

# Cosco Capital, Inc.

## 1H 2019 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%



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

49%

100%

100%

100%

## Grocery Retailing



## Liquor Distribution



## Specialty Retailing

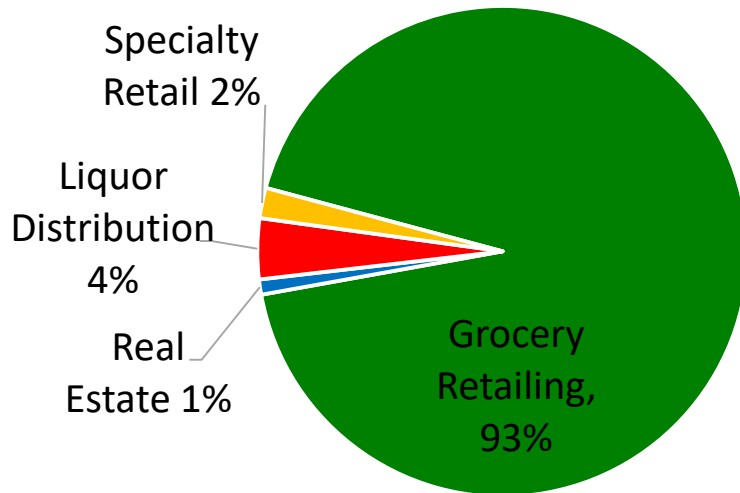


## Commercial Real Estate

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

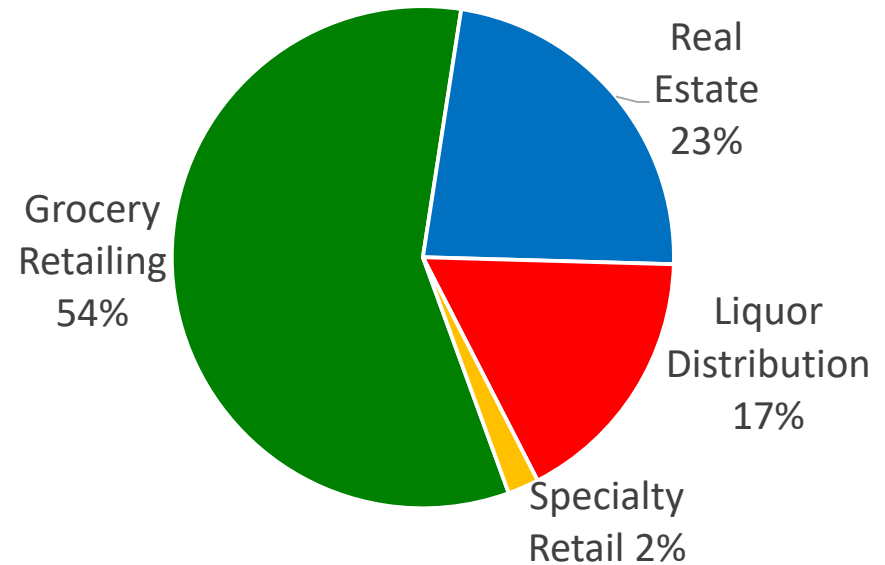
# Revenue & Net Income Contribution 1H 2019

## Revenues



PHP 76.72 billion

## PATMI

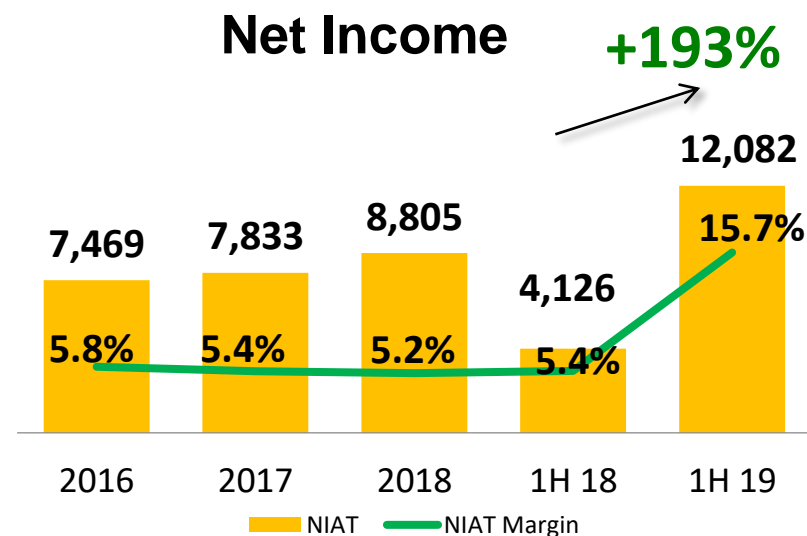
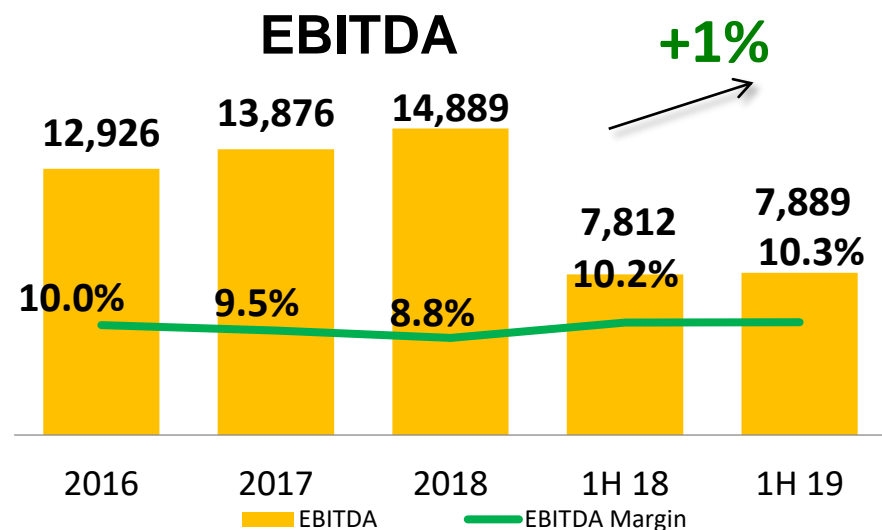
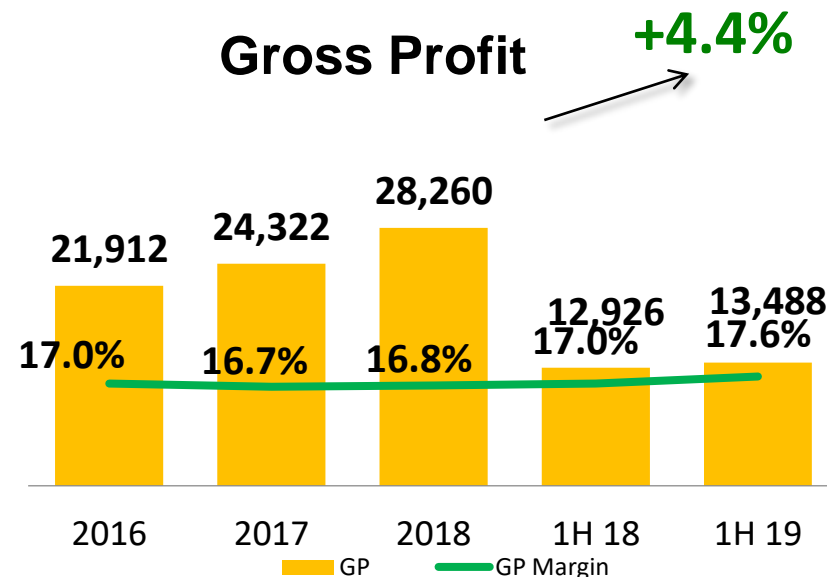
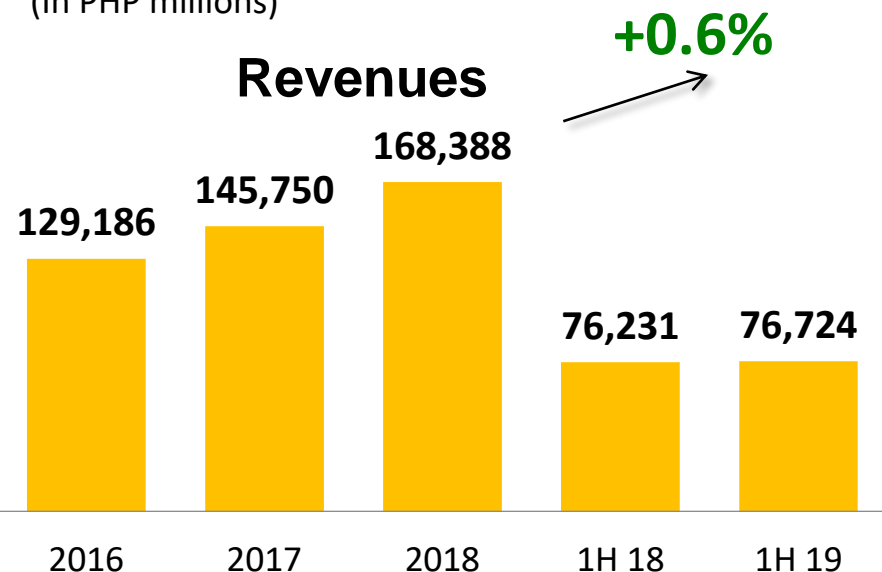


\*PHP 2.67 billion

\*Net Income excludes one-time gain on sale of Liquigaz

# 1H 2019 Consolidated Financial Highlights

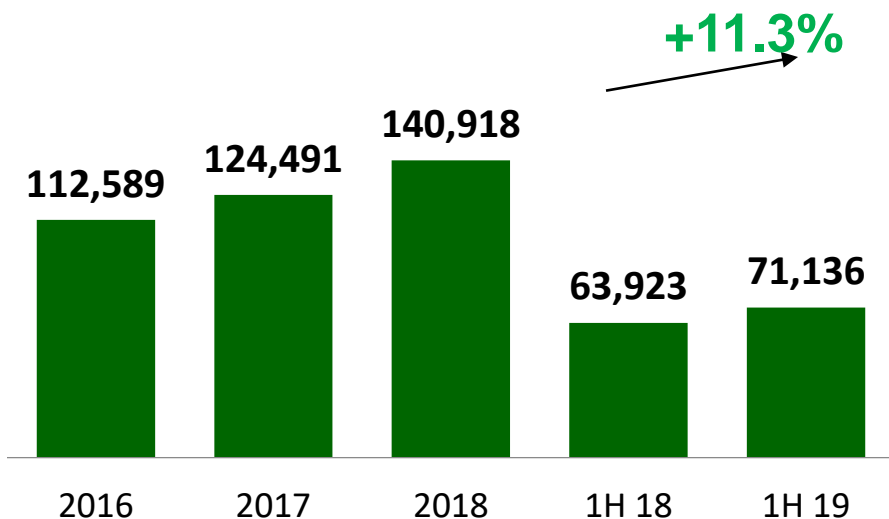
(In PHP millions)



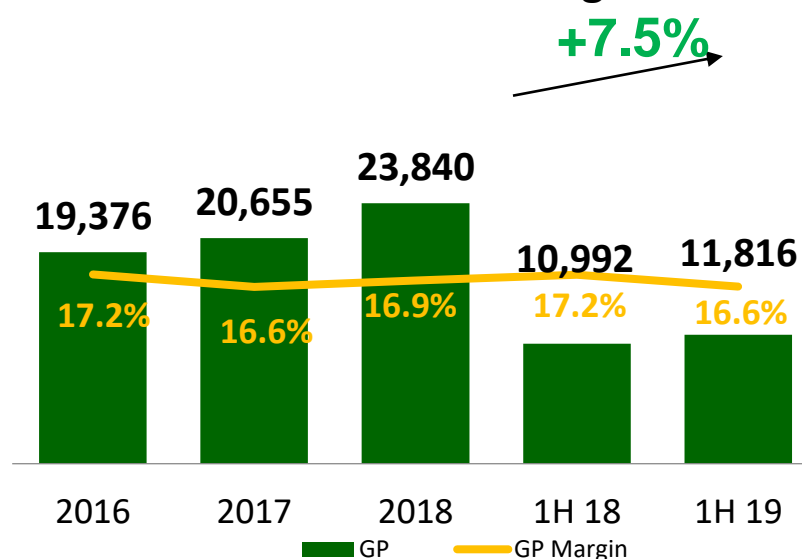
# Grocery Retailing: 1H 2019 Financial Highlights

(In PHP millions)

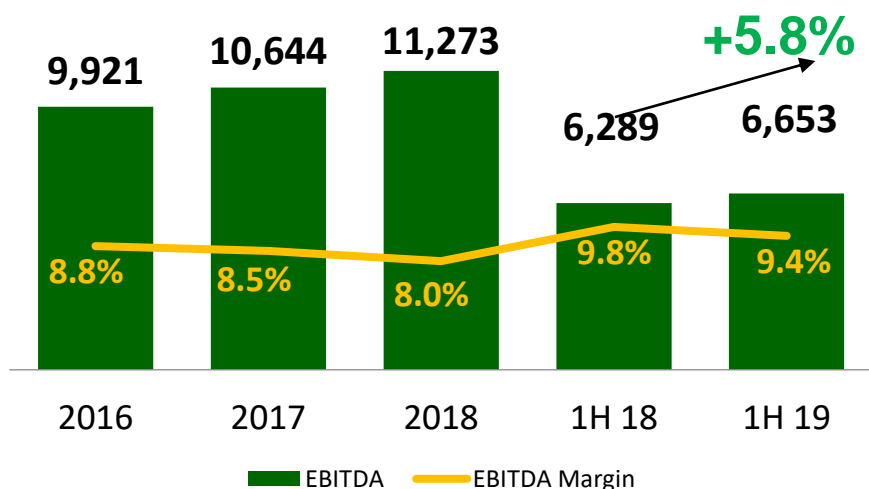
## Revenues



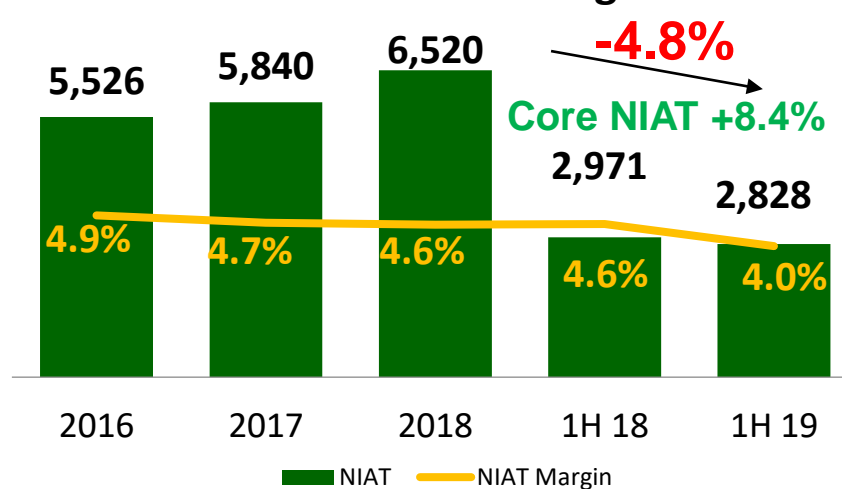
## Gross Profit and Margin



## EBITDA and Margin



## Net Profit and Margin



\*Net Income includes one-time gain on sale of Lawson amounting to Php 362.8 million in 2018

# Grocery Retailing: Operational Highlights



- Puregold opened **12 new stores** in 1H 2019; closed 1 store
- S&R opened **1 new S&R warehouse**; closed 1 QSR
- As of 1H 2019, the Grocery Retailing segment is operating a **total of 419 stores**
- SSSG PGOLD only is at 6.2% while S&R is at 9.3%
- Merger and conversion of NE Bodega and Budgetlane supermarket stores effective **January 1, 2018**



	<b>PUREGOLD</b>	<b>S&amp;R</b>	<b>S&amp;R QSR</b>
Metro Manila	127	7	24
Luzon	200	6	9
Visayas	27	2	4
Mindanao	11	2	0
<b>Total</b>	<b>365</b>	<b>17</b>	<b>37</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

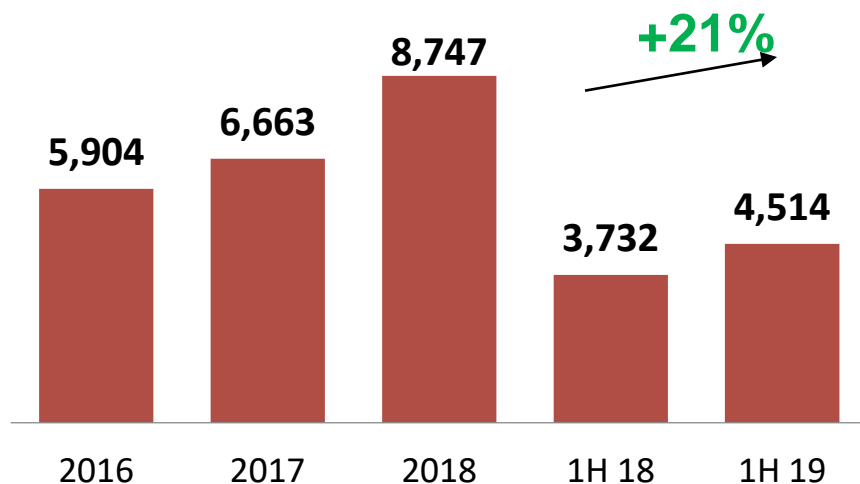
Various Wines



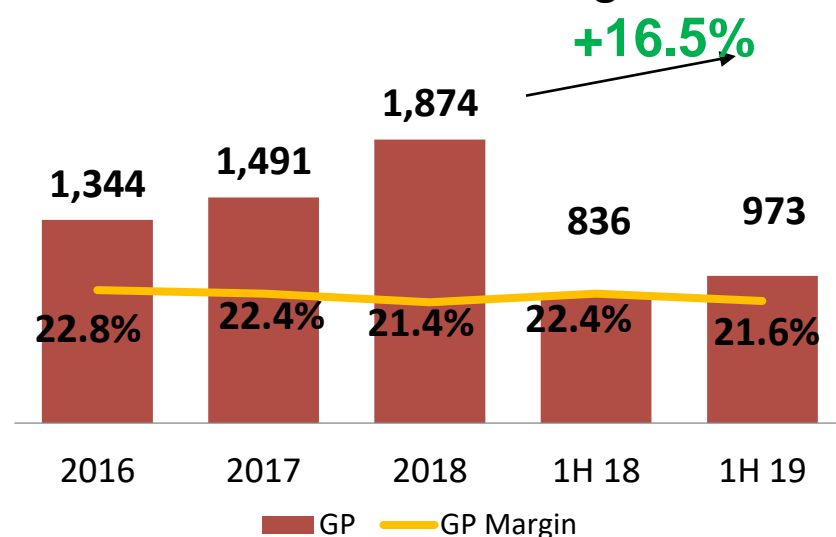
# Liquor Distribution: 1H 2019 Financial Highlights

(In PHP millions)

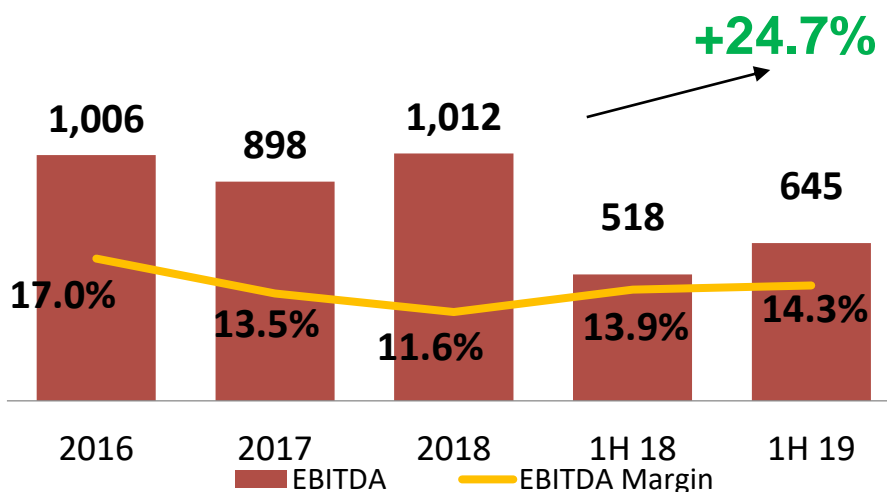
## Revenues



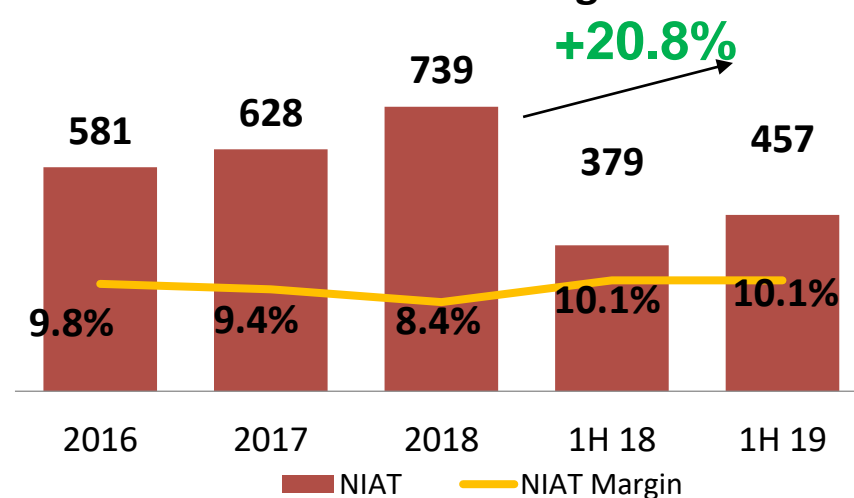
## Gross Profit and Margin



## EBITDA and Margin



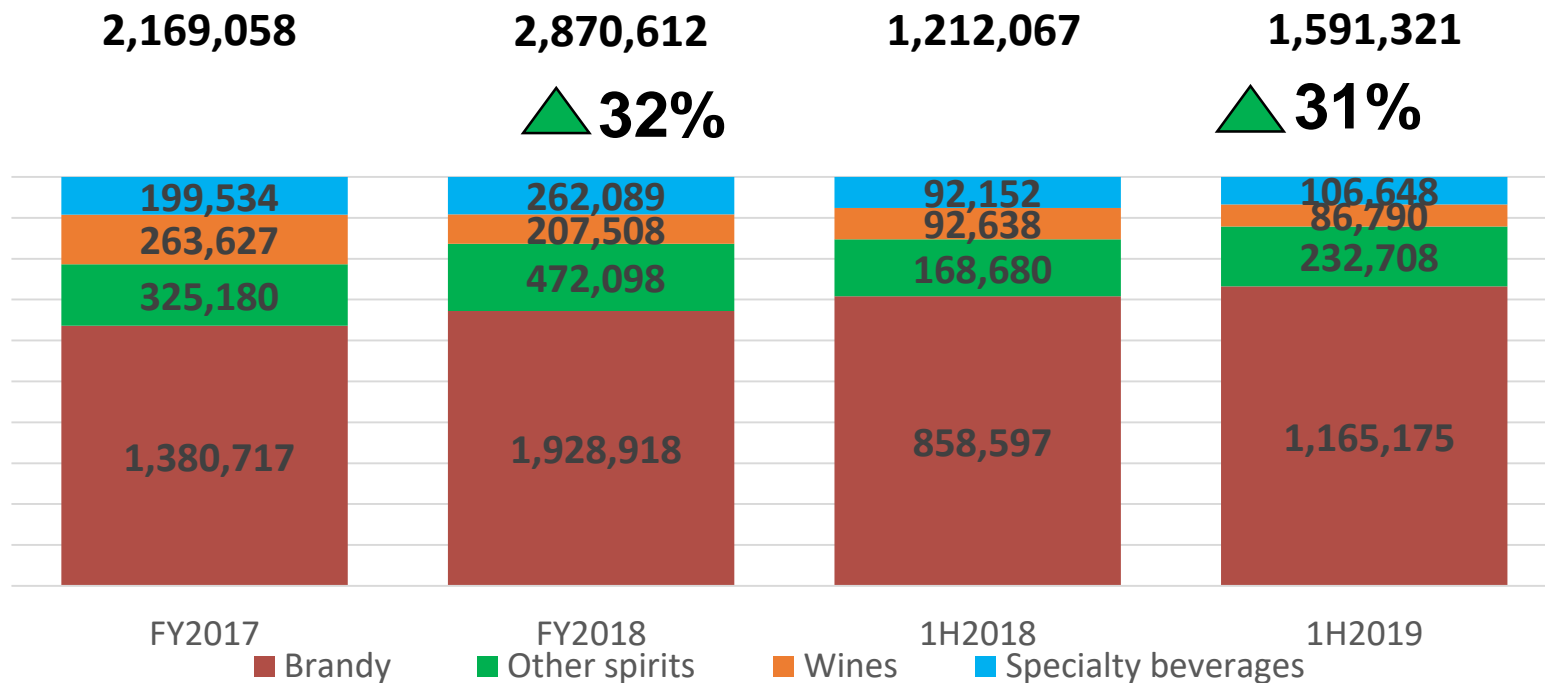
## Net Profit and Margin



# Liquor Distribution: Total Volume Sales

- 31% growth in total volume of cases sold in 1H 2019
- Growth driven by the continued strong sales of Alfonso Light and Alfonso Brandy .

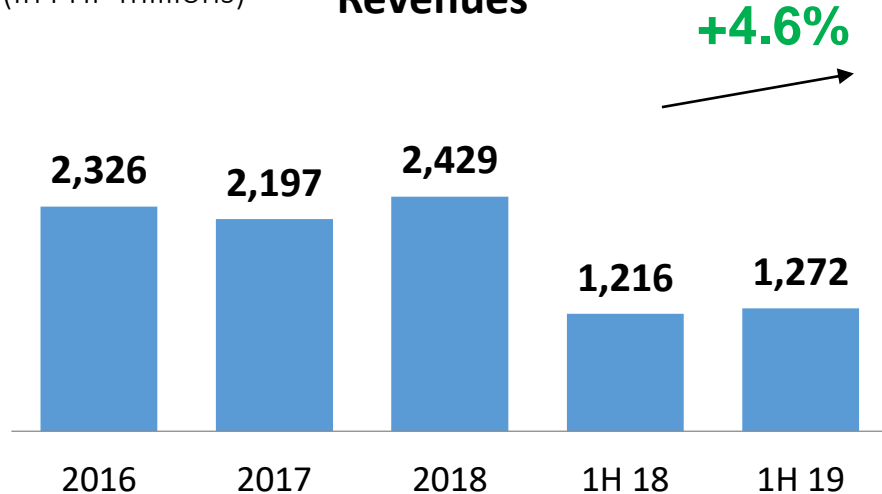
CATEGORY	1H 18	Mix %	1H 19	Mix %	Inc/Dec	Growth
Brandy	858,597	71%	1,165,175	73%	306,579	36%
Other Spirits	168,680	14%	232,708	15%	64,028	38%
Wines	92,638	8%	86,790	5%	(5,849)	-6%
Specialty beverages	92,152	8%	106,648	7%	14,496	16%
<b>Grand Total</b>	<b>1,212,067</b>	<b>100%</b>	<b>1,591,321</b>	<b>100%</b>	<b>379,254</b>	<b>31%</b>



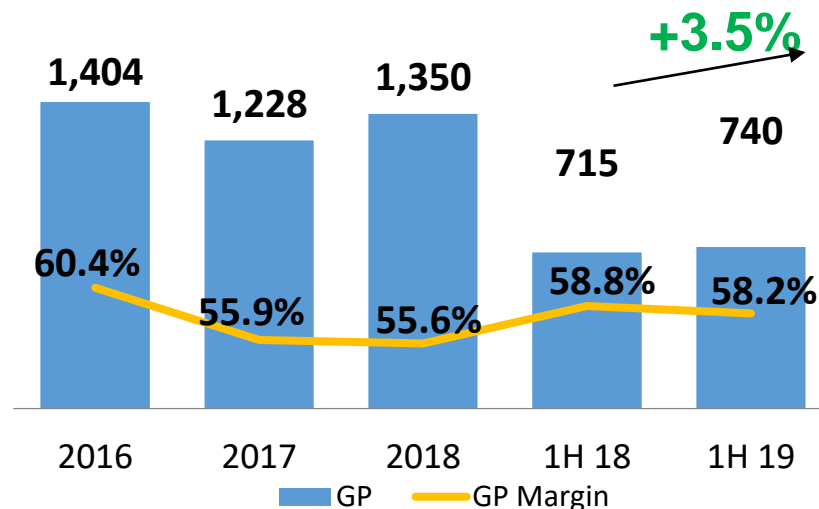
# Real Estate: 1H 2019 Financial Highlights

(In PHP millions)

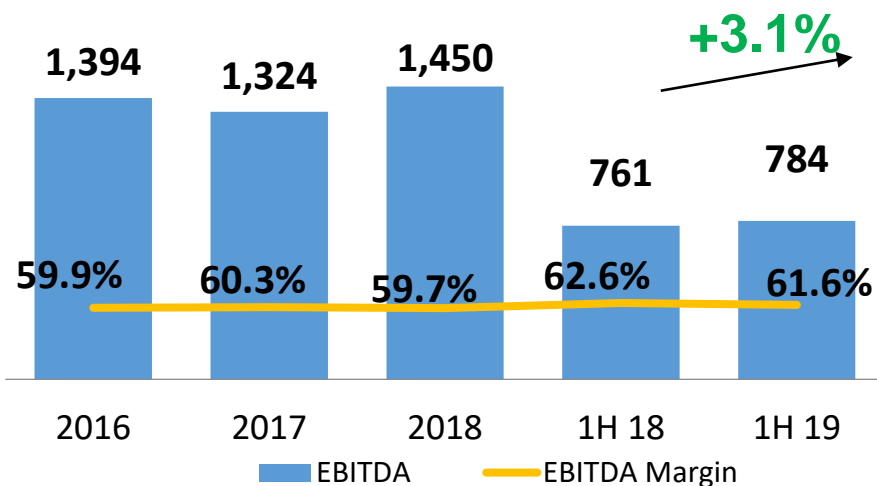
## Revenues



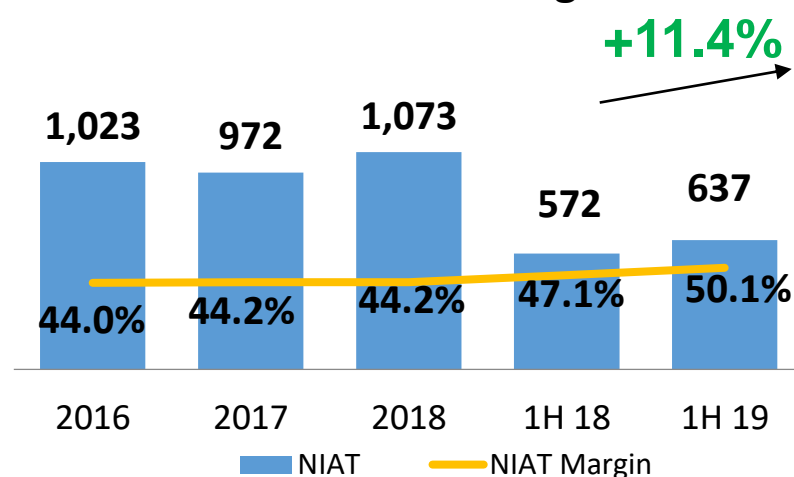
## Gross Profit and Margin



## EBITDA and Margin



## Net Profit and Margin



# Real Estate Group: Operational Highlights

- Total of 55 commercial properties with 98% average occupancy rate
- Pure Petroleum operating at 100% capacity in 2018 and 2017 (9 storage tanks with 88.5M liters capacity)

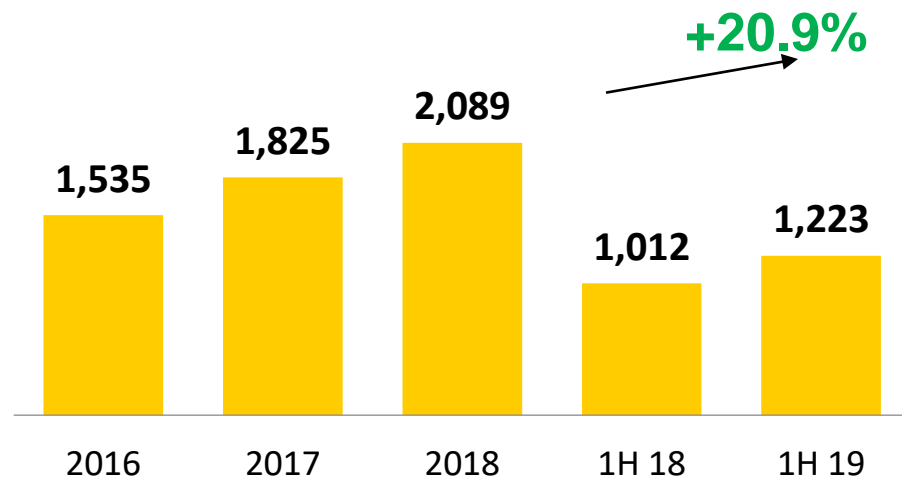
Category	1H2019	FY2018	1H 2019 GLA/sqm	FY2018 GLA/sqm
Land under lease	11	10	160,921	160,921
Commercial Buildings	33	32	265,669	264,327
Under Development	2	3	8,457	9,605
Future Development	9	8	104,909	85,486
<b>Total</b>	<b>55</b>	<b>53</b>	<b>539,956</b>	<b>517,541</b>

- 1 new community malls opened in Q1 2019 located in **Maria Aurora, Aurora**.
- On-going development of **2 new** community malls, **Las Pinas** estimated to operate by Q1 2021, **Bayawan Negros Oriental** will operate by 4Q 2019.
- Acquired **1 new** property during the 1H2019 located in Barotac Nuevo, Iloilo

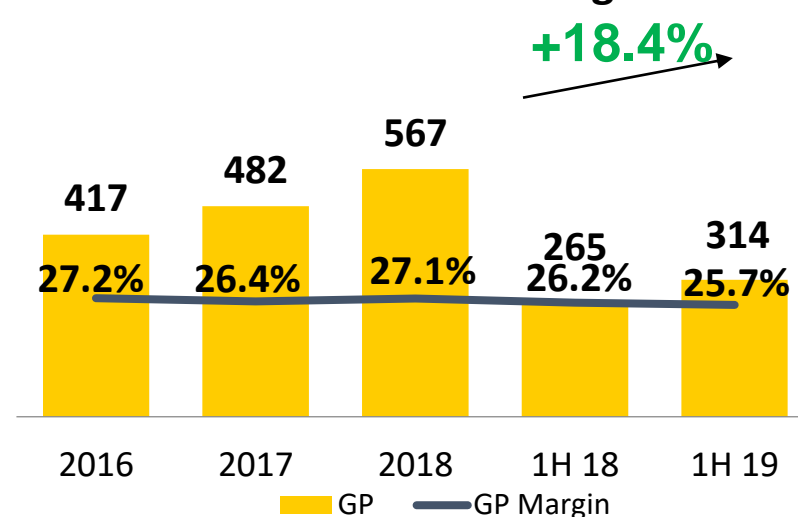
# Office Warehouse: 1H 2019 Financial Highlights

(In PHP millions)

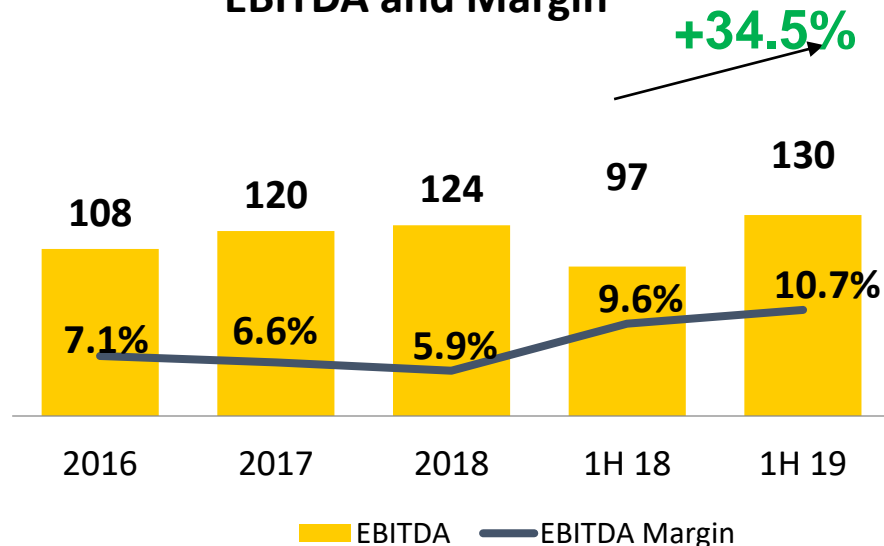
## Revenues



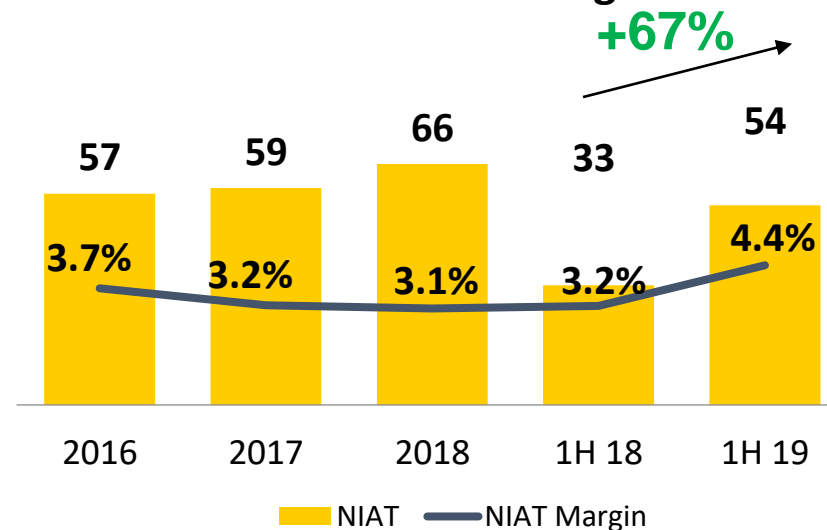
## Gross Profit and Margin



## EBITDA and Margin



## Net Profit and Margin



# Office Warehouse: Operational Highlights

## OFFICE WAREHOUSE, INC.

- Strong growth driven by store expansion and enhanced product offerings
- Opened **6 new store** outlets in the first half of 2019
- Strong SSSG of 15% in 1H 2019



	2016	2017	2018	1H 19
<b>No. Stores</b>	71	82	88	91
<b>Net selling area</b>	14,014 sqm	15,945 sqm	16,738 sqm	17,049 sqm

- **CAPEX Budget of Php 5.8 billion in 2019**
  - Php 5.2 billion for Puregold Group
  - Php 500 million for Real Estate Group
  - Php 75 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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