

COVER SHEET

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SEC Registration Number

C O S C O C A P I T A L , I N C .

(Company's Full Name)

N O . 9 0 0 R O M U A L D E Z S T . , P A C O ,
M A N I L A

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

JEWELYN A. JUMALON

(Contact Person)

(63) 917 861 2459

(Company Telephone Number)

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Month

Day

SEC FORM 17-C

(Form Type)

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Day

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowing

Total No. of Stockholders

Domestic

Foreign

SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

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

1. Date of Report: **August 12, 2024**
2. SEC Identification Number: **147669**
3. BIR Tax Identification No.: **000-432-378**
4. Exact name of issuer as specified in its charter: **Cosco Capital, Inc.**
5. Province, country or other jurisdiction of incorporation: **Manila, Philippines**
6. Industry Classification Code: (SEC Use Only)
7. Address of principal office: **No. 900 Romualdez St., Paco, Manila** Postal Code **1007**
8. Issuer's telephone number, including area code: **(63) 9178612459**
9. Former name or former address, if changed since last report: **N/A**
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
Common Shares	7,079,170,664
Treasury	325,892,900

11. Indicate the item numbers reported herein: **Item 9. Other Events: (Please see attachment)**

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COSCO CAPITAL, INC.
Registrant

12 August 2024
Date


Jewelyn A. Jumalon
Assistant Corporate Secretary &
Compliance Officer

SEC 17-C: Current Report
Cosco Capital, Inc.

The Board of Directors of Cosco Capital, Inc. (the "Company") approved its 2nd Quarter Financial Report for the year 2024 (SEC 17-Q Report) during its Regular Board Meeting held on 12 August 2024. The Company's Financial Highlights and Press Release are hereto attached.

The Company will submit its SEC Form No. 17-Q Report on or before 14 August 2024

COSCO CAPITAL, INC.

Condensed Financial Highlights For the Period Ended June 30, 2024

I. FINANCIAL HIGHLIGHTS

The following highlights provide a condensed management discussion and analysis of the unaudited consolidated financial performance and financial position of the Group for the period ended June 30, 2024.

II. CONSOLIDATED FINANCIAL PERFORMANCE

The table below shows the consolidated results of operations of the Group for the periods ended June 30, 2024 and 2023.

<i>(In Thousands)</i>	1H2024	%	1H2023	%	INCREASE (DECREASE)	%
REVENUES	106,411,066	100.00%	98,180,842	100.00%	8,230,224	8.38%
COST OF SALES/SERVICES	84,919,829	79.80%	79,014,351	80.48%	5,905,478	7.47%
GROSS PROFIT	21,491,237	20.20%	19,166,491	19.52%	2,324,746	12.13%
OTHER REVENUE	1,553,485	1.46%	1,520,833	1.55%	32,652	2.15%
GROSS OPERATING INCOME	23,044,722	21.66%	20,687,324	21.07%	2,357,398	11.40%
OPERATING EXPENSES	13,671,285	12.85%	12,263,411	12.49%	1,407,874	11.48%
INCOME FROM OPERATIONS	9,373,437	8.81%	8,423,913	8.58%	949,524	11.27%
OTHER INCOME (CHARGES) - net	(539,691)	-0.51%	(743,670)	-0.76%	203,979	27.43%
INCOME BEFORE INCOME TAX	8,833,746	8.30%	7,680,243	7.82%	1,153,503	15.02%
INCOME TAX EXPENSE	1,868,677	1.76%	1,648,215	1.68%	220,462	-13.38%
NET INCOME FOR THE PERIOD	6,965,069	6.55%	6,032,028	6.14%	933,041	15.47%

Growth in Revenues

Consolidated revenues amounting to P106.41 Billion for the period ended June 30, 2024 increased by P8.23 Billion or representing a growth by 8.38% compared to last year's revenue of P98.18 Billion.

Growth in Consolidated Net Income

During the same period and despite the challenges from the lingering macro-economic impacts on business, the Group, however, managed to realize a consolidated net income of P6.96 Billion which represents a growth of 15.47% as compared to last year's net income of P6.03 Billion.

The strong revenue performance across all the business segments were reinforced by a combination of management's strategic initiatives and efficiency measures at all business segments.

Net income attributable to equity holders of the parent company (PATMI) in 2024 amounted to about P4.09 Billion which increased by P555 million or 15.71% as compared to the 2023 PATMI amounting to P3.53 Billion.

Segment Financial Performance Highlights

Grocery Retail Segment

For the period ended June 30, 2024, the segment posted net sales of P98.50 billion for an increase of P7.27 billion or 7.97% compared to P91.23 billion in the same period of 2023.

Consolidated gross profit increased by 11.07% from P16.85 billion in 2023 at 18.47% margin to P18.72 billion at 19.0% margin in 2024.

The segment earned a consolidated net income of P4.95 billion at 5.02% net margin and an increase of 12.49% from P4.40 billion at 4.82% net margin in the same period of 2023.

Commercial Real Estate Segment

The Group's Real Estate Segment posted a revenue of P1.0 billion in 2024 or 5.78% growth from the P952.44 million revenue generated in 2023.

Net income for the period amounted to P537.63 million or a 16.02% increase from last year's P463.40 Million mainly due to the increase in revenue.

Liquor Distribution Segment

Revenues generated by the Liquor Distribution Segment in 2024 increased to P7.72 Billion or 19% higher from last year's P6.5 Billion on the back of a 22% growth in volume (no. of cases) of sales.

As a result, net income for the period grew by 23.19% from P1.16 billion in 2023 to P1.43 billion in 2024.

Specialty Retail Segment

Sales revenues amounted to P995.35 million in 2024 which declined by 4.32% compared to the 2023 revenue of P1.04 billion.

Net income in 2024 amounted to about P39 million which increased by 10.5% as compared to the net income contribution in 2023 amounting to P35.30 million.

Energy and Minerals

Revenues generated by the Energy and minerals Segment in 2024 to P172.48 million.

As a result, net income for the period amounted to P96.92 million.

III. **CONSOLIDATED FINANCIAL POSITION**

The Group's consolidated financial position as at June 30, 2024 continued to remain very strong and robust which provides a solid platform for the Group to navigate its business operations and implement its strategic expansion plans not only for the balance of the year but for the medium term.

Total Assets

As at June 30, 2024 and December 31, 2023, total assets amounted to P224.81 Billion and P227.16 Billion, respectively, for a decrease of P2.35 Billion or 1.04%. The decrease was due basically to the net effect of the net operating cash flows, collection of receivables and settlement of trade and non-trade payables, cash dividend declared increase in inventories, short term cash investments and additional capital expenditures in store network expansion.

Total Liabilities

As at June 30, 2024 and December 31, 2023, total liabilities amounted to P78.86 Billion and P85.21 Billion respectively, for an decrease of P6.35 Billion or 7.45% due to the net effect of payments of trade and non-trade liabilities, long term loans, settlements of cash dividends declared by the Grocery Retail segment and Parent Company in December 2023, recognition additional lease liability from lease contracts.

Equity

As at June 30, 2024 and December 31, 2023, total equity amounted to P145.94 Billion and P141.95 Billion, respectively, for an increase of P4.0 Billion or 2.81% due to profit realized by the Group.



Cosco Capital net income hits PHP 3.35 billion in 2Q 2024, up 21%

Manila, Philippines - Cosco Capital, Inc., the listed retail holding firm of Mr. Lucio L. Co, reported a 21% growth in its consolidated net income amounting to Php 3.55 billion in the second quarter of 2024 versus Php 2.94 billion a year ago. Strong operating performance from all business segments also lifted consolidated revenues by 9.6% to Php 55.55 billion from Php 50.7 billion in the same period of 2023.

For the first half of 2024, Cosco Capital reported a 15.5% growth in its consolidated net income amounting to Php 6.97 billion versus Php 6 billion a year ago. Consolidated revenues increased by 8.4% to Php 106.4 billion from Php 98.2 billion in the same period of 2023.

The Group continued to benefit from the economic recovery amidst the prevailing macroeconomic challenges by way of sustained and stronger revenue growth across all its business segments which indicates the recovering consumer demand.

In the first half of 2024, the group's grocery retailing businesses, Puregold Price Club, Inc. and S&R Membership Shopping Club, contributed 71% of total net income, followed by the Liquor Distribution with 20%, Commercial Real Estate segment with 7%, Energy & Minerals with 1.5% and Specialty Retail with 0.5%.

The grocery retailing segment's consolidated net sales for the first half of 2024 rose by 8% to Php 98.5 billion driven by store expansion and higher comparative sales. During the period, the enterprise experienced positive same store sales growth (SSSG) of +1.9% from Puregold Stores driven by higher traffic and +2.4% from S&R Warehouse clubs driven from higher ticket size. The company continues to see a buoyant trajectory in topline growth for the second half of 2024.

The grocery retail group's net income for the period improved by 12.5% year on year to Php 4.95 billion from Php 4.4 billion. Puregold's topline growth was complimented by the slight improvement in gross margins for both Puregold and S&R business.

The Liquor Distribution business thru The Keepers Holdings Inc. has recorded consolidated revenue amounting to Php 7.7 billion, a 19% growth versus previous year on the back of a 22% growth in volume of cases sold for the period. This was driven principally by Alfonso, the leading imported brandy in the market, which has already surpassed its pre pandemic levels, premiumizing market and on-premise channel rebound. Net income for the liquor segment saw an increase of 23% to PHP 1.43 billion in the first half of 2024 resulting from the strong sales performance from imported brandy, spirits, wines, and specialty beverages.

The Commercial Real Estate segment posted a 9.4% growth in rental revenue amounting to PHP 613 million in the first half of 2024 as business operations of its tenants portfolio has improved due to increased level of economic activities as well as full resumption of rental rates based on contracts. The real estate segment saw its net income grew by 5% to PHP 486 million in 1H 2024 versus Php 463 million in the same period 2023.

The Energy and minerals segment posted revenues of Php 172 million for the first half of 2024 while it generated net income of Php 98 million for the same period.

For the Specialty Retailing business segment, Office Warehouse, Inc.'s revenues declined by 4.3% at PHP 994 million versus PHP 1.04 billion a year ago. Net income improved by 10.5% to Php 39 million in 1H 2024 versus Php 35.3 million same period last year.