

## 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 (Date of earliest event reported)  
Nov 13, 2020
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  
(632) 8522-8801 to 04
9. Former name or former address, if changed since last report  
None
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 and Amount of Debt Outstanding |
|---------------------|---|
| Common              | 7,198,253,664   |

11. Indicate the item numbers reported herein  
Other Matters

*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.*



## Cosco Capital, Inc. COSCO

**PSE Disclosure Form 4-30 - Material Information/Transactions**  
**References: SRC Rule 17 (SEC Form 17-C) and**  
**Sections 4.1 and 4.4 of the Revised Disclosure Rules**

### Subject of the Disclosure

Company Presentation 9M 2020 Financial Results for the Analysts and Investors Telecon/Briefing to be held on November 13, 2020.

### Background/Description of the Disclosure

Company Presentation 9M 2020 Financial Results for the Analysts and Investors Telecon/Briefing to be held on November 13, 2020.

### Other Relevant Information

Please see attached Company Presentation 9M 2020 Financial Results for the Analysts and Investors Telecon/Briefing to be held on November 13, 2020.

### Filed on behalf by:

|                    |  |
|--------------------|--|
| <b>Name</b>        | Candy Dacanay-Datuon                               |
| <b>Designation</b> | Assistant Corporate Secretary / Compliance Officer |

# Cosco Capital, Inc.

## 9M 2020 Financial Results Investor Presentation



HARBOR POINT

# Disclaimer

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## **Head Office Address**

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

# Company Overview

Lucio Co Family  
76%

Public  
24%



cosco capital  
i n c o r p o r a t e d

49%

100%

100%

100%

## Grocery Retailing



## Liquor Distribution



## Specialty Retailing



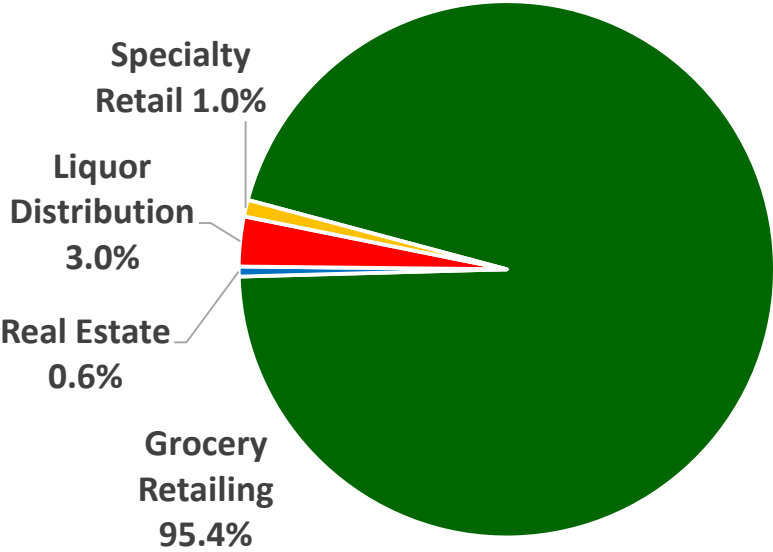
## Commercial Real Estate

- *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 2020

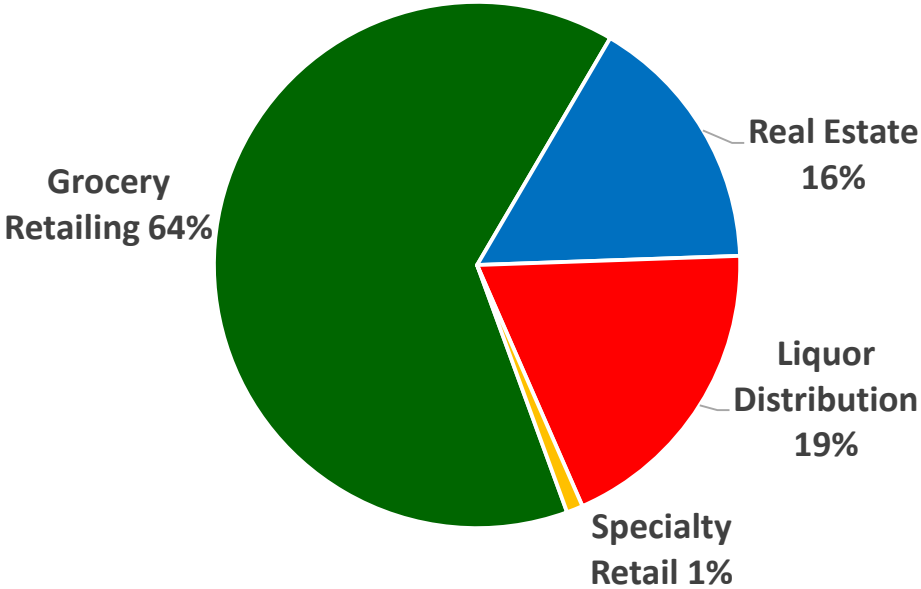


### Revenues



PHP 126.97 billion

### CORE PATMI



PHP 3.88 billion

# 9M2020 CONSOLIDATED FINANCIAL PERFORMANCE



| <i>(In Thousands)</i>        | 9M2020      | %       | 9M2019      | %       | INCREASE<br>(DECREASE) | %       |
|------------------------------|-------------|---------|-------------|---------|------------------------|---------|
| REVENUES                     | 126,969,855 | 100.00% | 118,382,488 | 100.00% | 8,587,367              | 7.25%   |
| COST OF SALES/SERVICES       | 105,111,813 | 82.78%  | 97,250,598  | 82.15%  | 7,861,215              | 8.08%   |
| GROSS PROFIT                 | 21,858,043  | 17.22%  | 21,131,890  | 17.85%  | 726,152                | 3.44%   |
| OTHER OPERATING INCOME       | 2,306,771   | 1.82%   | 2,322,087   | 1.96%   | (15,316)               | -0.66%  |
| GROSS OPERATING INCOME       | 24,164,814  | 19.03%  | 23,453,977  | 19.81%  | 710,836                | 3.03%   |
| OPERATING EXPENSES           | 14,197,961  | 11.18%  | 13,926,209  | 11.76%  | 271,751                | 1.95%   |
| INCOME FROM OPERATIONS       | 9,966,853   | 7.85%   | 9,527,768   | 8.05%   | 439,085                | 4.61%   |
| OTHER INCOME (CHARGES) - net | (1,025,197) | -0.81%  | 5,475,587   | 4.63%   | (6,500,783)            | 118.72% |
| INCOME BEFORE INCOME TAX     | 8,941,656   | 7.04%   | 15,003,355  | 12.67%  | (6,061,698)            | -40.40% |
| INCOME TAX EXPENSE           | 2,469,414   | 1.94%   | 2,352,162   | 1.99%   | 117,253                | 4.98%   |
| NET INCOME FOR THE PERIOD    | 6,472,242   | 5.10%   | 12,651,193  | 10.69%  | (6,178,951)            | -48.84% |
| CORE NET INCOME              | 6,472,242   | 5.38%   | 6,509,976   | 5.50%   | (37,734)               | -0.58%  |
| CORE NET PATMI               | 3,879,313   | 3.28%   | 4,159,712   | 3.51%   | (280,399)              | -6.74%  |
| PATMI                        | 3,879,313   | 3.06%   | 9,686,807   | 8.18%   | (5,807,494)            | -59.95% |
| Non-controlling interests    | 2,592,929   | 2.04%   | 2,964,386   | 2.50%   | (371,457)              | -12.53% |
|                              | 6,472,242   | 5.10%   | 12,651,193  | 10.69%  | (6,178,951)            | -48.84% |
| EARNINGS PER SHARE (EPS)     | 0.55738     |         | 1.38134     |         |                        | -59.65% |
| CORE EPS                     | 0.55738     |         | 0.59318     |         |                        | -6.04%  |
| EBITDA                       | 13,013,112  | 10.25%  | 12,190,861  | 10.30%  | 822,251                | 6.74%   |

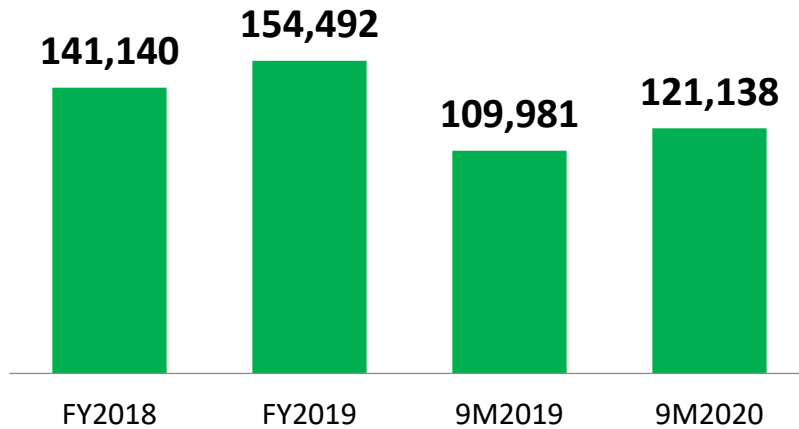
# Grocery Retailing: 9M2020 Financial Highlights



(In PHP millions)

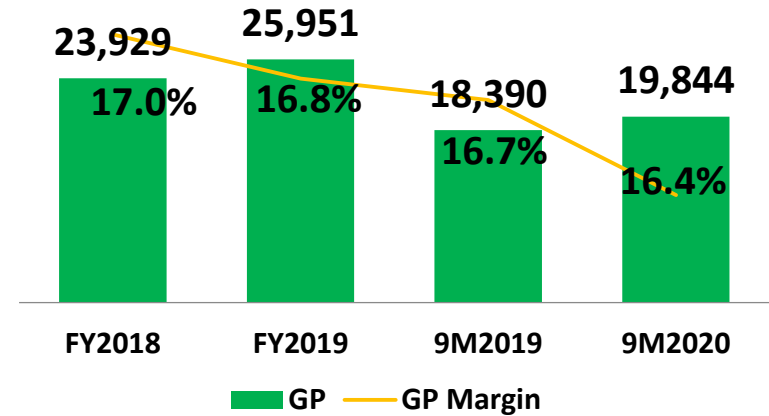
## Revenues

+10.1%



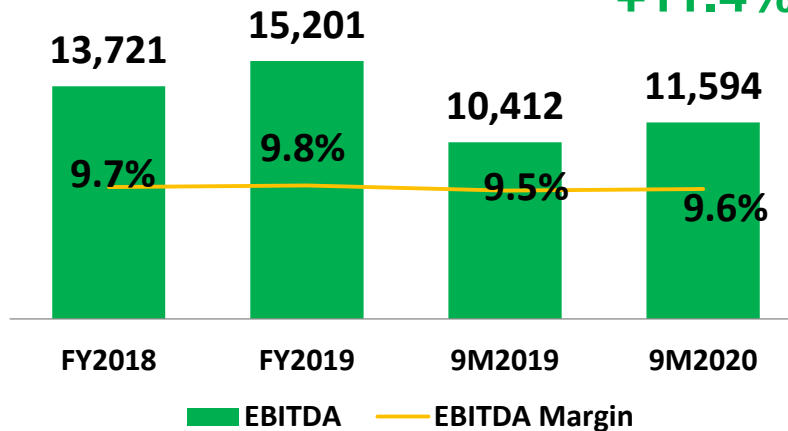
## Gross Profit and Margin

+7.9%



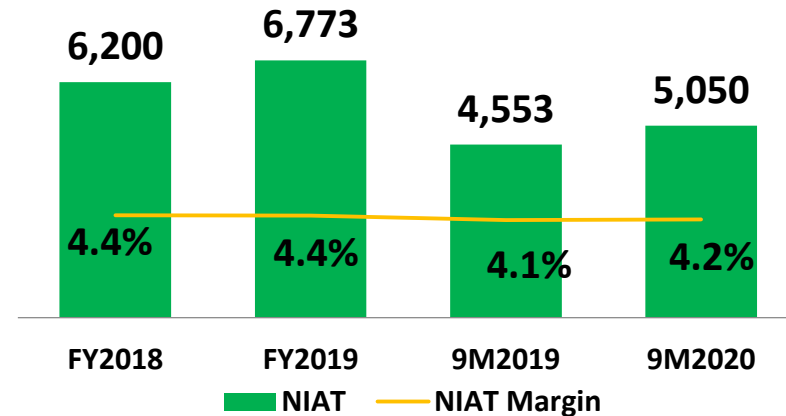
## EBITDA and Margin

+11.4%



## Net Profit and Margin

+10.9%





# Grocery Retailing: Operational Highlights



- Puregold opened **16 new stores** in 9M 2020; closed 3 PGOLD stores
- S&R opened **2 new S&R warehouse; 3 QSR**
- As of 9M 2020, the Grocery Retailing segment is operating a **total of 455 stores**
- SSSG PGOLD only is at 4.5% while S&R is at 6.4%



|              | PUREGOLD   | S&R       | S&R QSR   |
|--------------|------------|-----------|-----------|
| Metro Manila | 136        | 10        | 24        |
| Luzon        | 214        | 6         | 12        |
| Visayas      | 32         | 2         | 6         |
| Mindanao     | 11         | 2         | -         |
| <b>Total</b> | <b>393</b> | <b>20</b> | <b>42</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

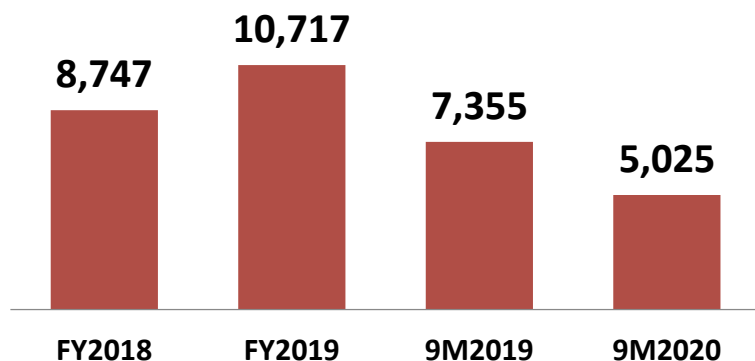
Various Wines

# Liquor Distribution: 9M2020 Financial Highlights

(In PHP millions)

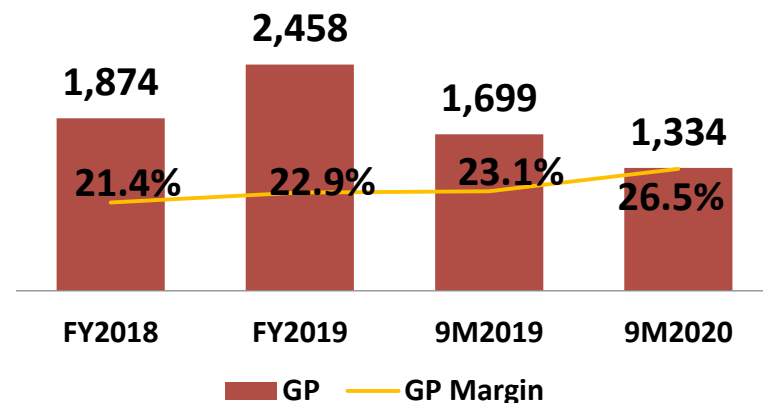
## Revenues

**-31.7%**



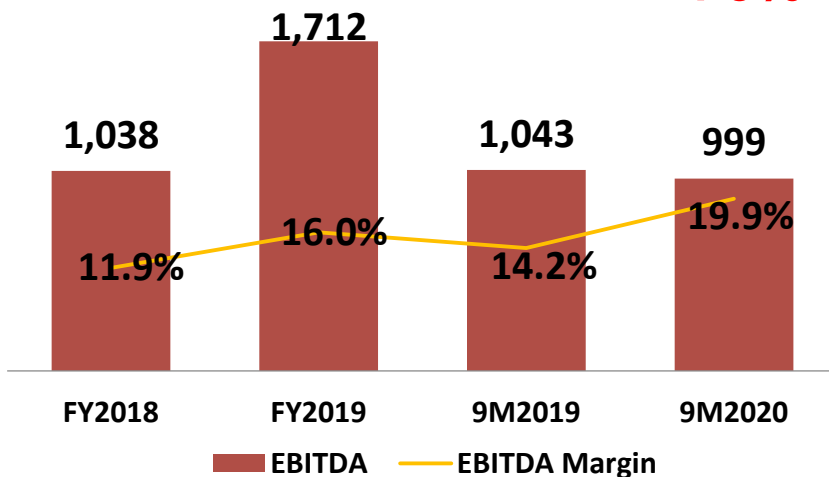
## Gross Profit and Margin

**-21.5%**



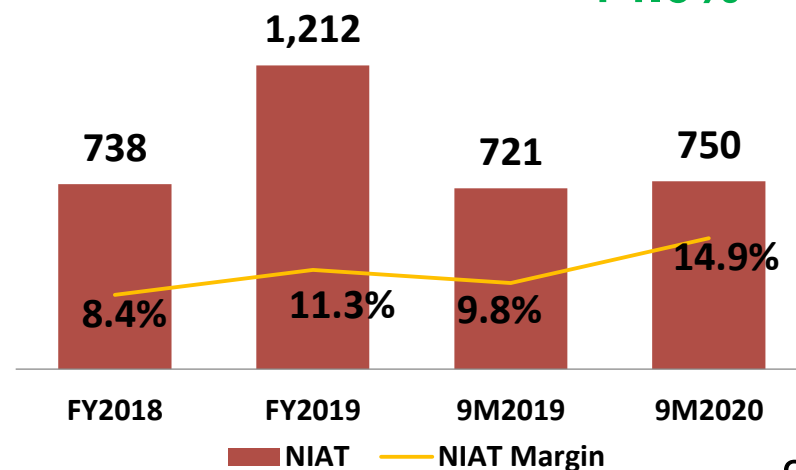
## EBITDA and Margin

**-4.3%**



## Net Profit and Margin

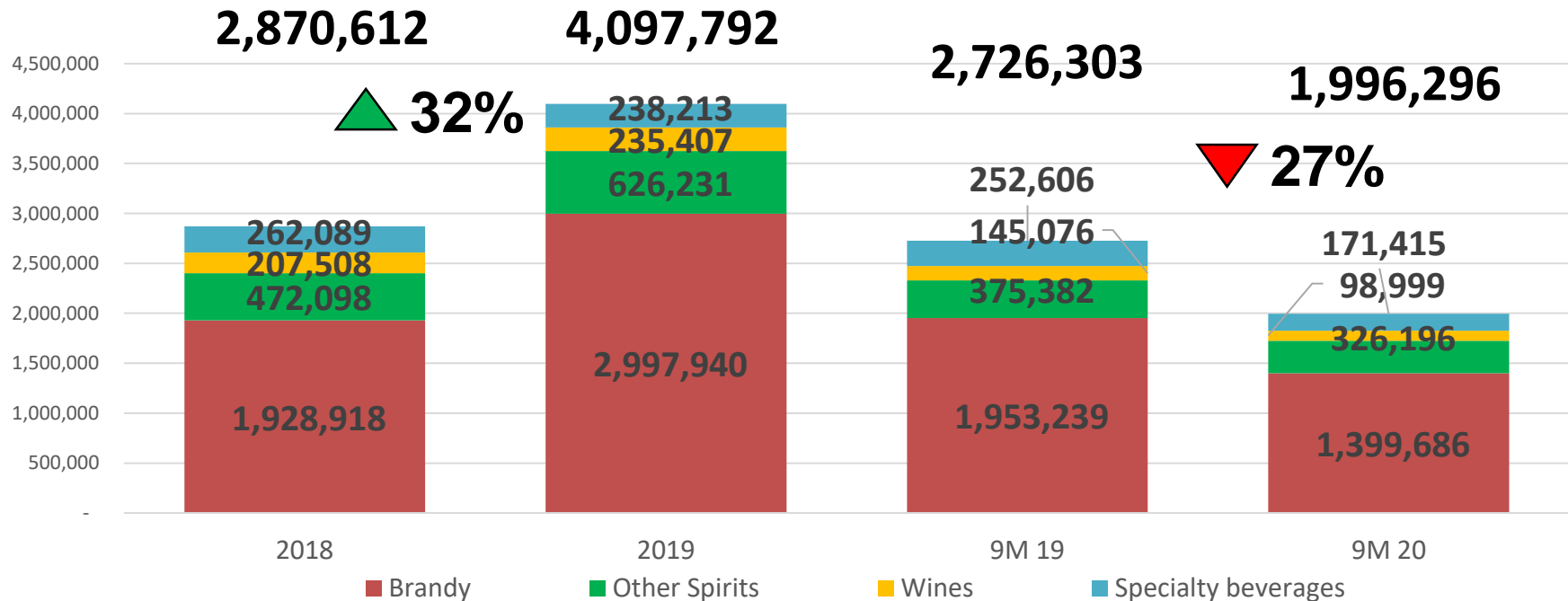
**+4.0%**



# Liquor Distribution: Total Volume Sales

- 27% decline in total volume of cases sold in 9M 2020
- Decline driven by the government imposed Liquor Ban during COVID-19 Quarantine

| CATEGORY            | 2018             | 2019             | 9M 19            | Mix %       | 9M 20            | Mix %       | Inc/Dec          | Growth      |
|---------------------|------------------|------------------|------------------|-------------|------------------|-------------|------------------|-------------|
| Brandy              | 1,928,918        | 2,997,940        | 1,953,239        | 72%         | 1,399,686        | 70%         | (553,553)        | -28%        |
| Other Spirits       | 472,098          | 626,231          | 375,382          | 14%         | 326,196          | 16%         | (49,186)         | -13%        |
| Wines               | 207,508          | 235,407          | 145,076          | 5%          | 98,999           | 5%          | (46,077)         | -32%        |
| Specialty beverages | 262,089          | 238,213          | 252,606          | 9%          | 171,415          | 9%          | (81,191)         | -32%        |
| <b>Grand Total</b>  | <b>2,870,612</b> | <b>4,097,791</b> | <b>2,726,303</b> | <b>100%</b> | <b>1,996,296</b> | <b>100%</b> | <b>(730,007)</b> | <b>-27%</b> |

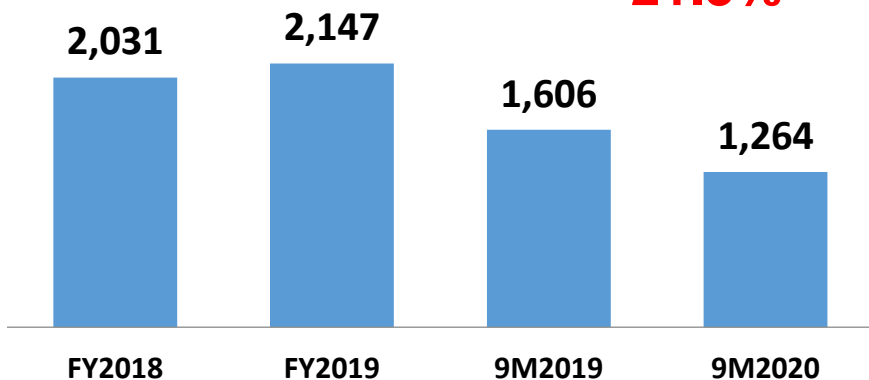


# Real Estate: 9M2020 Financial Highlights

(In PHP millions)

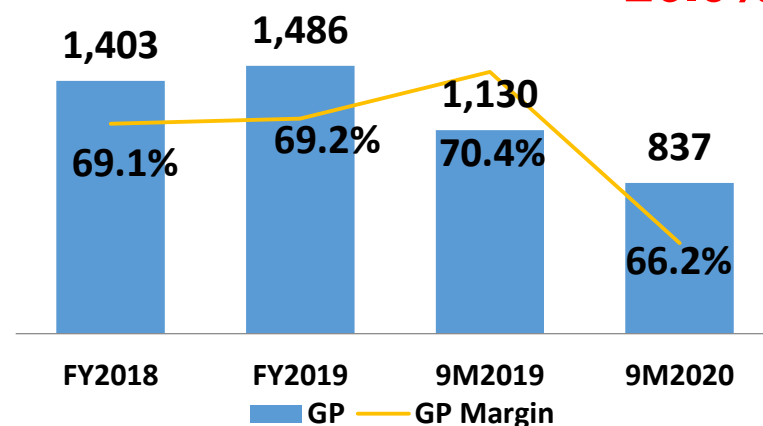
## Revenues

**-21.3%**



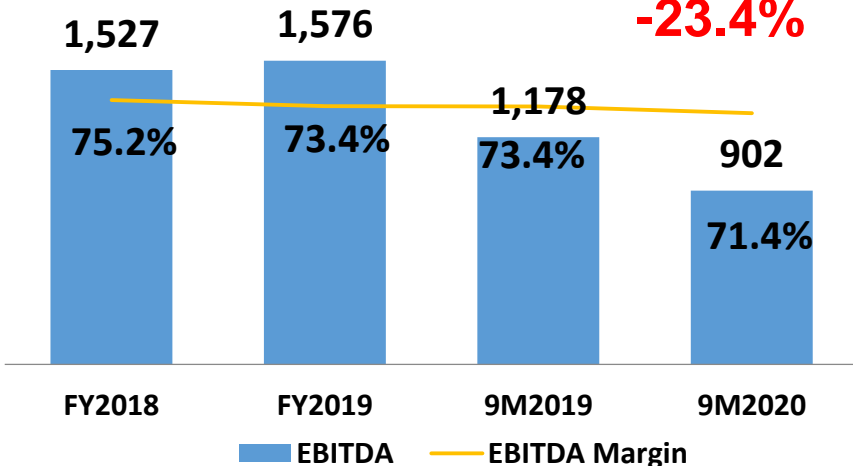
## Gross Profit and Margin

**-26.0%**



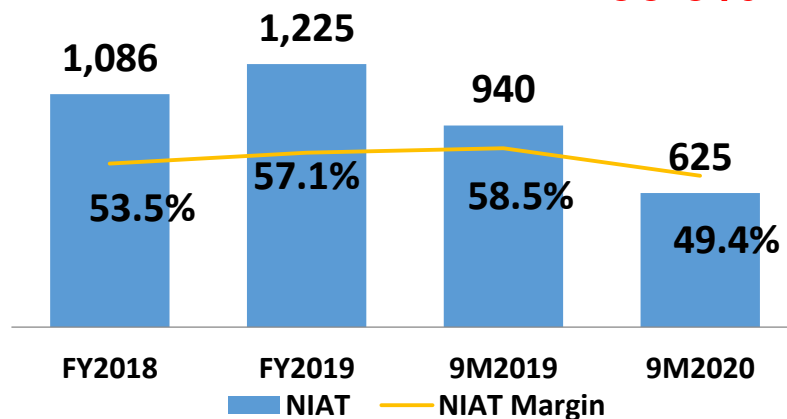
## EBITDA and Margin

**-23.4%**



## Net Profit and Margin

**-33.5%**



## REAL ESTATE

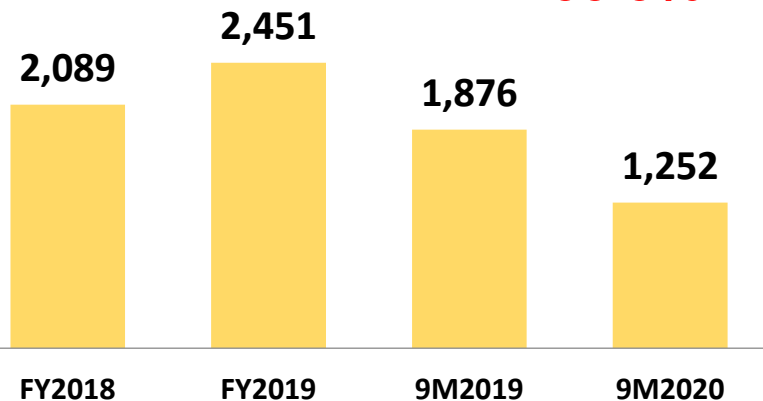
- 53% of tenants portfolio are essential industries allowed to continue business operations during the community quarantines and lockdowns
- 47% of tenants portfolio – directly affected by the mall closures and community quarantines
- Rental reliefs extended to directly affected tenants by way of:
  - Rental Waivers – April and May 2020
  - Reduced rentals – Subsequently thereafter
- Major capex programs have been put on hold

# Office Warehouse: 9M2020 Financial Highlights

(In PHP millions)

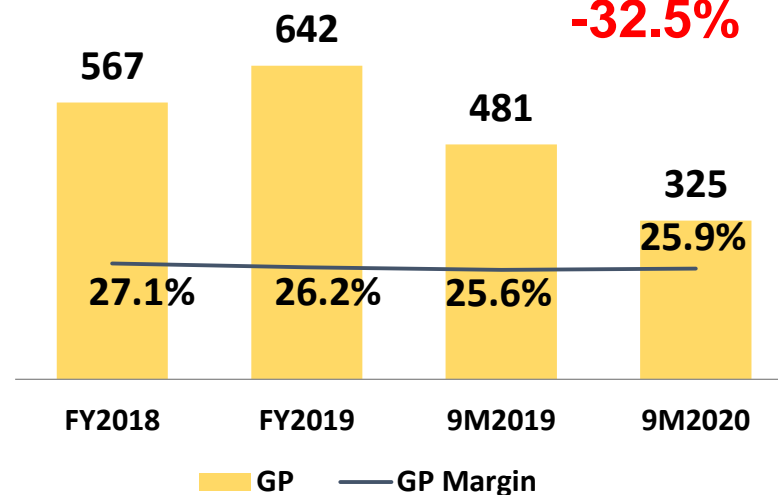
## Revenues

**-33.3%**



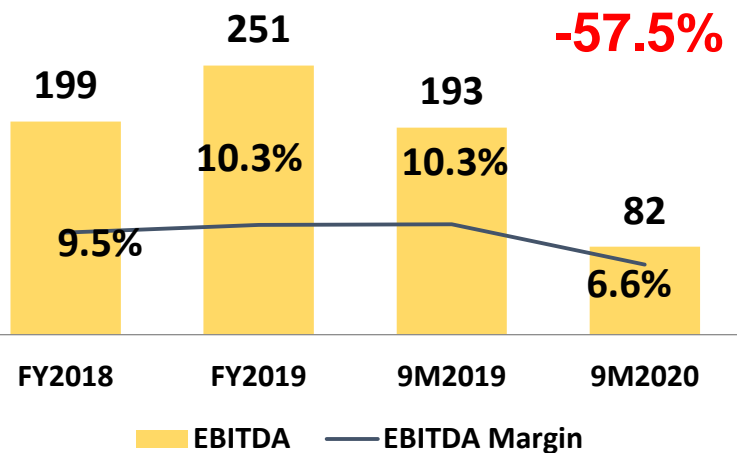
## Gross Profit and Margin

**-32.5%**



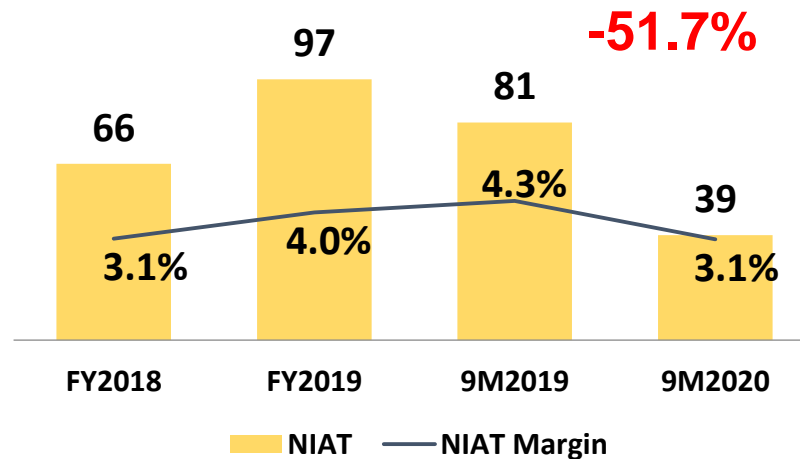
## EBITDA and Margin

**-57.5%**



## Net Profit and Margin

**-51.7%**



# Office Warehouse: Operational Highlights

## OFFICE WAREHOUSE, INC.

- closed down 1 store in 9M 2020
- SSSG of **-34.2%** in 9M 2020 vs +13.55% in 9M 2019 due to government lockdown and community quarantine starting March 16, 2020



|                                  | 2016   | 2017   | 2018   | 2019   | 9M 20  |
|----------------------------------|--------|--------|--------|--------|--------|
| <b>No. Stores</b>                | 71     | 82     | 88     | 89     | 88     |
| <b>Net selling area (in sqm)</b> | 14,014 | 15,945 | 16,738 | 15,589 | 15,489 |



- **CAPEX Budget of Php 3.6 billion in 2020**

- Php 3.4 billion for Puregold Group
- Php 150 million for Real Estate Group
- Php 50 million for Office Warehouse

- To be funded by internally generated cash and short term untapped bank credit lines if necessary

# SUMMARY

- **Macro-economic fundamentals and economic stimulus in place conducive to economic recovery**
- **Resilient diversified structure and financial performance**
  - ❖ *Grocery retail segment driving the group's top-line and bottom-line growths cushioning the declines experienced by the other business segments*
  - ❖ *Strategic cost and expense management by business units*
- **Strategic liquidity position with opportunistic debt capital raising by Puregold**
- **Strong and healthy financial position**



**Thank you.**

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[www.coscocapital.com](http://www.coscocapital.com)