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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)

CANDY H. DACANAY-DATUON

09178612459

(Company Telephone Number)

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Month Day

SEC FORM 17-C
(Form Type)

0 6 3 0
Month Day

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowing
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
REGULATIONS CODE AND SRC RULE 17.2 (C) THEREUNDER

Date of Report	November 9, 2023
SEC Identification Number	147669
BIR Tax Identification Number	000-432-378
Name of Issuer as specified in its charter	Cosco Capital, Inc.
Address of principal office and postal code	No. 900 Romualdez St., Paco, Manila, 1007
Industry Classification Code	
Issuer's Telephone Number	0917-8612459
Former Name	None
Securities registered pursuant to Section 8 and 12 of the SRC or Sections 4 and 8 of the RSA	Number of Common Shares – 7,168,170,764 Treasury Shares – 237,092,800
Indicate the item numbers reported therein	Other Matters/Event

Other Matters:

The Board of Directors of Cosco Capital, Inc. has approved in its meeting today, November 9, 2023, the Company's Consolidated Q3 Financial Report for 2023. In relation thereof, please see the attached Company's Financial Highlights and Press Release for Q3 - 2023.

The Company will release its Quarterly Report on or before November 14, 2023.

SIGNATURE

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.



CANDY H. DACANAY-DATUON
Assistant Corporate Secretary & Compliance Officer

COSCO CAPITAL, INC.

Condensed Financial Highlights

For the Period Ended September 30, 2023

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 September 30, 2023.

II. CONSOLIDATED FINANCIAL PERFORMANCE

The table below shows the consolidated results of operations of the Group for the periods ended September 30, 2023 and 2022.

<i>(In Thousands)</i>	9M2023	%	9M2022	%	INCREASE (DECREASE)	%
REVENUES	150,267,265	100.00%	136,032,817	100.00%	14,234,447	10.46%
COST OF SALES/SERVICES	121,140,399	80.62%	108,953,962	80.09%	12,186,437	11.18%
GROSS PROFIT	29,126,866	19.38%	27,078,855	19.91%	2,048,010	7.56%
OTHER OPERATING INCOME	2,319,830	1.54%	2,249,110	1.65%	70,720	0.00%
GROSS OPERATING INCOME	31,446,696	20.93%	29,327,966	21.56%	2,118,730	7.22%
OPERATING EXPENSES	18,721,959	12.46%	16,630,289	12.23%	2,091,670	12.58%
INCOME FROM OPERATIONS	12,724,737	8.47%	12,697,677	9.33%	27,060	0.21%
OTHER INCOME (CHARGES) - net	(1,102,822)	-0.73%	(1,437,062)	-1.06%	334,240	23.26%
INCOME BEFORE INCOME TAX	11,621,914	7.73%	11,260,614	8.28%	361,300	3.21%
INCOME TAX EXPENSE	2,496,070	1.66%	2,553,035	1.88%	(56,965)	-2.23%
NET INCOME FOR THE PERIOD	9,125,844	6.07%	8,707,579	6.40%	418,265	4.80%
Net Income Attributable to:						
Equity holders of the Parent Company	5,358,416	3.57%	5,056,431	3.72%	301,985	5.97%
Non-controlling interests	3,767,428	2.51%	3,651,148	2.68%	116,280	3.18%
	9,125,844	6.07%	8,707,579	6.40%	418,265	4.80%

Growth in Revenues

Consolidated revenues amounting to P150.27 Billion for the period ended September 30, 2023 increased by P14.23 Billion or representing a growth by 10.46% compared to last year's revenue of P136.02 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 P9.12 Billion which represents a growth of 4.80% as compared to last year's net income of P8.71 Billion.

Net income attributable to equity holders of the parent company (PATMI) in 2023 amounted to about P5.36 Billion which increased by P301.98 million or 5.97% as compared to the 2022 PATMI amounting to P5.05 Billion.

Segment Financial Performance Highlights

Grocery Retail Segment

For the period ended September 30, 2023, the segment posted a consolidated net sales of P139.30 billion for an increase of P11.73 billion or 9.20% compared to P127.56 billion in the same period of 2022.

Consolidated gross profit increased by 6.55% from P23.96 billion in 2022 at 18.79% margin to P25.53 billion at 18.33% margin in the same period of 2022.

The segment earned a consolidated net income of P6.61 billion at 4.75% net margin and an increase of 2.14% from P6.47 billion at 5.07% net margin in the same period of 2022.

Commercial Real Estate Segment

The Group's Real Estate Segment posted a revenue of P1.41 billion in 2023 or 7.81% growth from the P1.31 billion revenue generated in 2022.

This was mainly attributable to the continued easing of mobility restrictions and corresponding benefits from a recovering level of economic activities benefiting its tenants to gradually improve their business operations and the resumption of rental rates based on contracts.

Net income for the period amounted to P671.56 million or a 7.73% increase from last year's P623.38 Million due mainly to the increase in revenue.

Liquor Distribution Segment

Revenues generated by the Liquor Distribution Segment in 2023 increased to P10.21 billion or 14.06% higher from last year's P8.95 billion on the back of a 6% growth in volume (no. of cases) of sales.

As a result, net income for the period grew by 12.73% from P1.60 billion in 2022 to P1.81 billion in 2023.

Specialty Retail Segment

Sales revenues amounted to P1.66 billion in 2023 which grew by 26.08% compared to the 2022 revenue of P1.31 billion which reflects a recovering consumer demand on account of the continued easing of mobility restrictions.

Net income in 2023 amounted to P63.59 million which increased by P9.82 million or 18.26% as compared to the net income contribution in 2022 amounting to P53.77 million.

III. CONSOLIDATED FINANCIAL POSITION

The Group's consolidated financial position as at September 30, 2023 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 September 30, 2023 and December 31, 2022, total assets amounted to P213.19 Billion and P218.54 Billion, respectively, for a decrease of P5.34 Billion or 2.45%. 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 September 30, 2023 and December 31, 2022, total liabilities amounted to P71.32 Billion and P85.73 Billion respectively, for an decrease of P14.41 Billion or 16.81% due to the net effect of payments of trade and non-trade liabilities, short term loans, settlements of cash dividends declared by the Grocery Retail segment and Parent Company in December 2022, recognition additional lease liability from lease contracts.

Equity

As at September 30, 2023 and December 31, 2022, total equity amounted to P141.87 Billion and P132.80 Billion, respectively, for an increase of P9.06 Billion or 6.82% due to profit realized by the Group.



Cosco Capital net income hits PHP 9.1 billion in 9M 2023 and eyes entry into Renewable Energy sector

Manila, Philippines - Cosco Capital, Inc., the listed retail holding firm of Mr. Lucio L. Co, reported a 4.8% growth in its nine months consolidated net income amounting to Php 9.1 billion versus Php 8.7 billion a year ago. Strong operating performance from all business segments also lifted consolidated revenues by 10.5% to Php 150.3 billion from Php 136 billion in the same period of 2022.

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.

During the nine months period of 2023, the group's grocery retailing businesses, Puregold Price Club, Inc. and S&R Membership Shopping Club, contributed 72% of total net income, followed by the Liquor Distribution with 20% and Commercial Real Estate segment with 7%.

The grocery retailing segment's consolidated net sales for the first nine months of 2023 rose by 9% to Php 139 billion driven by higher comparative sales. In the first nine months, the Puregold enterprise experienced positive same store sales growth (SSSG) of +4.8% from Puregold Stores and +4.1% from S&R Warehouse clubs driven primarily from higher traffic. SSSG trends continued to normalize starting in the second quarter as a contrast to the more flattering base effects felt in the first quarter of this year. The company continues to see a buoyant trajectory in topline growth for the balance of the year. The grocery retail group's net income for the period rose by 2.1% year on year to Php 6.6 billion. The grocery retail's topline growth was partially offset by compressed margins and higher operating expenses.

The Liquor Distribution business thru The Keepers Holdings Inc. has recorded a consolidated revenues amounting to Php 10.2 billion, a 14% growth versus previous year on the back of a 6% 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 rose by 13% to PHP 1.8 billion in the first nine months of 2023 resulting from the strong sales performance from imported brandy, spirits, wines, and specialty beverages.

The Commercial Real Estate segment posted a 7.8% growth in rental revenue amounting to PHP 1.4 billion in the first nine months of 2023 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 7.7% to PHP 672 million in the first nine months of 2023 versus Php 623 million in the same period 2022.

For the Specialty Retailing business segment, Office Warehouse, Inc.'s revenues grew by 10.5% at PHP 1.66 billion as it continued to see a strong recovery from its business operations registering a +20.6% same stores sales growth as compared to its 2022 level. Net income improved by 18% to Php 63.6 million in the first nine months of 2023 from Php 54 million in the same period 2022.

“Cosco Capital Inc. is looking at its entry in the Renewable Energy business as another opportunity segment to expand and become a profitable business portfolio in the medium and long term. This will align Cosco with the government’s thrust in renewable energy and contribute to the economic development of our country.” Said Mr. Leonardo Dayao, President of Cosco Capital Inc.

Disclaimer:

The press release contains statements about future events and expectations that constitute “forward-looking statements”. These forward-looking statements reflect the Group’s views at the time such statement were made with respect to future events and are not a guarantee of future performance or developments. Actual results and events may differ materially from information contained in the forward-looking statements as a result of number of factors, including but not limited to any changes in the laws, rules and regulations relating to any aspects of the Group’s business operations, general economic, market and business conditions, including capital market developments, and other factors beyond the Group’s control.