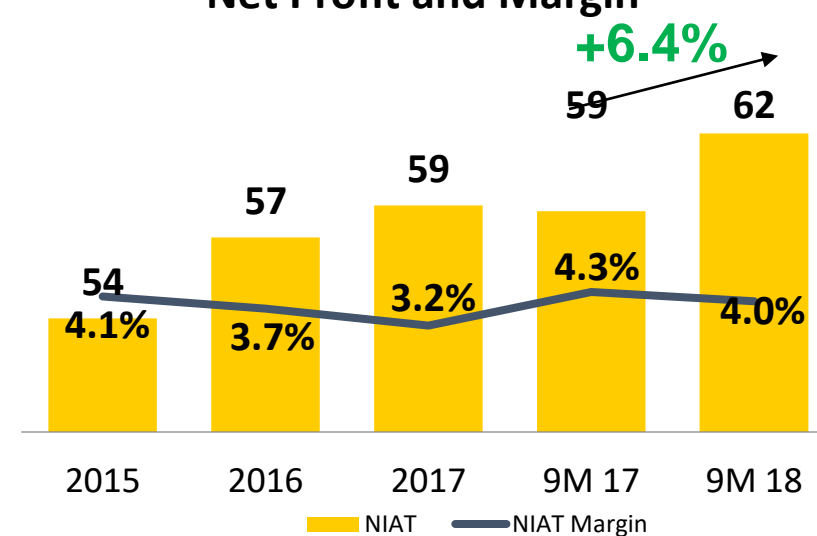
## Gross Profit and Margin



## EBITDA and Margin



## Net Profit and Margin



# Office Warehouse: Operational Highlights

## OFFICE WAREHOUSE, INC.

- Strong growth driven by store expansion and enhanced product offerings
- Office Warehouse opened 6 new store during 9M 2018 and 1 store closed

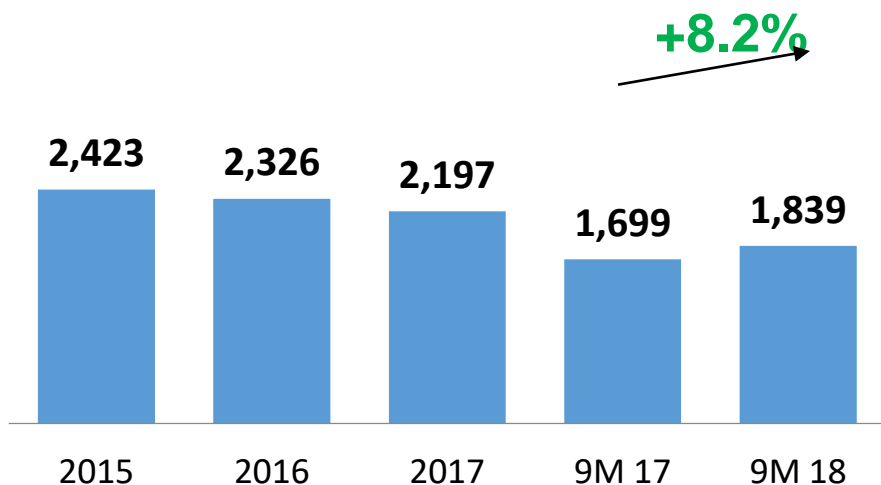


	2015	2016	2017	9M 2017	9M 2018
<b>No. Stores</b>	59	71	82	79	86
<b>Net selling area</b>	11,036 sqm	14,014 sqm	15,945 sqm	15,353 sqm	16,738 sqm

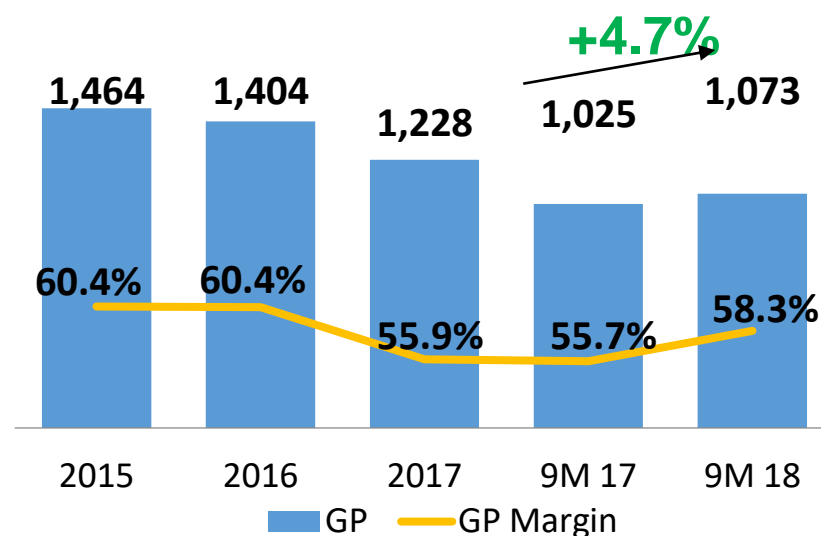
# Real Estate: 9M 2018 Financial Highlights

(In PHP millions)

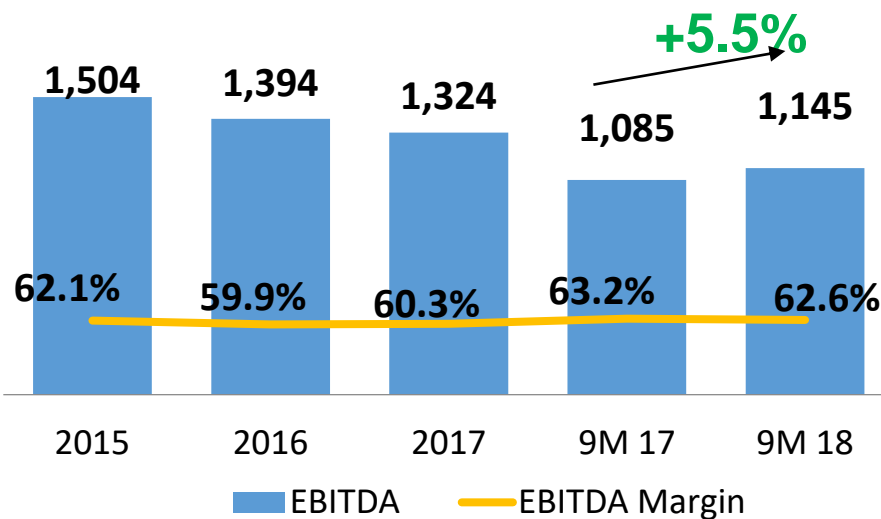
## Revenues



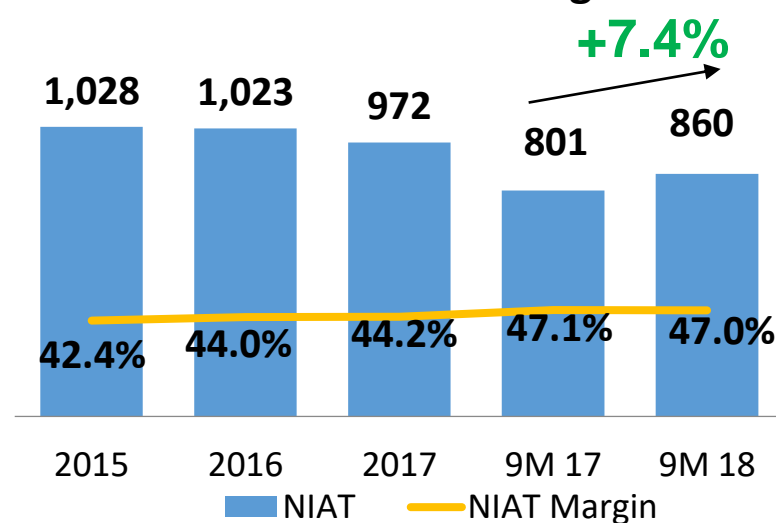
## Gross Profit and Margin



## EBITDA and Margin



## Net Profit and Margin



# Real Estate Group: Operational Highlights

- Total of 53 commercial properties with 96% average occupancy rate
- Pure Petroleum operating at 100% capacity in 2017 and 2016 (9 storage tanks with 88.5M liters capacity)

Category	9M 2018	FY2017	GLA/Lot Area in sq.m.
Land under lease	10	9	158,123
Commercial Buildings	32	29	261,722
Under Development	3	4	20,841
Future Development	8	10	98,686
<b>Total</b>	<b>53</b>	<b>52</b>	<b>539,372</b>

- 3 new community malls opened in Q12018 located in **Cavite, Muntinlupa and Subic.**
- **San Miguel, Pasig** property partly lease out to Lawson in February 2018
- On-going development of **3 new** community malls in **Las Pinas, Bayawan Negros Oriental and Maria Aurora, Aurora**
- Acquired 1 property for future development located in **Cabatuan, Iloilo**



- **CAPEX Budget of Php 5.55 billion in 2018**

- Php 3.65 billion for Puregold Group
- Php 1.5 billion for Real Estate Group
- Php 300 million for Liquigaz
- Php 100 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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