

# Cosco Capital, Inc.

## 1Q 2022 Financial Results Investor Presentation



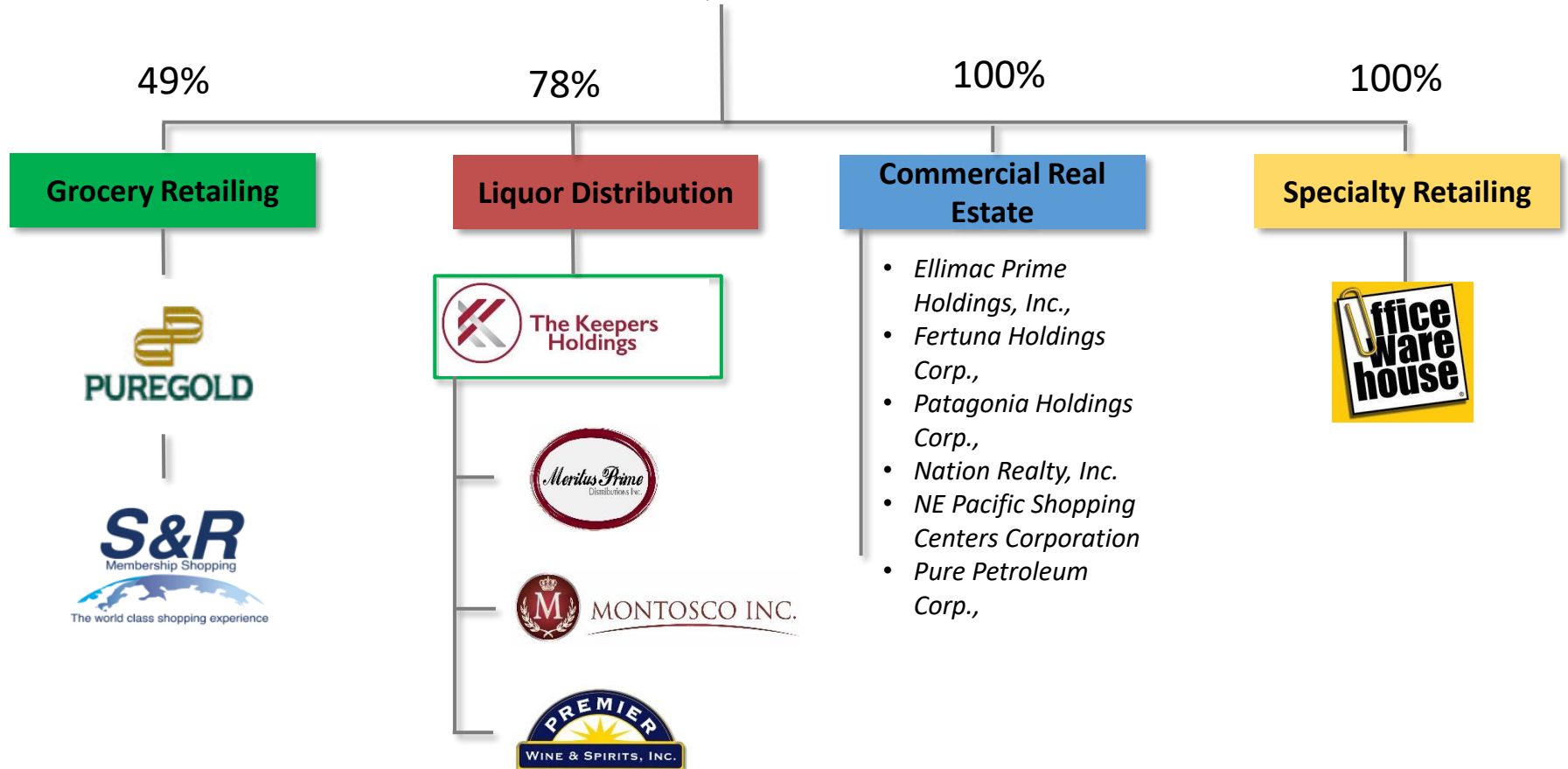
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## **Head Office Address**

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Philippines

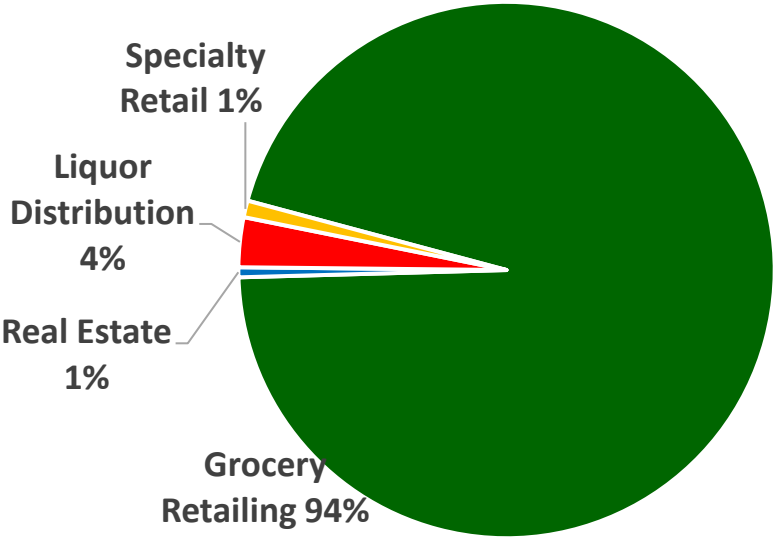
# Company Overview



# REVENUE AND PATMI CONTRIBUTIONS 1Q 2022



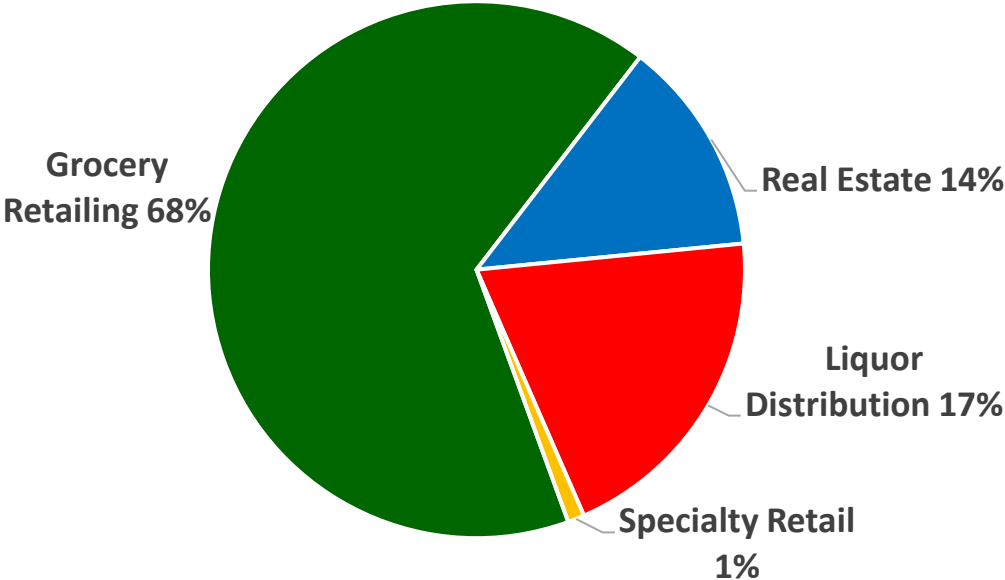
### Revenues



**PHP 40.68 billion**

+2.8% vs 1Q 2021

### CORE PATMI



**PHP 1.54 billion**

+9.2% vs 1Q 2021

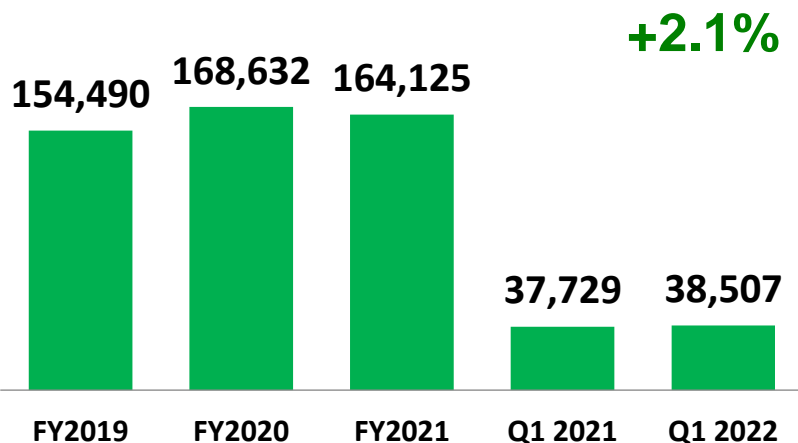
# Q1 2022 CONSOLIDATED FINANCIAL PERFORMANCE

<i>(In Thousands)</i>	Q1 2022	%	Q1 2021	%	INCREASE (DECREASE)	%
REVENUES	40,681,386	100.00%	39,573,281	100.00%	1,108,105	2.80%
COST OF SALES/SERVICES	32,184,341	79.11%	31,692,555	80.09%	491,786	1.55%
GROSS PROFIT	8,497,045	20.89%	7,880,727	19.91%	616,319	7.82%
OTHER OPERATING INCOME	708,412	1.74%	814,896	2.06%	(106,484)	-13.07%
GROSS OPERATING INCOME	9,205,458	22.63%	8,695,623	21.97%	509,835	5.86%
OPERATING EXPENSES	5,059,049	12.44%	4,946,152	12.50%	112,897	2.28%
INCOME FROM OPERATIONS	4,146,409	10.19%	3,749,471	9.47%	396,938	10.59%
OTHER INCOME (CHARGES) - net	(617,707)	-1.52%	(551,479)	-1.39%	(66,228)	12.01%
INCOME BEFORE INCOME TAX	3,528,702	8.67%	3,197,992	8.08%	330,710	10.34%
INCOME TAX EXPENSE	822,688	2.02%	757,249	1.91%	65,439	8.64%
NET INCOME FOR THE PERIOD	2,706,013	6.65%	2,440,742	6.17%	265,271	10.87%
PATMI	1,537,641	3.78%	1,407,703	3.56%	129,938	9.23%
Non-controlling interests	1,168,373	2.87%	1,033,040	2.61%	135,333	13.10%
	2,706,013	6.65%	2,440,742	6.17%	265,271	10.87%
EARNINGS PER SHARE (EPS)	0.22125		0.20247			9.27%
EBITDA	5,148,230	12.66%	4,866,080	12.30%	282,150	5.80%

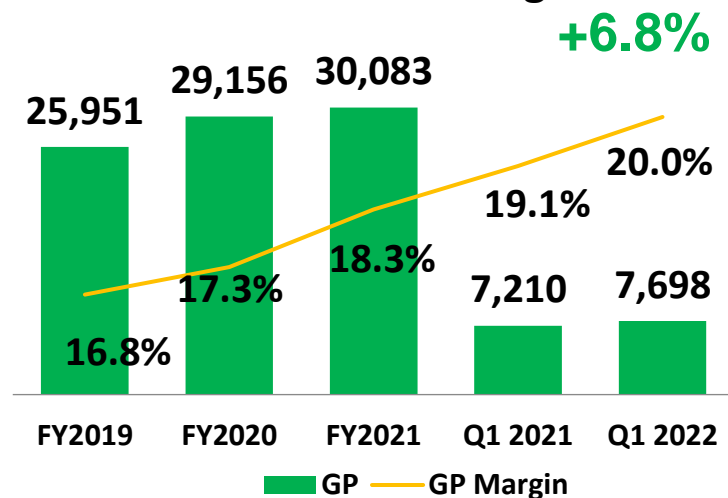
# Grocery Retail: Q1 2022 Financial Highlights

(In PHP millions)

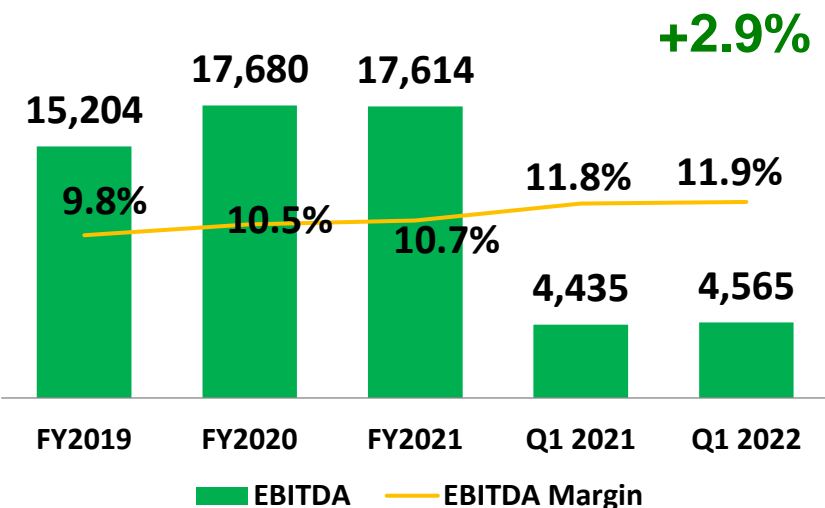
## Revenues



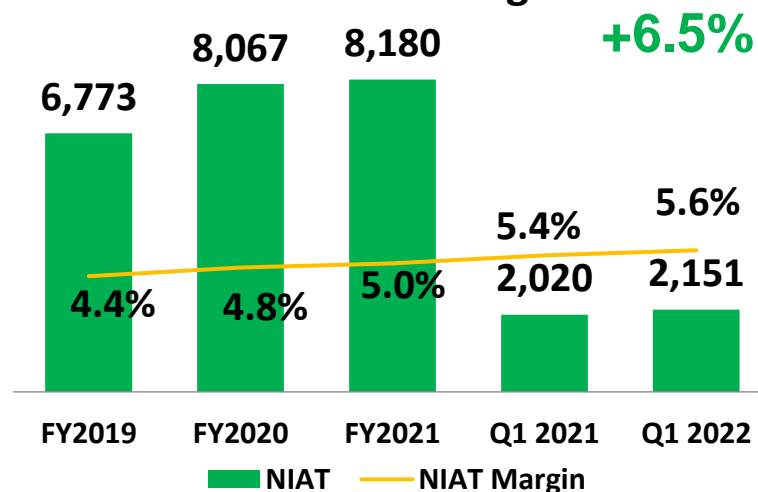
## Gross Profit and Margin



## EBITDA and Margin



## Net Profit and Margin



# Grocery Retailing: Operating Highlights

- Puregold opened **5 new stores** during Q1 2022, out of targeted 25 new stores, 1 Metro manila, 4 Luzon
- As of 1Q 2021, the Grocery Retailing segment is operating a total of 504 stores



	PUREGOLD	S&R	S&R QSR
Metro Manila	141	12	25
Luzon	239	6	15
Visayas	41	2	7
Mindanao	14	2	-
<b>Total</b>	<b>435</b>	<b>22</b>	<b>47</b>

1Q 2022 SSSG:      -4.5%      -1.3%

# Liquor Distribution:



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.

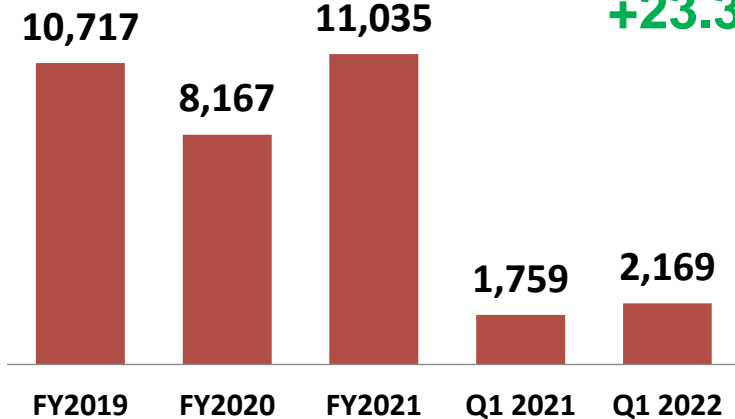


# Liquor Distribution: Q1 2022 Financial Highlights

(In PHP millions)

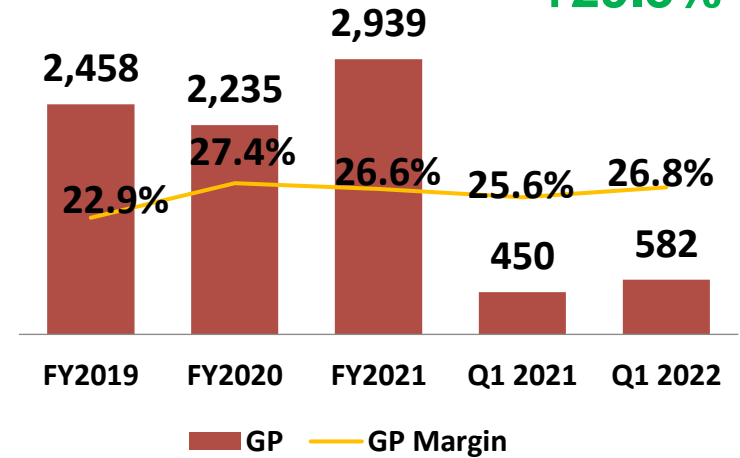
## Revenues

**+23.3%**



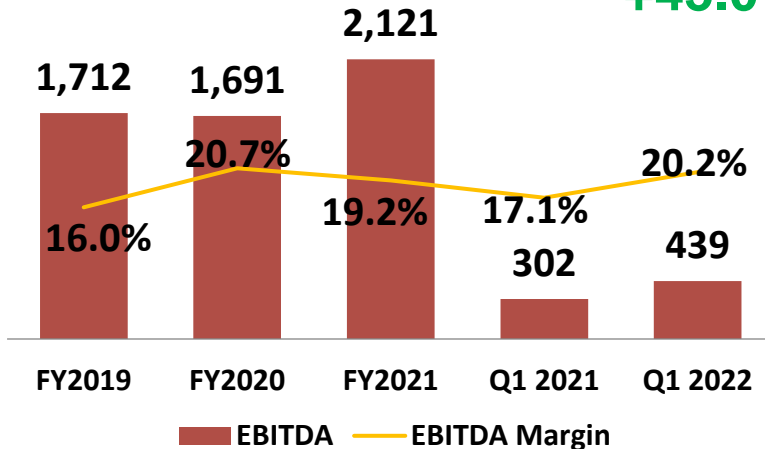
## Gross Profit and Margin

**+29.3%**



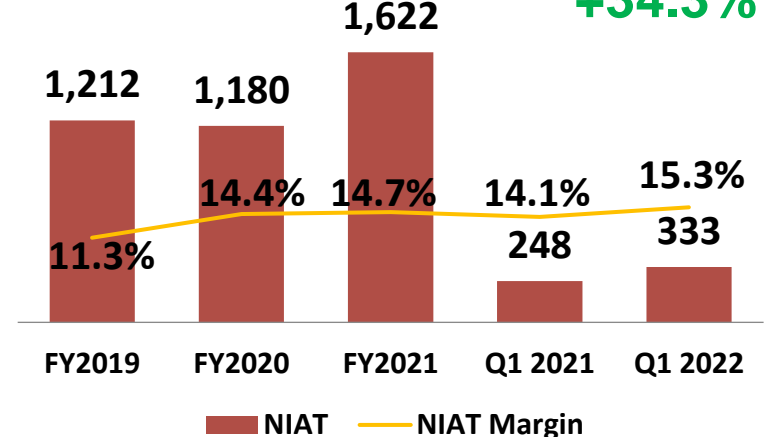
## EBITDA and Margin

**+45.0%**



## Net Profit and Margin

**+34.3%**



# Liquor Distribution: Operating Highlights

- 17% growth in total volume of cases sold in 1Q 2022
- Successful follow-on offering listing on November 19, 2021 in the PSE
- Growth driven by the increase in the brandy, wines and specialty beverages.

(in thousand cases)

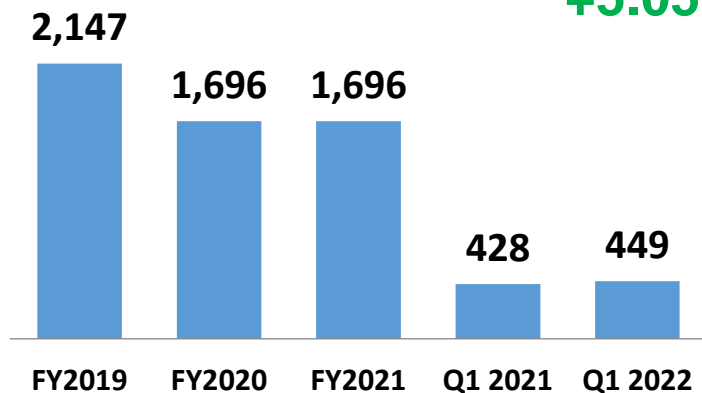
CATEGORY	1Q 2021	% Mix	1Q 2022	% Mix	% Growth
Brandy	480	68%	593	71%	24%
Other Spirits	149	21%	120	14%	-19%
Wines	34	5%	48	6%	41%
Specialty beverages	46	6%	70	8%	52%
<b>Grand Total</b>	<b>709</b>	<b>100%</b>	<b>831</b>	<b>100%</b>	<b>17%</b>

# Real Estate Segment: Q1 2022 Financial Highlights

(In PHP millions)

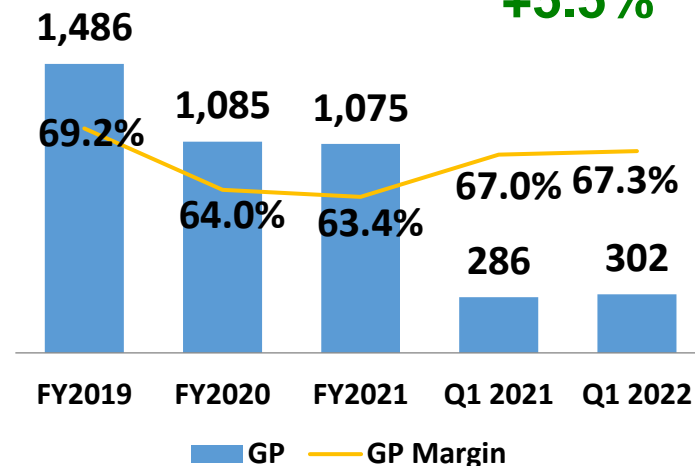
## Revenues

**+5.05**



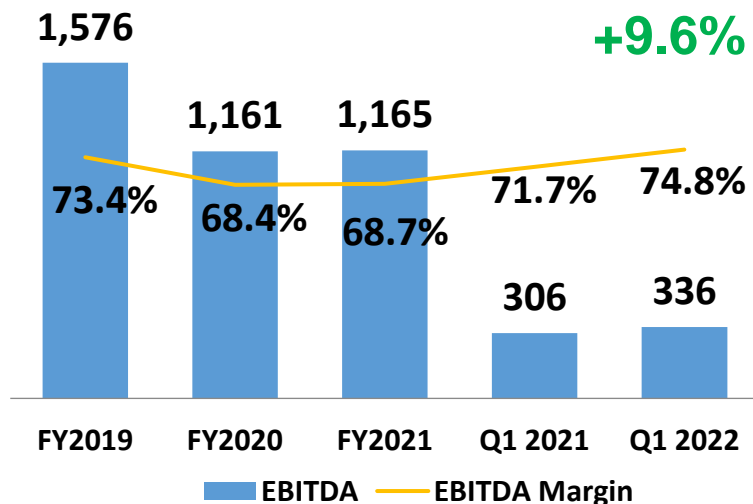
## Gross Profit and Margin

**+5.5%**



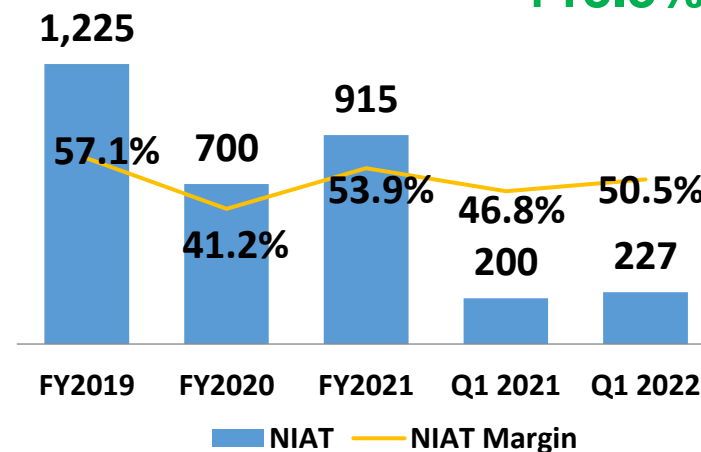
## EBITDA and Margin

**+9.6%**



## Net Profit and Margin

**+13.3%**



# Real Estate Segment: Operating Highlights

- Acquisition of 5 new properties in 2021:
  - 716 sqm lot located in Tm Road, Sucat, Muntinlupa City
  - 38,425 sqm lot located in Brgy. Tarcan, Baliuag, Bulacan
  - 1,864 sqm lot located in Bagumbong, Caloocan
  - 3,464 sqm lot located in San Rafael, Rizal with existing Luver's Market
  - 2,052 sqm lot located in Punturin, Valenzuela City

Category	Q1 2022	FY2021	FY2020
Land under lease	11	11	11
Commercial Buildings	35	35	34
Under Development	2	2	1
Future Development	12	12	9
<b>Total Properties</b>	<b>60</b>	<b>60</b>	<b>55</b>

Category	Q1 2022	FY 2021	FY 2020
Land under lease	160,921	160,921	160,921
Commercial Buildings	278,003	278,003	277,056
Under Development	9,876	9,876	8,457
Future Development	146,547	146,547	104,909
<b>Total sqm</b>	<b>595,347</b>	<b>595,347</b>	<b>551,342</b>



## PUREGOLD-ANTIPOLO (SUMULONG)

PROJECT COST: **P119M**  
ACCOMPLISHMENT: **50.20%**  
TARGET COMPLETION:  
**AUGUST 15, 2022**



## PUREGOLD-BIÑAN

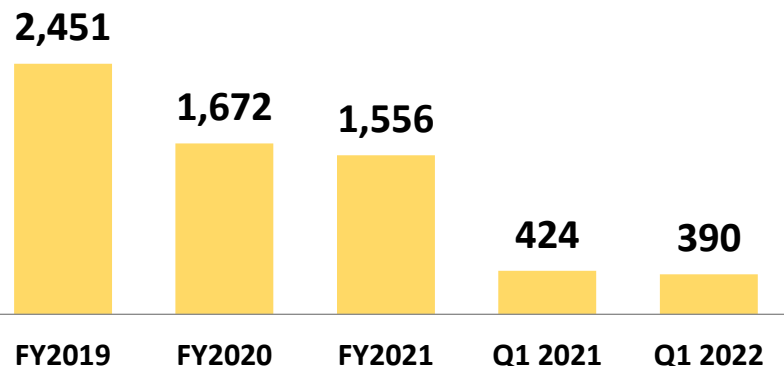
PROJECT COST: **P142M**  
ACCOMPLISHMENT: **71.41%**  
TARGET COMPLETION:  
**Q3 2022**

# Office Warehouse: Q1 2022 Financial Highlights

(In PHP millions)

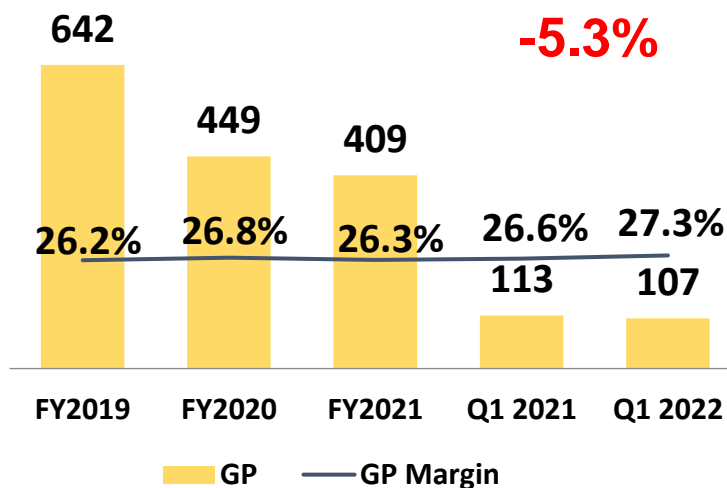
## Revenues

**-8.0%**



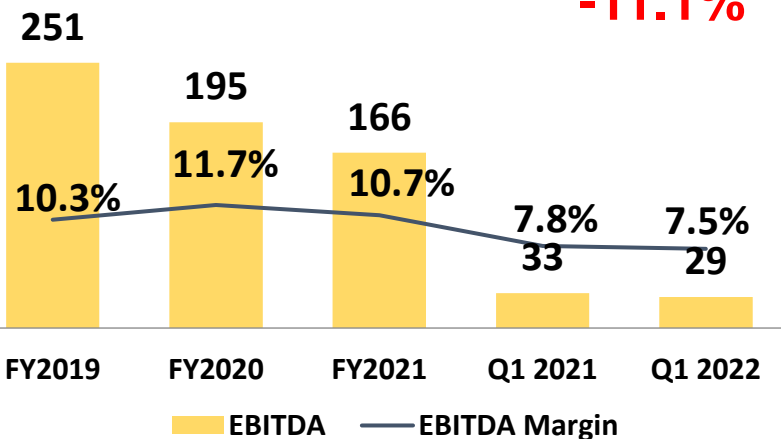
## Gross Profit and Margin

**-5.3%**



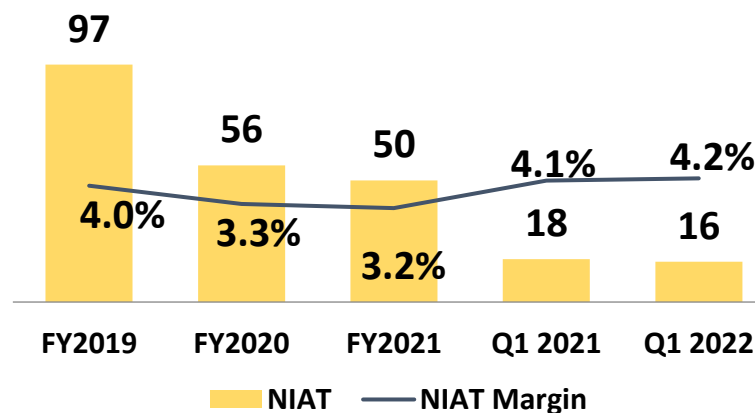
## EBITDA and Margin

**-11.1%**



## Net Profit and Margin

**-6.5%**



# Office Warehouse: Operating Highlights

## OFFICE WAREHOUSE, INC.

- SSSG of **-9.3%** in 1Q 2022 vs **-23.4%** in 1Q 2021 due to government lockdown and community quarantine starting March 16, 2020



	2020	2021	1Q 2022
<b>No. Stores</b>	89	87	85
<b>Net selling area (in sqm)</b>	15,546	15,267	14,973

## 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



**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



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

**Thank you**

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