Cosco Capital, Inc.

9M 2019 Financial Results
Investor Presentation

cosco capital
incorporated

PUREGOLD 20 Always Panalo Years

MONTOSCO INC.

Meritus Prime Distributions Inc.

PREMIER WINE & SPIRITS, INC.

S&R Membership Shopping
The world class shopping experience

Office Warehouse

999 Shopping Mall

fairview terraces

HARBOR POINT

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

Company Overview

Lucio Co Family
75%

Public
25%

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49% | 100% | 100% | 100%

Grocery Retailing

PUREGOLD 20 Always Panalo Years

S&R Membership Shopping
The world class shopping experience

Liquor Distribution

MONTOSCO INC.

Meritus Prime Distributions Inc.

PREMIER WINE & SPIRITS, INC.

Specialty Retailing

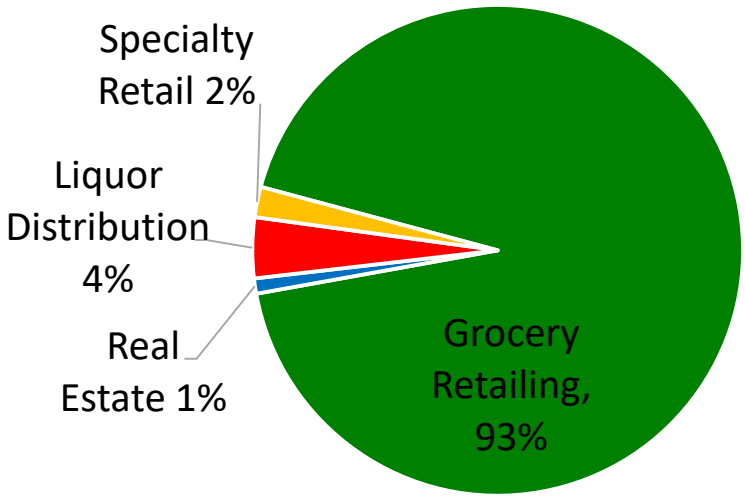
Office Warehouse

Commercial Real Estate

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

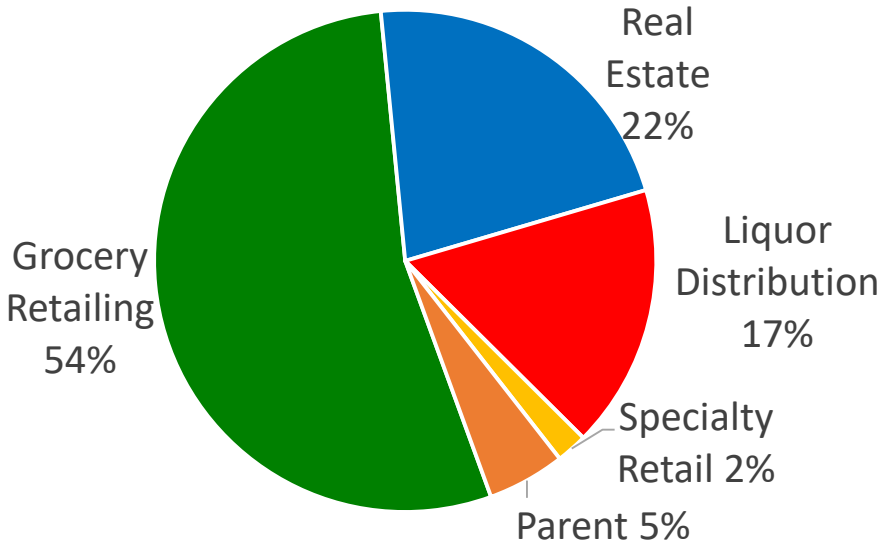
Revenue & Net Income Contribution 9M 2019

Revenues



PHP 118.53 billion

PATMI



*PHP 4.25 billion

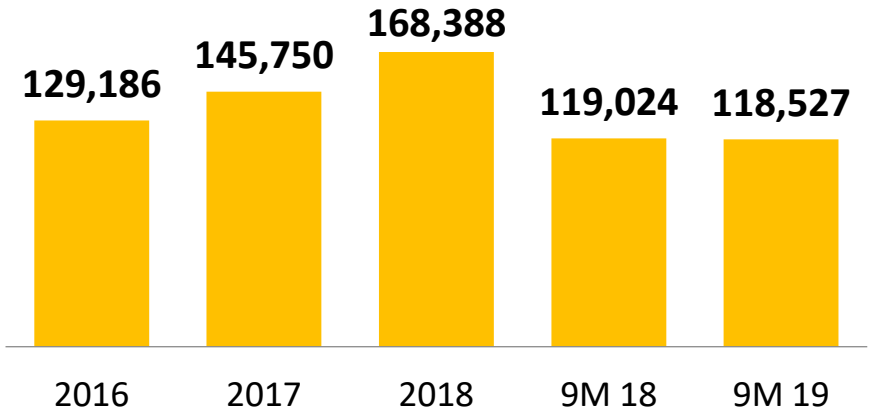
*Net Income excludes one-time gain on sale of Liquigaz

9M 2019 Consolidated Financial Highlights

(In PHP millions)

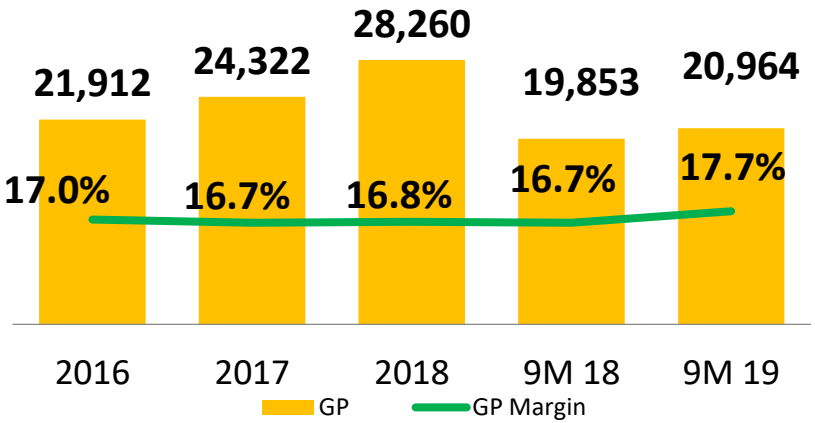
Revenues

-0.4%



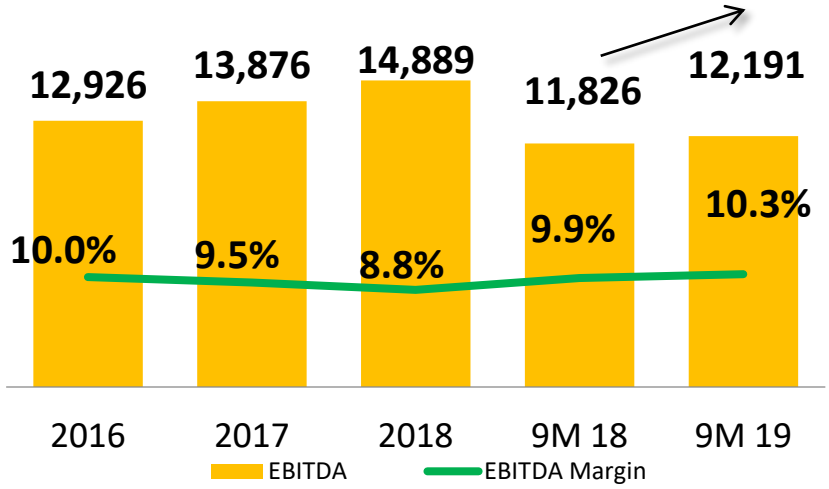
Gross Profit

+5.6%



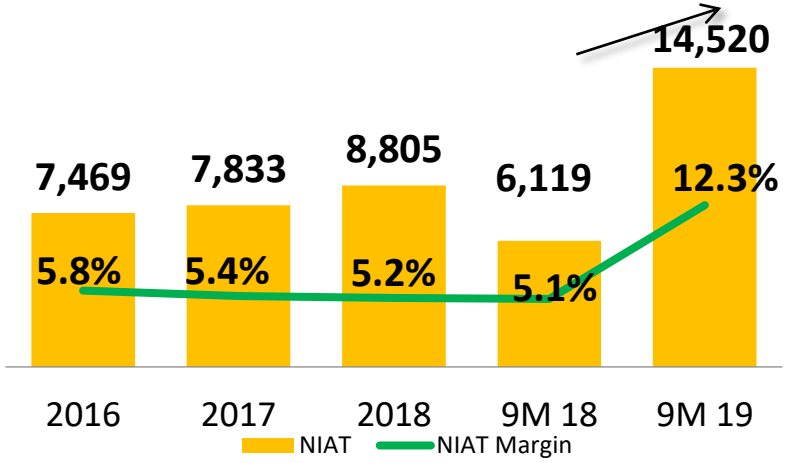
EBITDA

+3.1%



Net Income

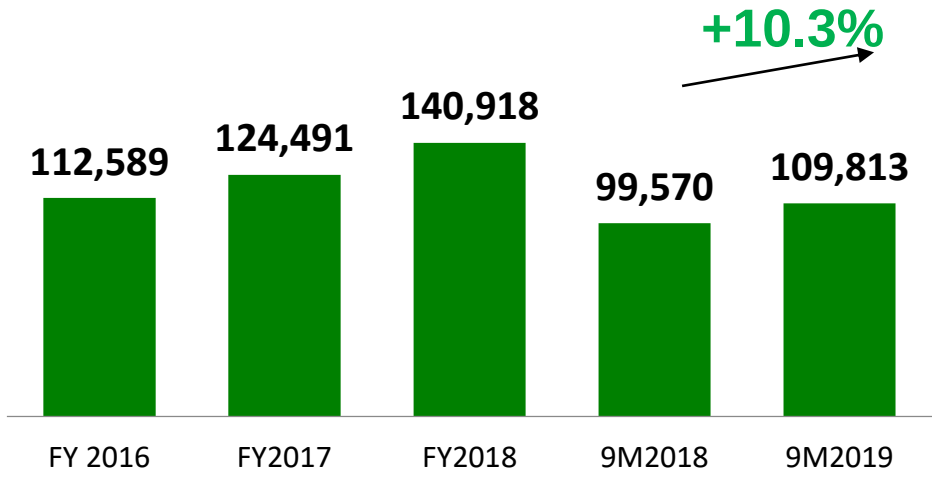
+137%



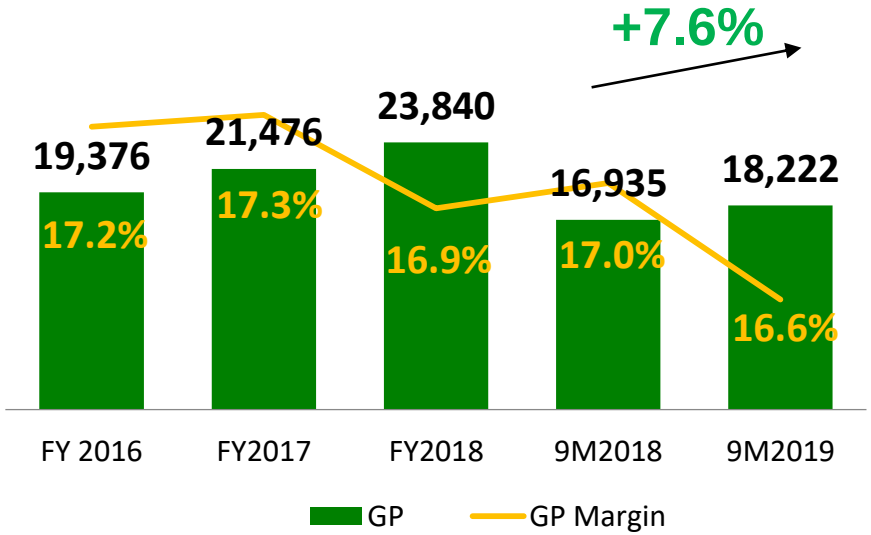
Grocery Retailing: 9M2019 Financial Highlights

(In PHP millions)

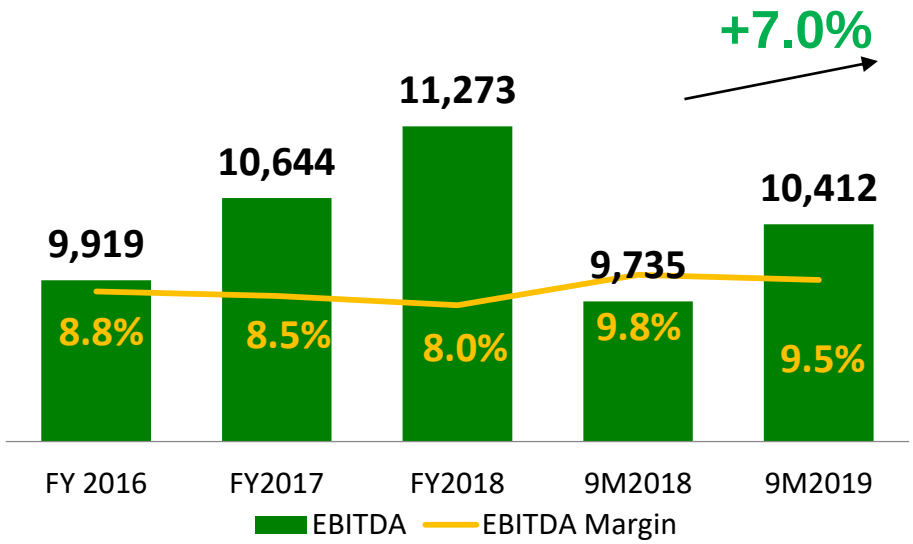
Revenues



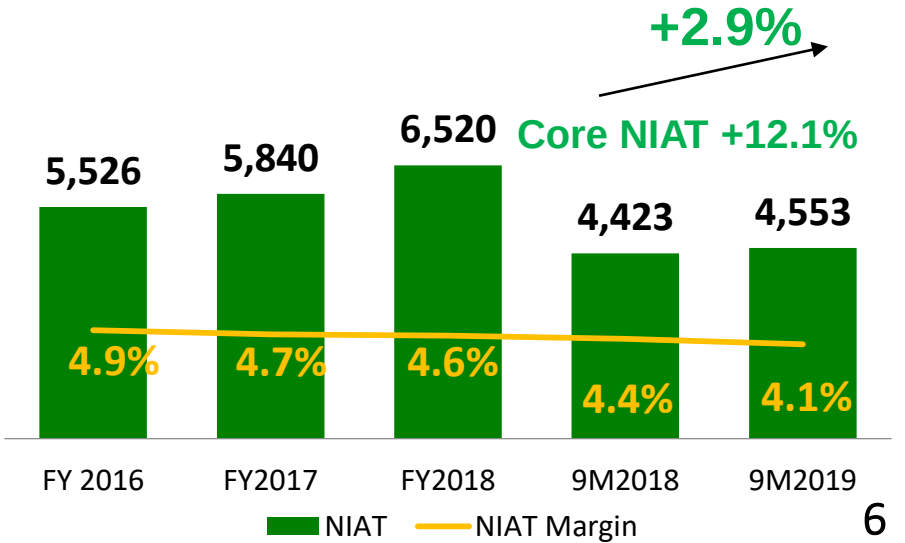
Gross Profit and Margin



EBITDA and Margin



Net Profit and Margin



Grocery Retailing: Operational Highlights

- Puregold opened **17 new stores** in 9M 2019; closed 2 PGOLD stores
- S&R opened **1 new S&R warehouse;** closed 1 QSR
- As of 9M 2019, the Grocery Retailing segment is operating a **total of 423 stores**
- **SSSG PGOLD only is at 5.8% while S&R is at 8.4%**
- Merger and conversion of NE Bodega and Budgetlane supermarket stores effective **January 1, 2018**

	PUREGOLD	S&R	S&R QSR
Metro Manila	128	7	24
Luzon	202	6	9
Visayas	28	2	4
Mindanao	11	2	0
Total	**369**	**17**	**37**

Liquor Distribution: Products

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MONTOSCO INC.

Brandy
Alfonso
Alfonso Light
Excelente

Tequila
Patron

Whiskey
Johnnie Walker
Jack Daniels

Various Wines

Meritus Prime Distributions Inc.

Brandy
Fundador
Fundador **Light**

Whiskey
Jim Beam
Glenfiddich

PREMIER WINE & SPIRITS, INC.

Tequila
Jose Cuervo

Whiskey
Bushmills
Chivas Regal

Cognac
Martel

Vodka
Absolut

Liqueurs
Jagermeister

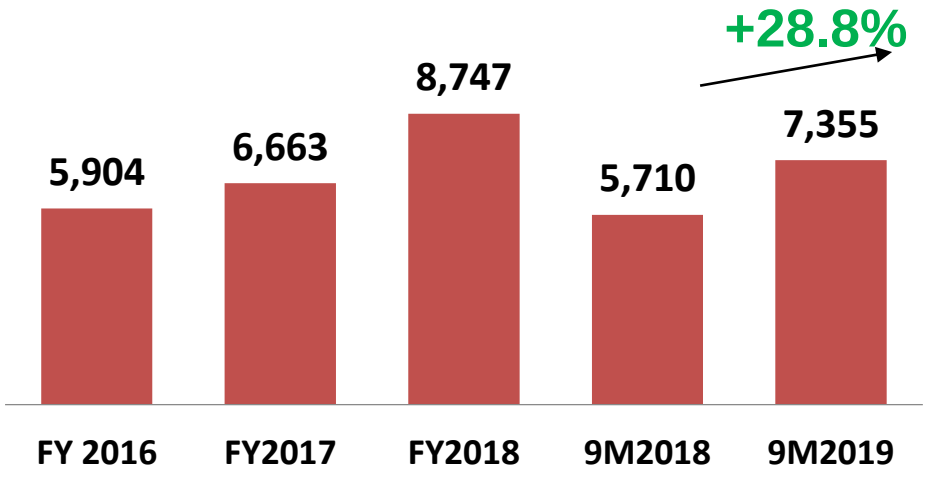
Specialty Beverages
Red Bull

Various Wines

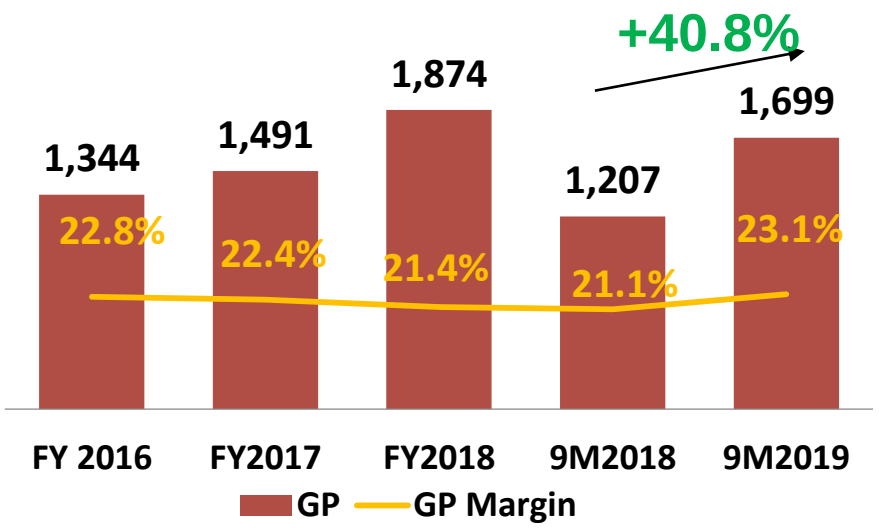
Liquor Distribution: 9M2019 Financial Highlights

(In PHP millions)

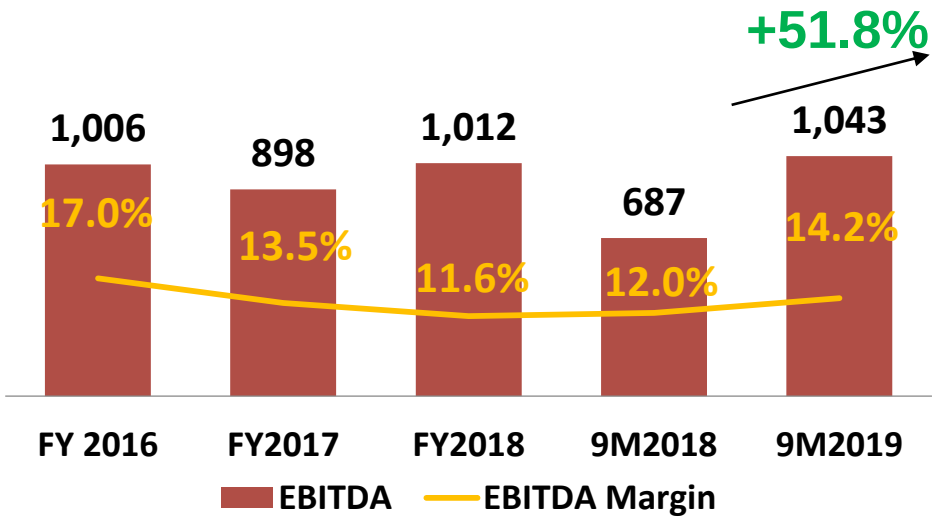
Revenues



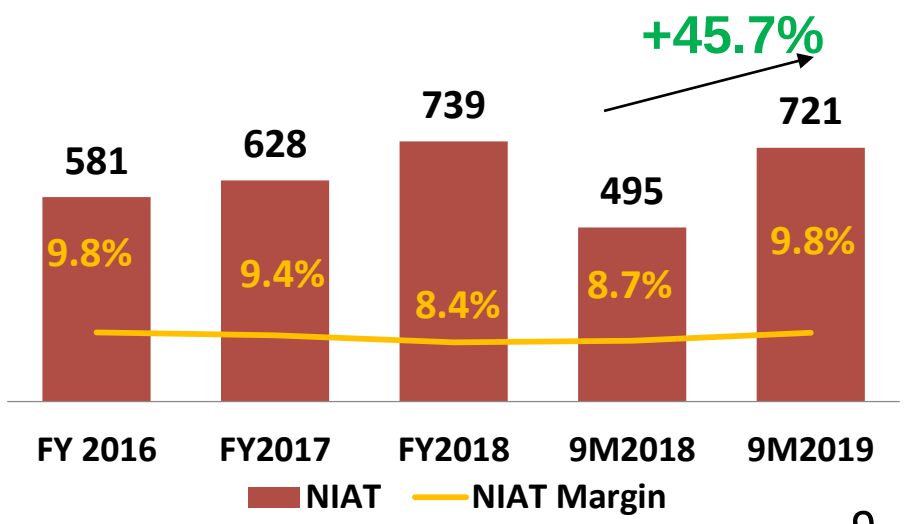
Gross Profit and Margin



EBITDA and Margin



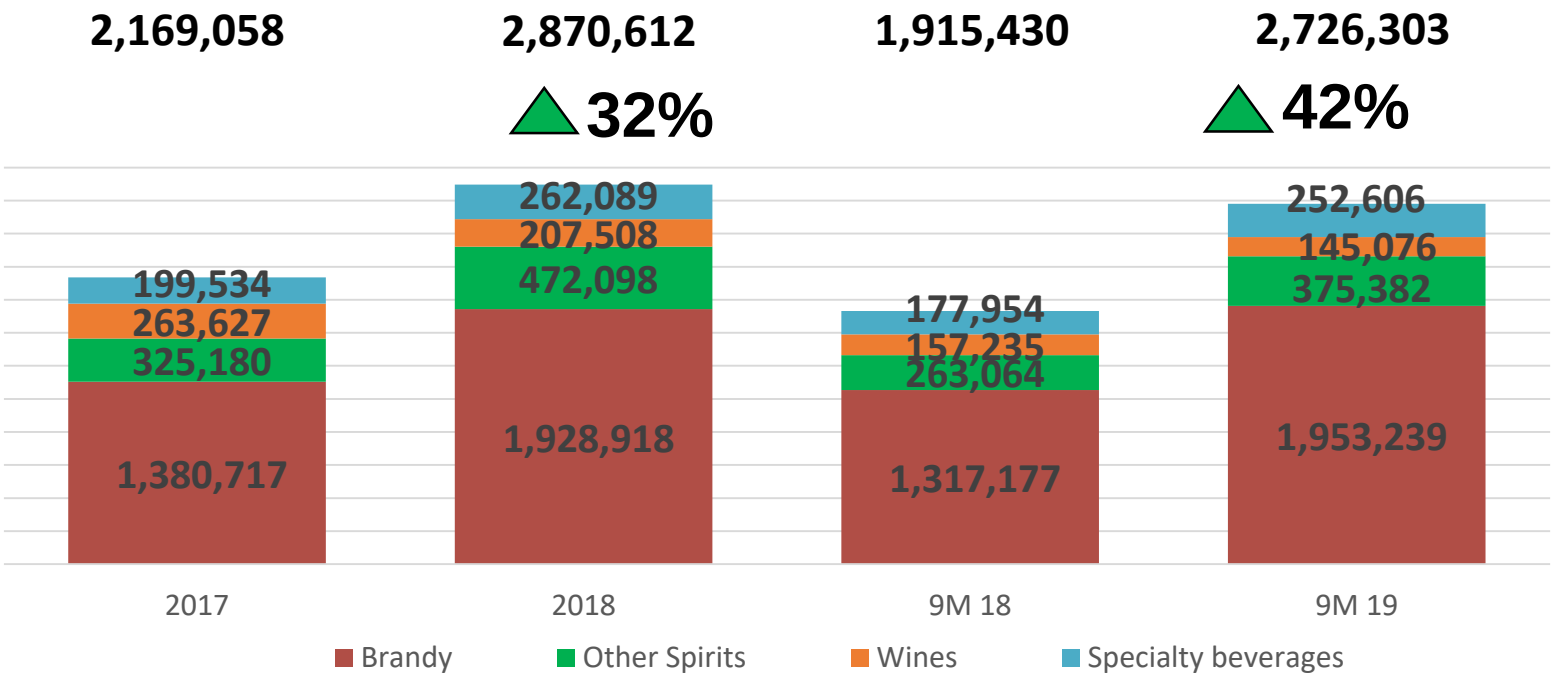
Net Profit and Margin



Liquor Distribution: Total Volume Sales

- 42% growth in total volume of cases sold in 9M 2019
- Growth driven by the continued strong sales of Alfonso Light and Alfonso Brandy .

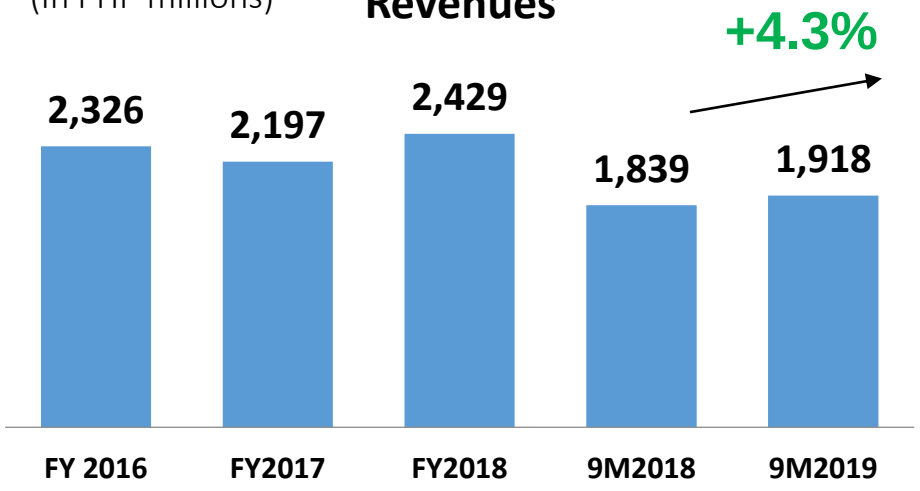
CATEGORY	9M 18	Mix %	9M 19	Mix %	Inc/Dec	Growth
Brandy	1,317,177	69%	1,953,239	72%	636,062	48%
Other Spirits	263,064	14%	375,382	14%	112,318	43%
Wines	157,235	8%	145,076	5%	(12,159)	-8%
Specialty beverages	177,954	9%	252,606	9%	74,652	42%
Grand Total	1,915,430	100%	2,726,303	100%	810,873	42%



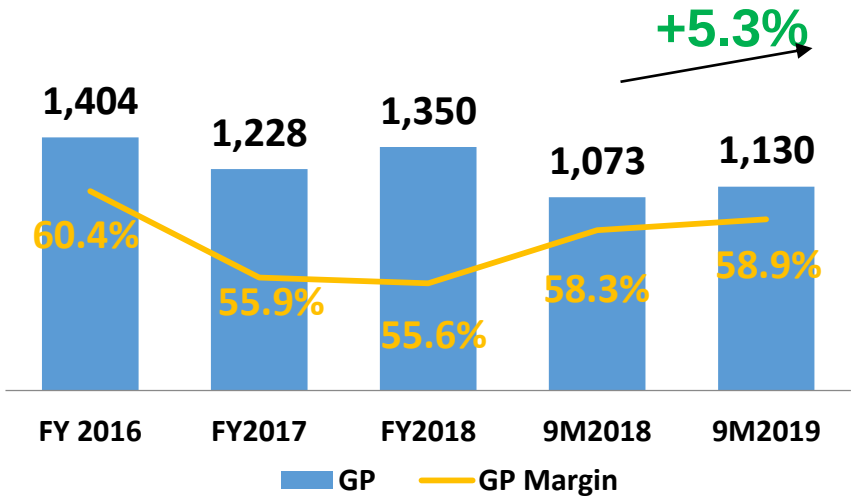
Real Estate: 9M2019 Financial Highlights

(In PHP millions)

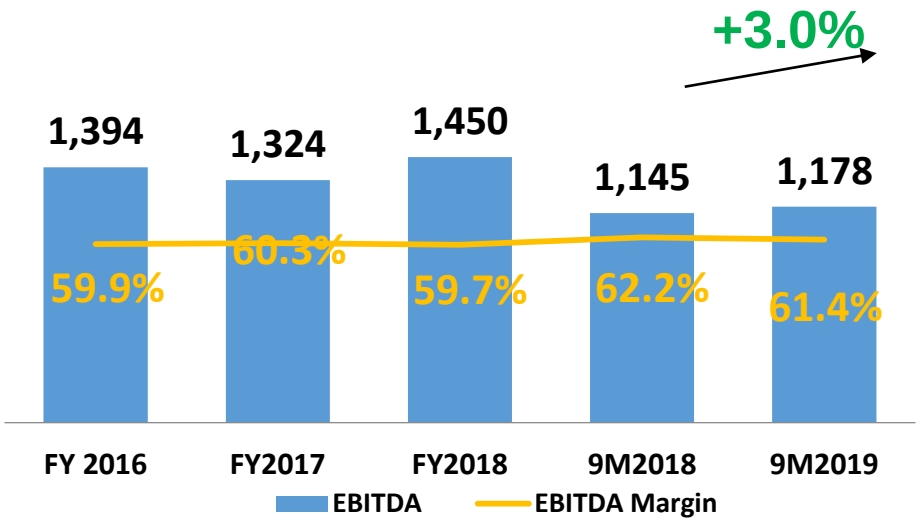
Revenues



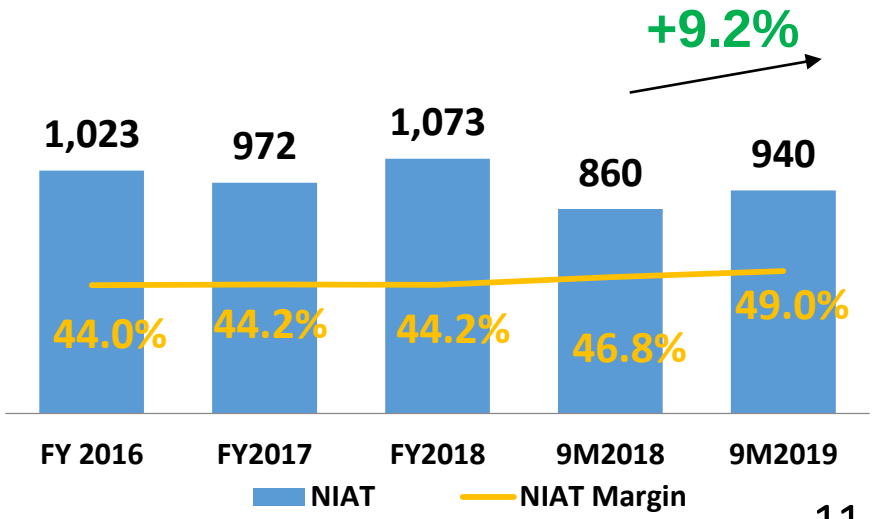
Gross Profit and Margin



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	9M 2019	FY2018	9M 2019 GLA/sqm	FY2018 GLA/sqm
Land under lease	11	10	160,921	160,921
Commercial Buildings	33	32	265,740	264,327
Under Development	2	3	8,457	9,605
Future Development	9	8	104,909	85,486
Total	**55**	**53**	**540,026**	**517,541**

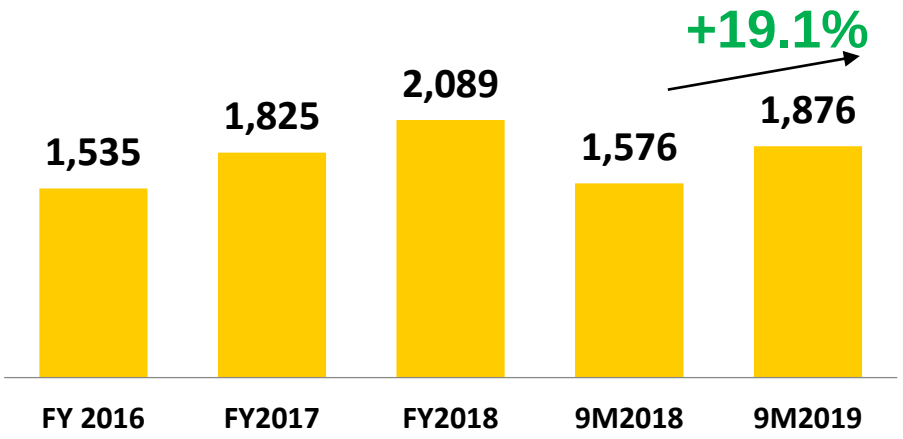
- 1 new community malls opened in Q1 2019 located in Maria Aurora, Aurora.
- On-going development of 1 new community malls in Las Pinas to open by Q1 2021
- New Community mall to open in Bayawan Negros Oriental will operate by Nov 2019.
- Acquired 1 new property during the 1H2019 located in Barotac Nuevo, Iloilo

- Appraised Value of Properties: Php 41.44 Billion vs. Booked Value of Php 16.67 Billion

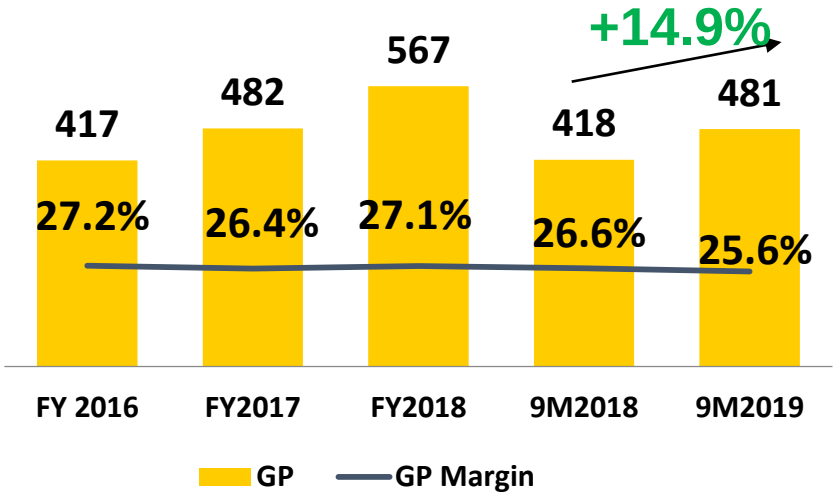
Office Warehouse: 9M2019 Financial Highlights

(In PHP millions)

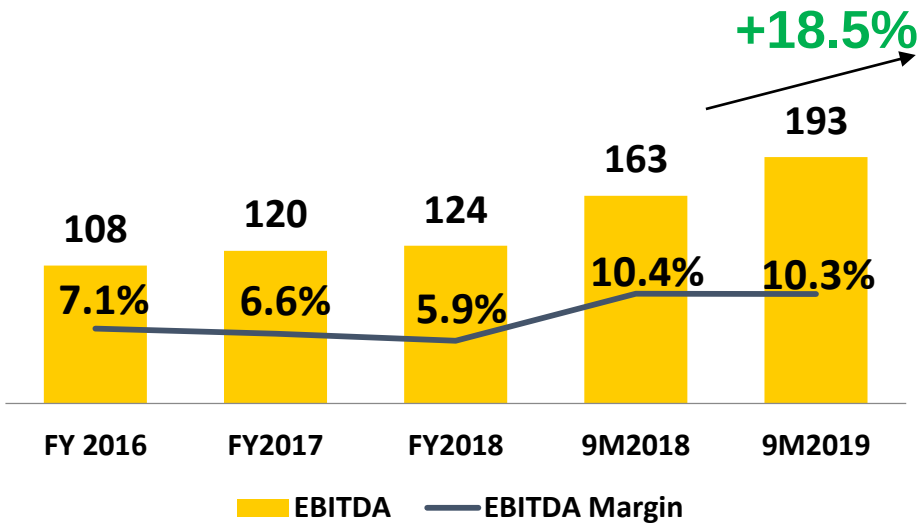
Revenues



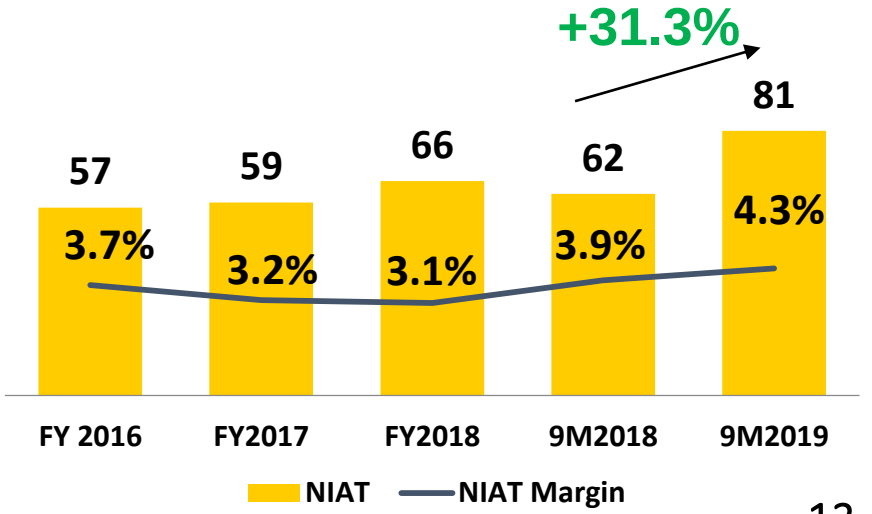
Gross Profit and Margin



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 **4 new store** outlets in 9M 2019 ; closed down 1 store
- Strong SSSG of 13.5% in 9M 2019

	2016	2017	2018	9M 19
No. Stores	71	82	88	91
Net selling area	14,014 sqm	15,945 sqm	16,738 sqm	16,935 sqm

CAPEX Guidance for FY 2019

- **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

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Thank you.

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