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1H24 RESULTS & PERFORMANCE

Puregold Price Club, Inc. Presentation
August 2024

PUREGOLD Years of Serbisyong Always Panalo Para Sa Pilipino

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HEAD OFFICE ADDRESS

Puregold Price Club, Inc.
New Tabacalera Building,
900 Romualdez Street,
Paco, Manila, 1007 Philippines

Pure Play Philippine Food Retailer

A Proxy for the Philippine Consumption Story

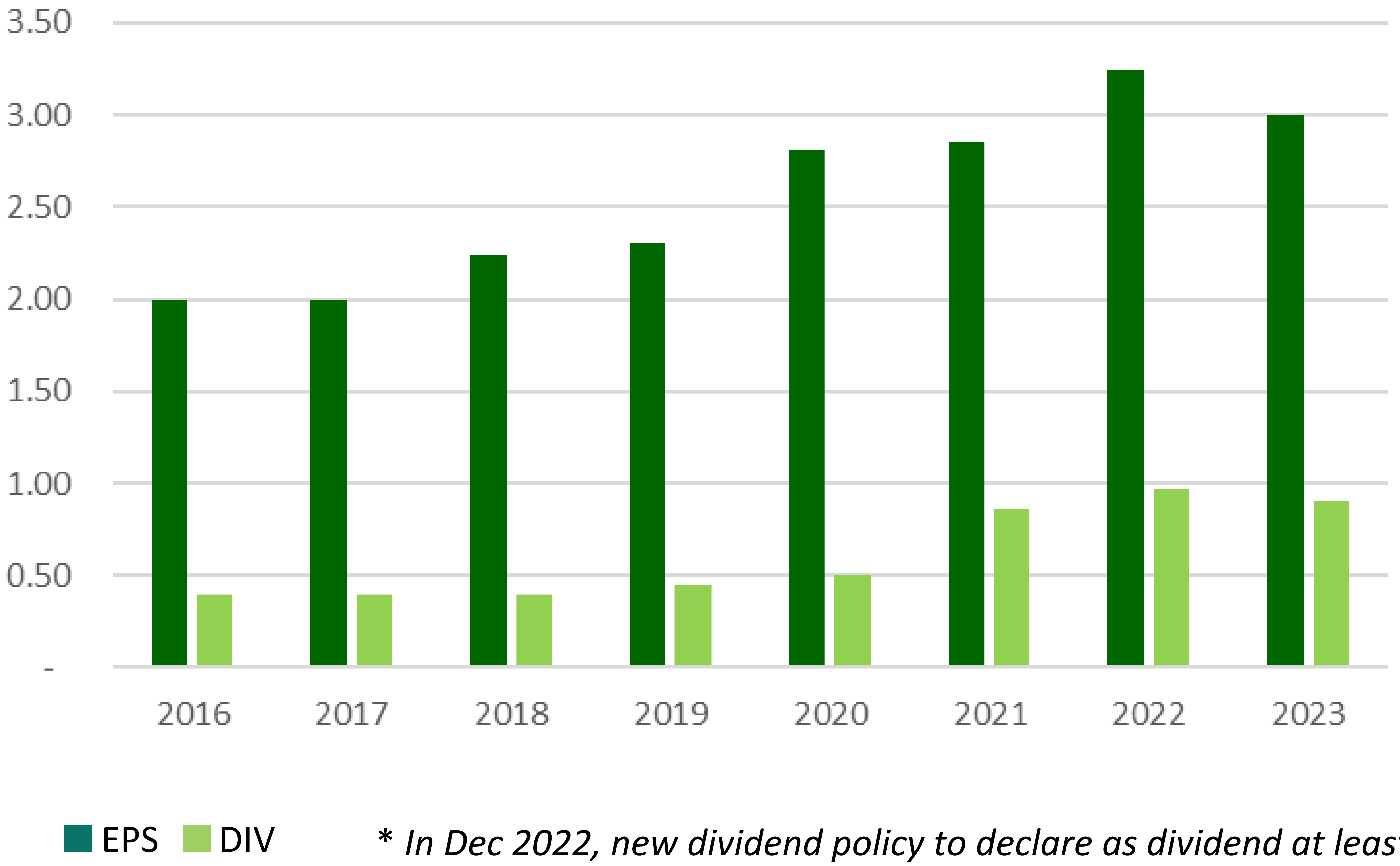
- Robust topline growth from an enterprise with the broadest consumer segments
- Healthy cash flows and a simple capital structure
- Two marquee brands in Philippine retail: Puregold stores and S&R WHs
- Beneficiary of a nation with a growing middle class and a young population
- Preferred partner of Philippine traditional retail

Puregold Enterprise

- Caters to the low income and low-middle income customers
- Lower C, D and E market
- Sari sari store customers/resellers
- Popular local and small sized SKUs
- Robust selling platform for all FMCG cos. doing business in PH

- Membership shopping model
- Catering to the upper income customers
- Class A & B and upper C segment
- Imported and large size SKUs
- Offering the best products in the world – it's retail therapy!

Shareholder Distribution



Year	EPS	DIV
2016	2.00	0.40
2017	1.99	0.40
2018	2.24	0.40
2019	2.30	0.45
2020	2.81	0.50
2021	2.85	0.86
2022	3.24	0.97
2023	3.00	0.90
5YR CAGR	**6.0%**	**17.6%**

** In Dec 2022, new dividend policy to declare as dividend at least 30% of income of the previous year*

Pillars of Growth 2024

More Stores

- +8% organic store expansion in more provincial areas (2nd to 4th class municipalities)
- Development and expansion of "small box" dense community centric model (300-500sqm)

More Shoppers

- High potential shopper wholesale initiatives & "salo-salo" program
- APAR expansion (from 650 to 750)
- Localized staples pricing and promo initiatives (at par or lower than benchmark competitor)
- Mobile Puregold community stores)

Bigger Baskets

- Disproportionate Fresh growth/ penetration – Frozen Meat & Fish, Poultry, Rice, Eggs, Sugar
- Cross Category Marketing & Promotions – National & Local
- Joint Business Plans for TOP 10 Suppliers

Robust Supply Chain

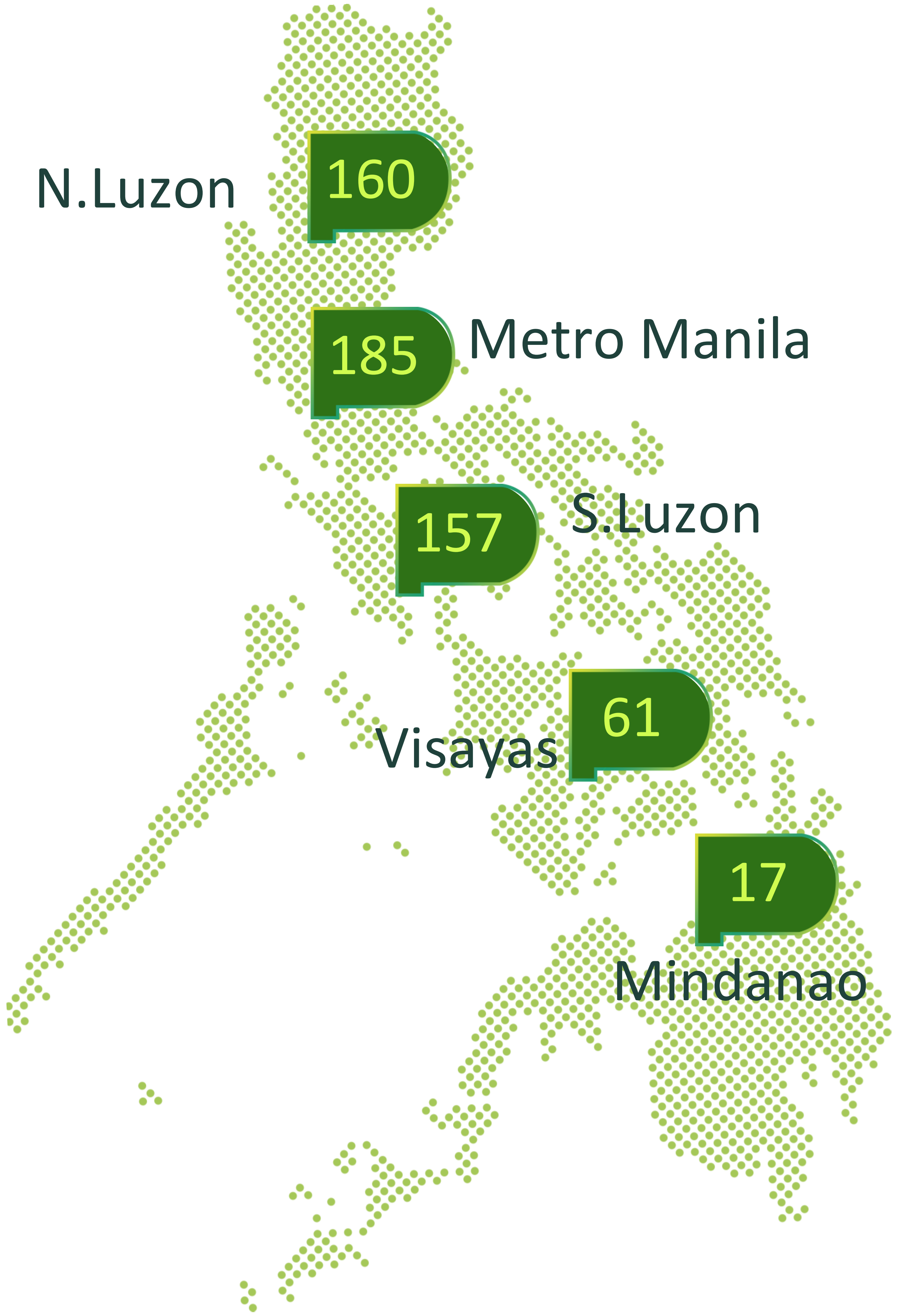
- End to End Supply Chain Reinvention for the Top 1.5k SKUs per region
- Efficient local assortment
- Robust Cold Chain & structure to support Fresh Plans

ESG Sustainability

- Institute good governance practices: transparency / rule of law / inclusiveness / environment / shareholder
- Org Development - Operations process review & restructuring / job levelling / succession planning / talent development & capability building / CRM digitization

Store Portfolio – 1H 2024

GEOGRAPHIC COVERAGE



KEY STATS

TOTAL NUMBER OF STORES	**580**
NO. OF STORES PER FORMAT	334 hypermarkets 98 supermarkets 66 extra/minimart 27 S&Rs 55 S&R QSRs

	PUREGOLD	S&R	S&R QSR
Metro Manila	147	11	27
North Luzon	145	5	10
South Luzon	140	6	11
Visayas	51	3	7
Mindanao	15	2	-
Total	**498**	**27**	**55**

NEW PG + S&R STORES 2024

Opened

12 new Puregold Stores closed 2 stores

2 new S&R Warehouse (**1** under renovation) &

1 new S&R QSR

NET SELLING AREAS (in sqm)

Puregold	560,099 sqm
S&R	136,183 sqm
QSR	5,156 sqm
Total	**701,438 sqm**

Financial Performance – 1H 2024

Php in thousands	1H 2024	%	1H 2023	%	Change	%
Net Sales	**P98,497,538**	**100.0%**	**P91,230,530**	**100.0%**	**P7,267,008**	**8.0%**
Gross Profit	18,716,249	**19.0%**	16,851,573	**18.5%**	1,864,676	11.1%
Other Operating Income	1,536,829	1.6%	1,515,553	1.7%	21,276	1.4%
Operating Expenses	12,879,426	**13.1%**	11,694,005	**12.8%**	1,185,421	10.1%
Income from Operations	**7,373,652**	**7.5%**	**6,673,121**	**7.3%**	**700,531**	**10.5%**
Others-net	(965,025)	**-1.0%**	(977,072)	**-1.1%**	12,047	-1.2%
Income Tax Expense	1,459,515	1.5%	1,296,358	1.4%	163,156	12.6%
Income After Tax	**P4,949,112**	**5.0%**	**P4,399,690**	**4.8%**	**P549,422**	**12.5%**
EBITDA	***P10,023,432***	***10.2%***	***P9,099,902***	***10.0%***	***P923,530***	***10.1%***

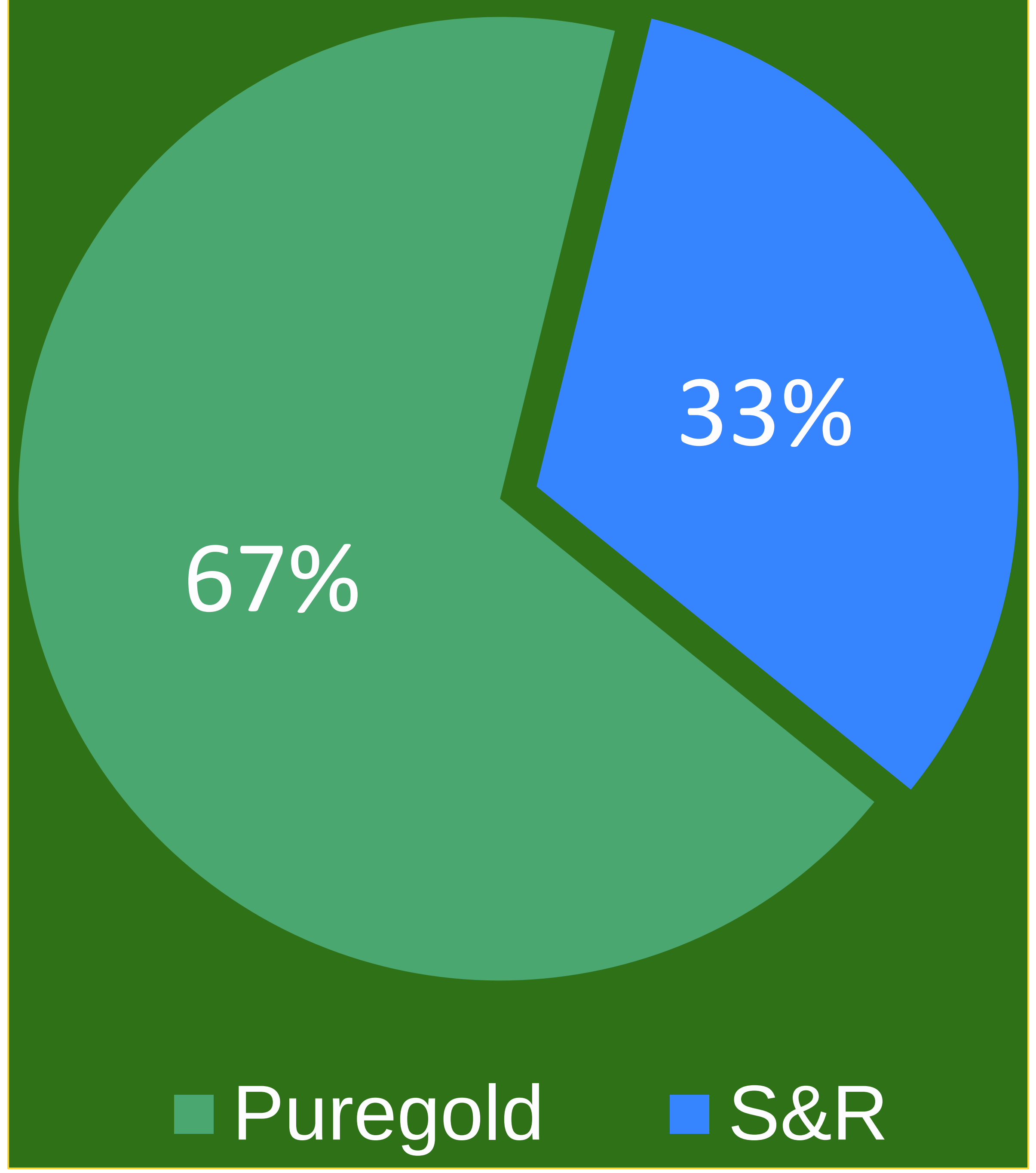
EPS	**P1.73**	**P1.54**

Operating Performance – 1H 2024

Like-for-like Growth %	Puregold		S&R	
	Jun 2024 (449 stores)	Jun 2023 (427 stores)	Jun 2024 (21 wh)	Jun 2023 (22 wh)
Net Sales	**1.9%**	5.9%	**2.4%**	9.5%
Ticket	**-0.5%**	-0.7%	**2.5%**	1.3%
Traffic	**2.4%**	6.6%	**-0.1%**	8.1%

			Traffic (in thousands)			Ticket		
Overall	Store Count CY	Store Count PY	Jun 2024	Jun 2023	% growth	Jun 2024	Jun 2023	% growth
Puregold	498	467	70,799	65,698	7.8%	935	961	-2.8%
S&R WH	27	23	6,298	5,767	9.2%	4,905	4,892	0.3%

REVENUE CONTRIBUTION

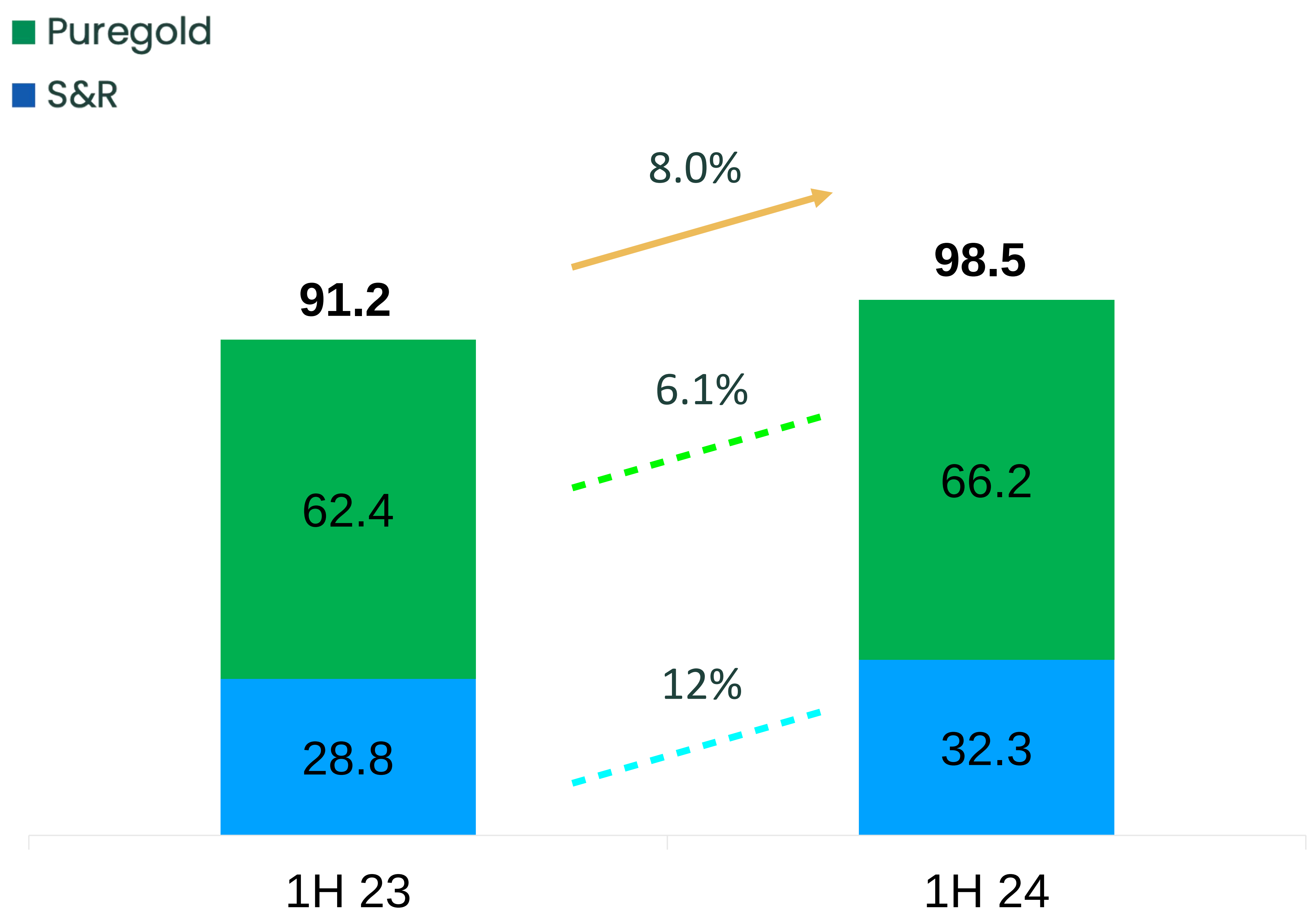


Financial Highlights – 1H 2024

	CONSO REVENUE	GROSS PROFIT MARGIN %	EBITDA MARGIN %	NIAT
1H 24	Php 98.5bn	19.0%	10.2%	Php 4.95 bn
YoY	8.0%	+53 bps	+21 bps	+12.5%

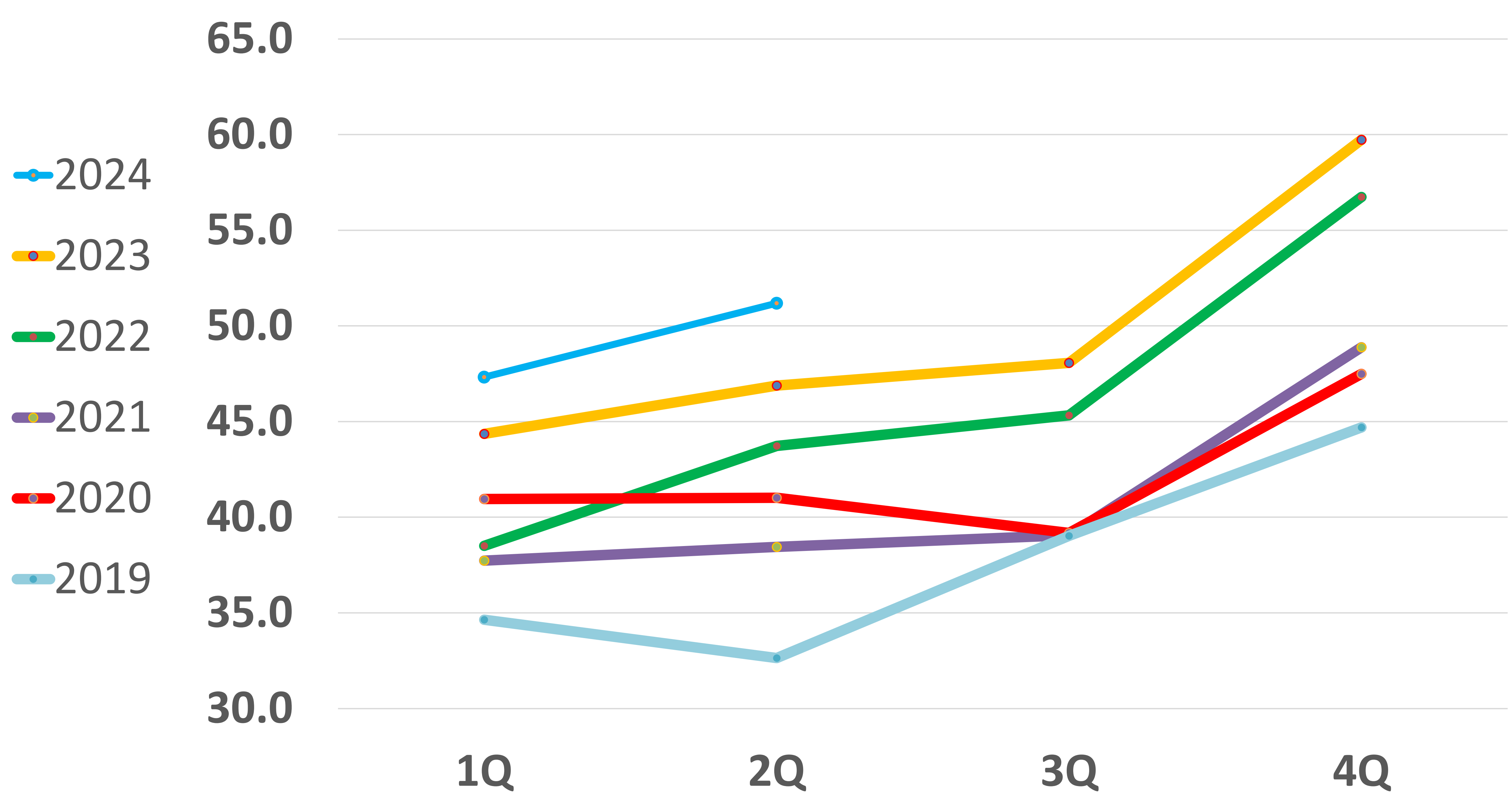
Financial Performance – Conso 1H 2024

NET SALES BREAKDOWN



QTR NET SALES TREND

in PHP Billions

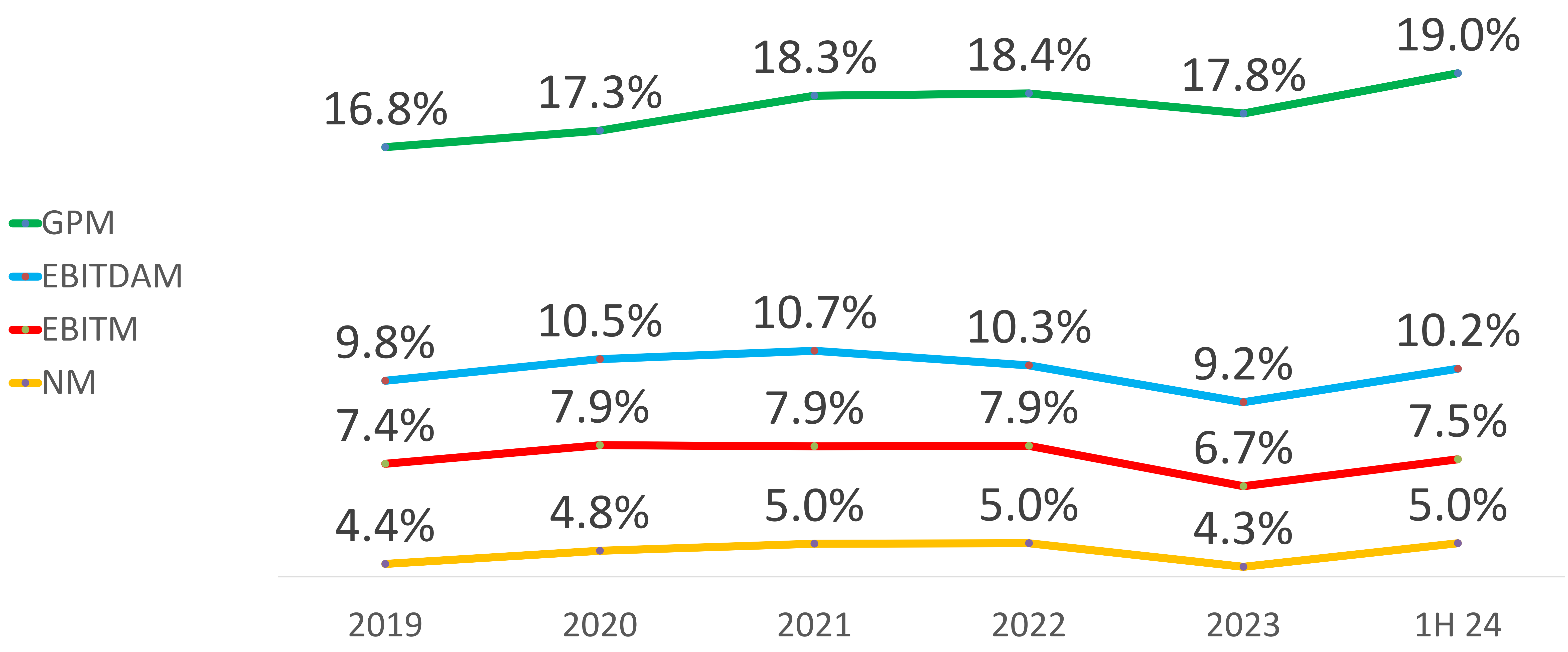


>> Record 1H net sales. High Single-digit sales growth YoY for the group.

>> 1H 24 YoY major contributors are higher traffic in PG store and S&R with higher in ticket size.

>> Consumption by carded members continue to be good source of growth. Traditional Retail remain strong. End-consumer showing biggest growth in transactions.

Margin Trends – Conso 1H 2024



>> Groupwide competitive pricing initiatives for market share volume growth tempered by effect of joint business plans with suppliers

>> Higher OPEX due to more store expansion and increased business activities as well as increased in minimum wages starting 3Q23

>> Compression from opex/sales tempered by higher interest income and expansion of GPM contributed to the slight expansion of Net Margins

CAPEX Guidance for FY 2024

CAPEX Budget of Php 8.1 billion in 2024

Php 2.4 billion for 30 new Puregold Stores

Php 3.8 billion for 4 S&R WHs and 6S&R QSRs

Php 500 million for logistics capex

Php 1.4 billion for maintenance capex, solar projects and IT upgrades

Updated Management Guidance 2024

<u>Consolidated Revenue Growth</u>

5% to 8% target

<u>Gross Profit Margin</u>

Puregold Stores: 15.5% to 16.5% target

S&R WH: 21.5% to 22.5% target

Q&A

Q&A

PUREGOLD

Thank you

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ANNEX

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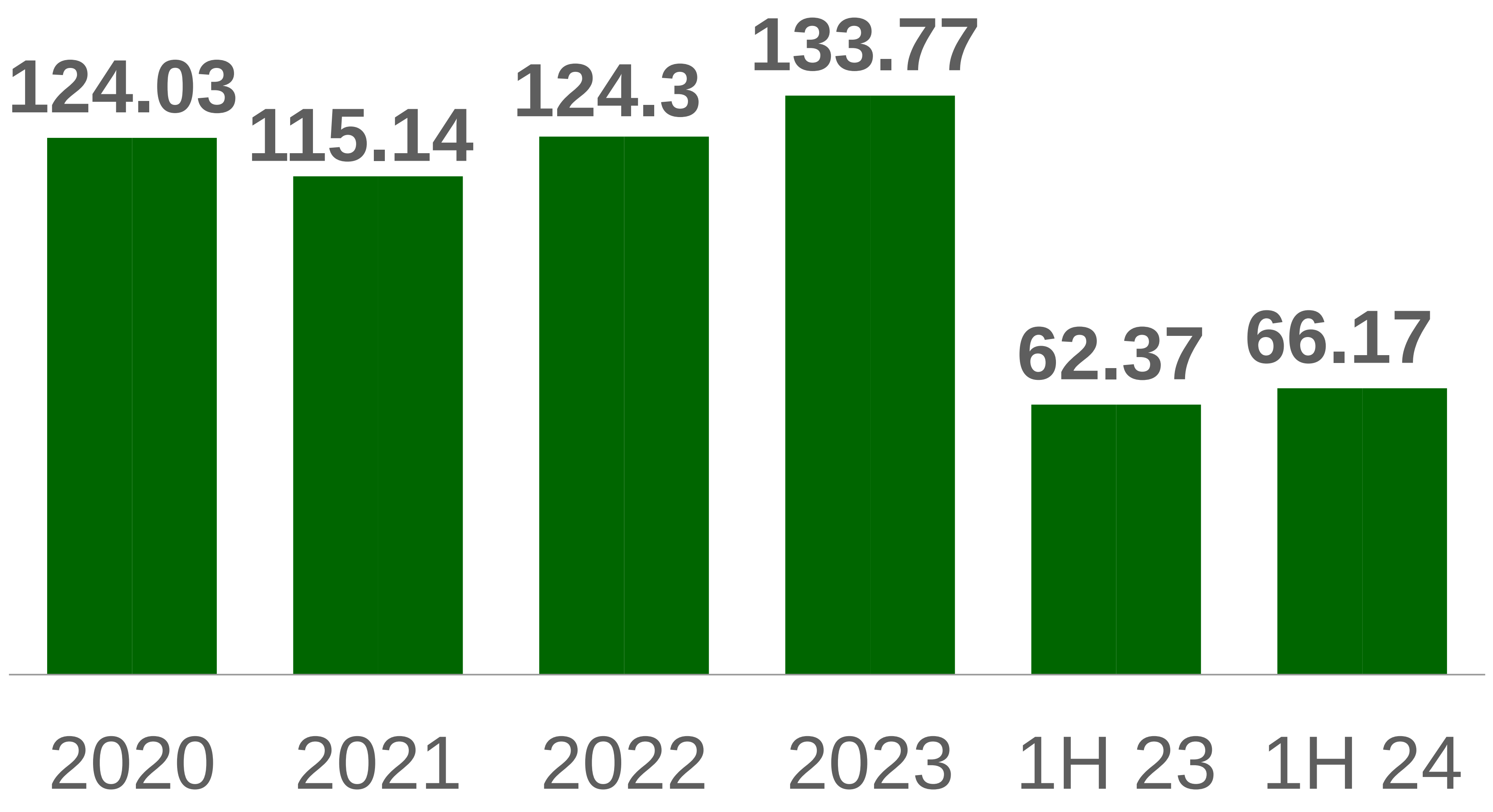
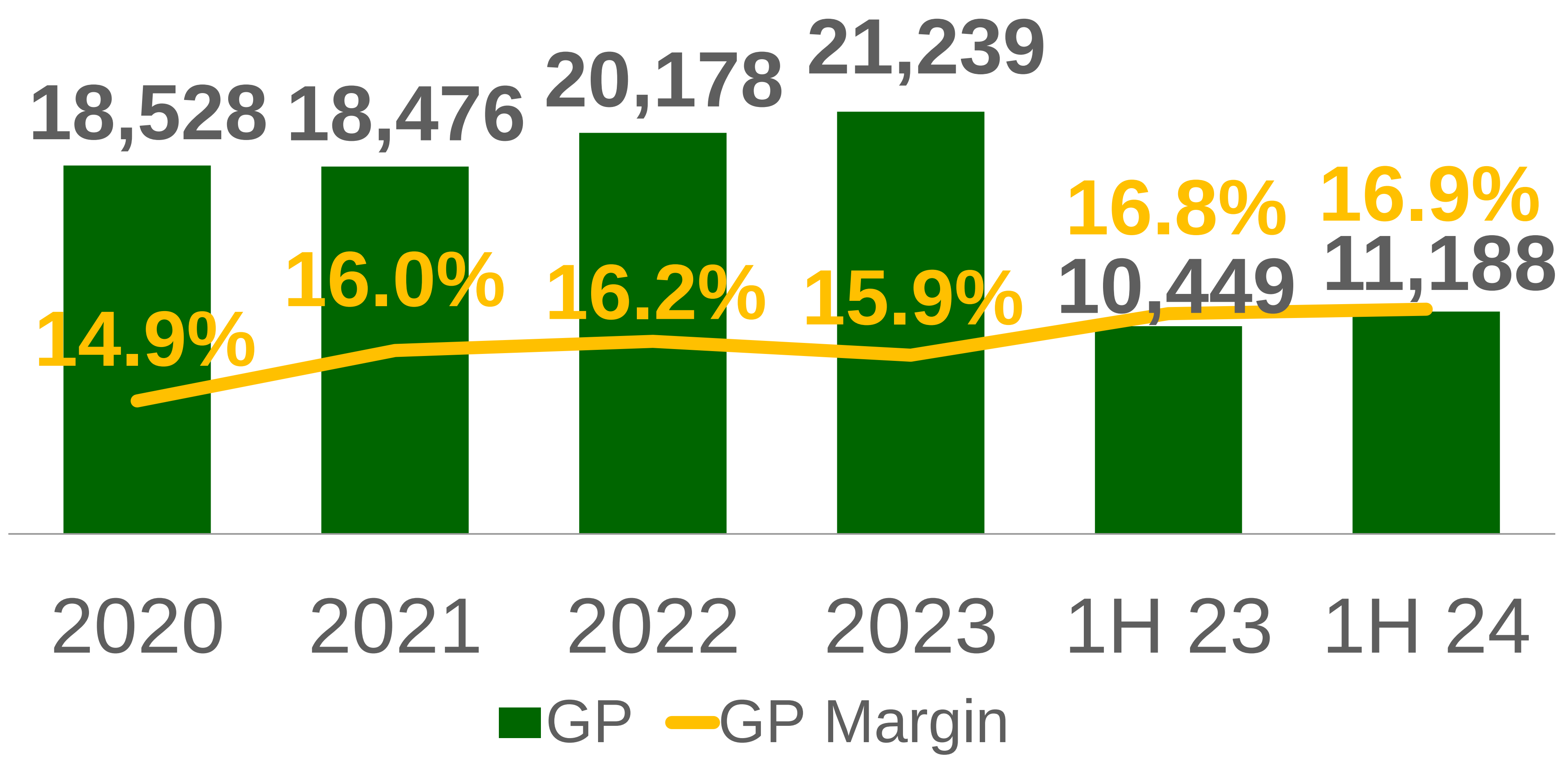
Financial Performance 1H24 – PGOLD Only

NET SALES (in PHP Billions)



3YCAGR 2.6%   6.1%

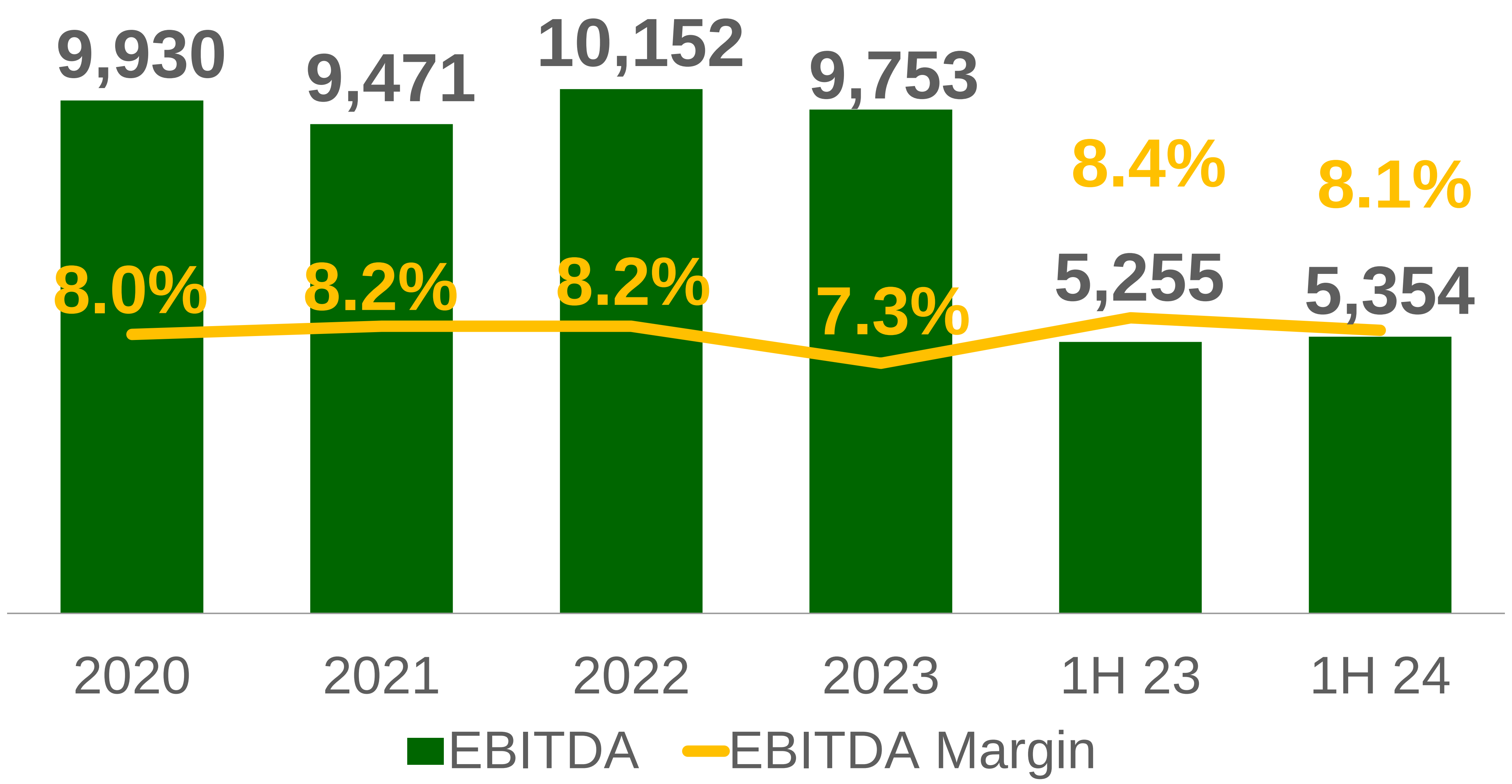
GROSS PROFIT & MARGIN (in PHP Billions)



3YCAGR 4.7%   7.1%

Financial Performance 1H24 – PGOLD Only

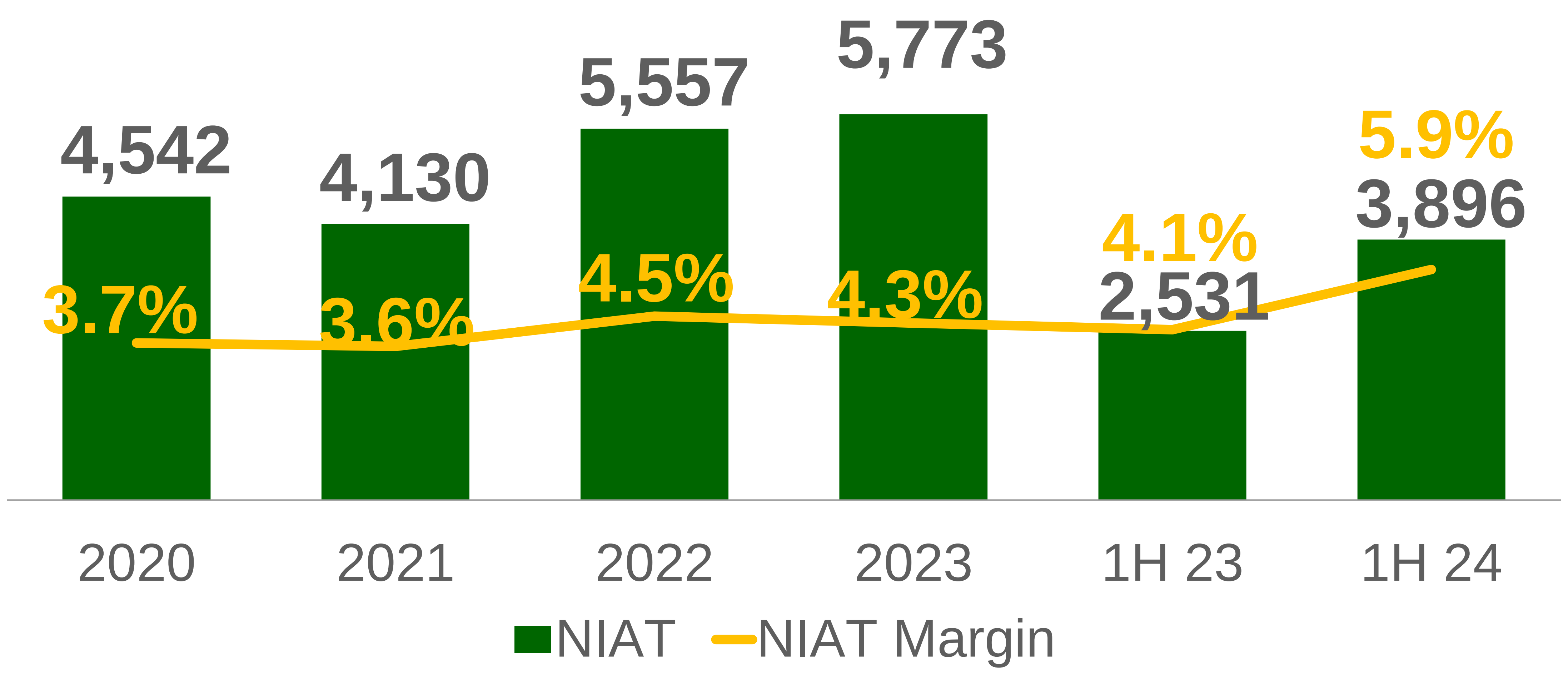
EBITDA & MARGIN (in PHP millions)



3YCAGR -0.6%

1.9%

NET INCOME & MARGIN (in PHP Millions)

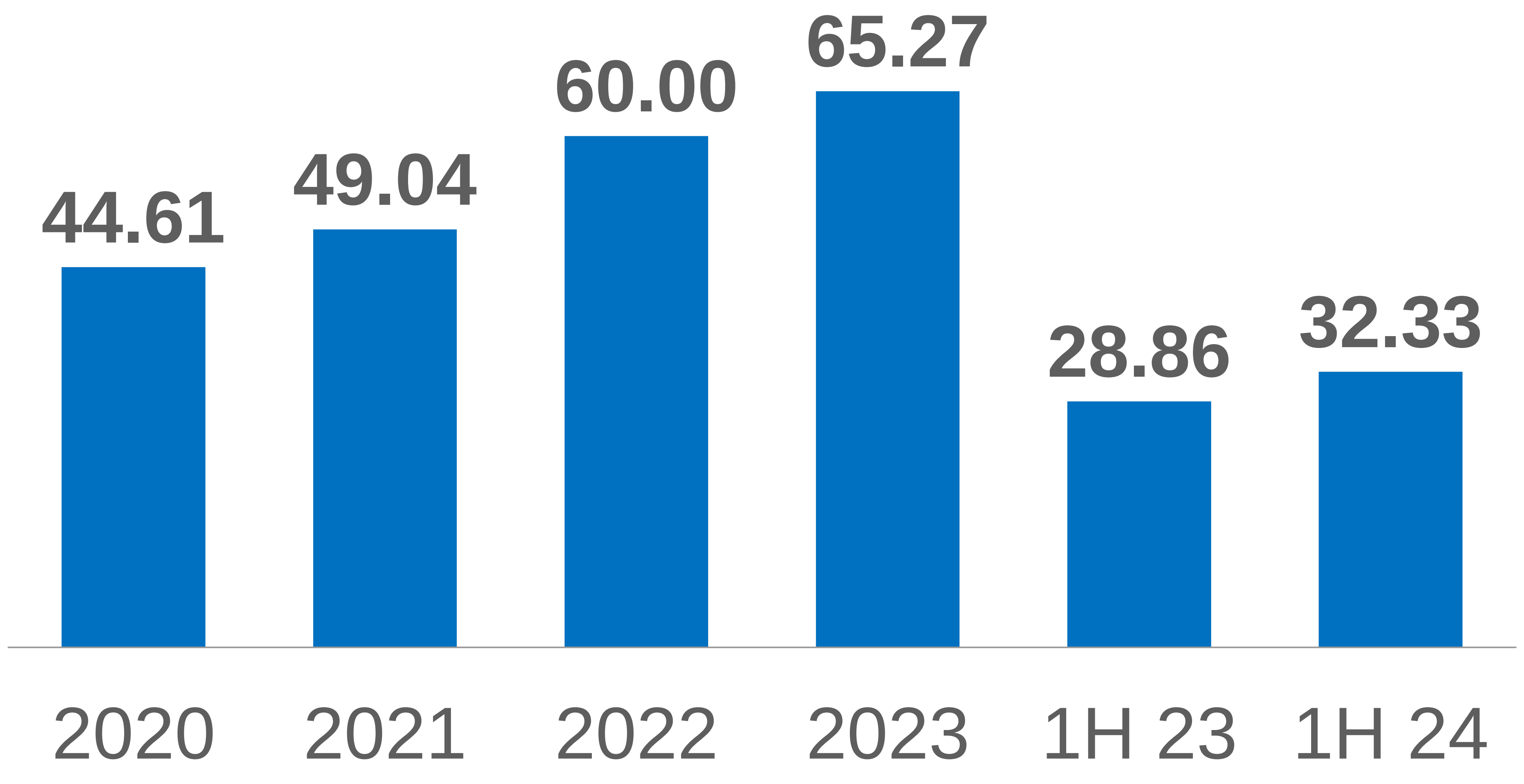


3YCAGR 8.3%

53.9%

Financial Performance 1H24 – S&R Only

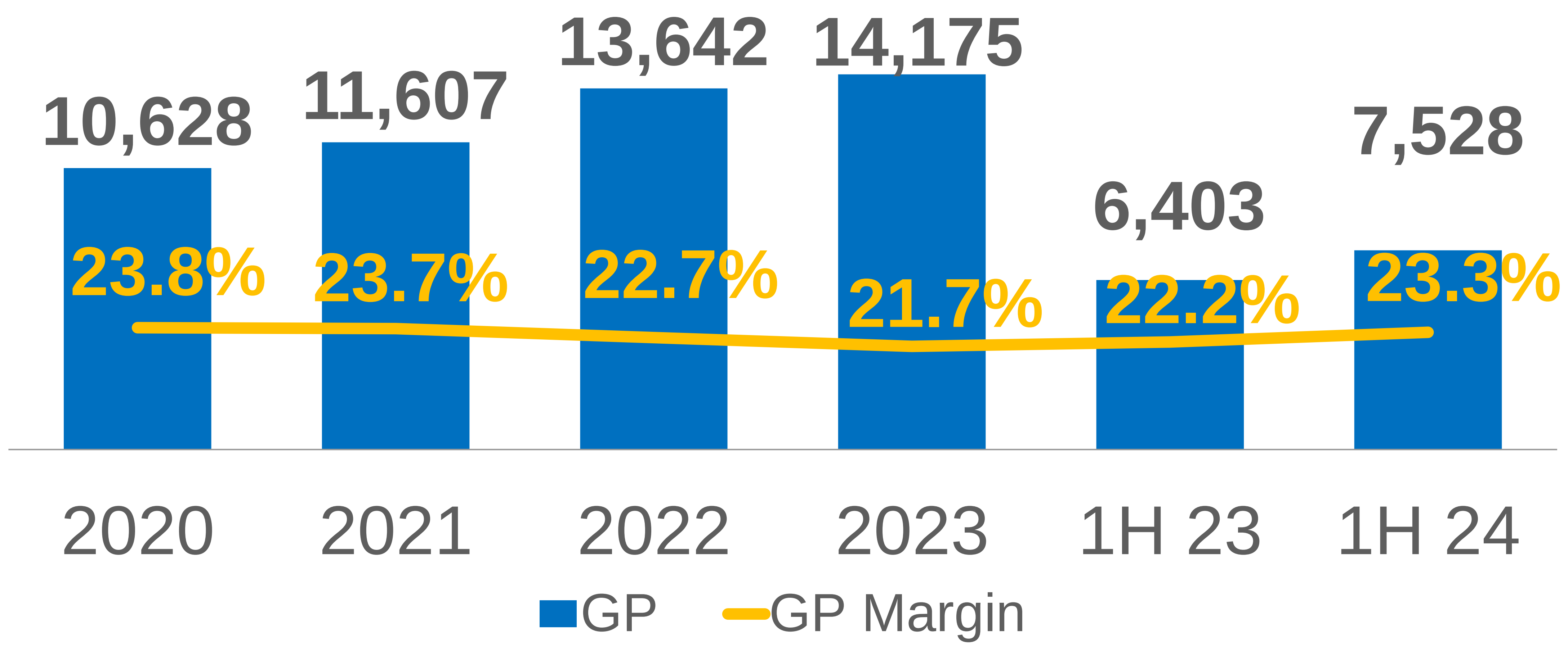
NET SALES (in PHP Billions)



3YCAGR 13.5%

12%

GROSS PROFIT & MARGIN (in PHP Billions)

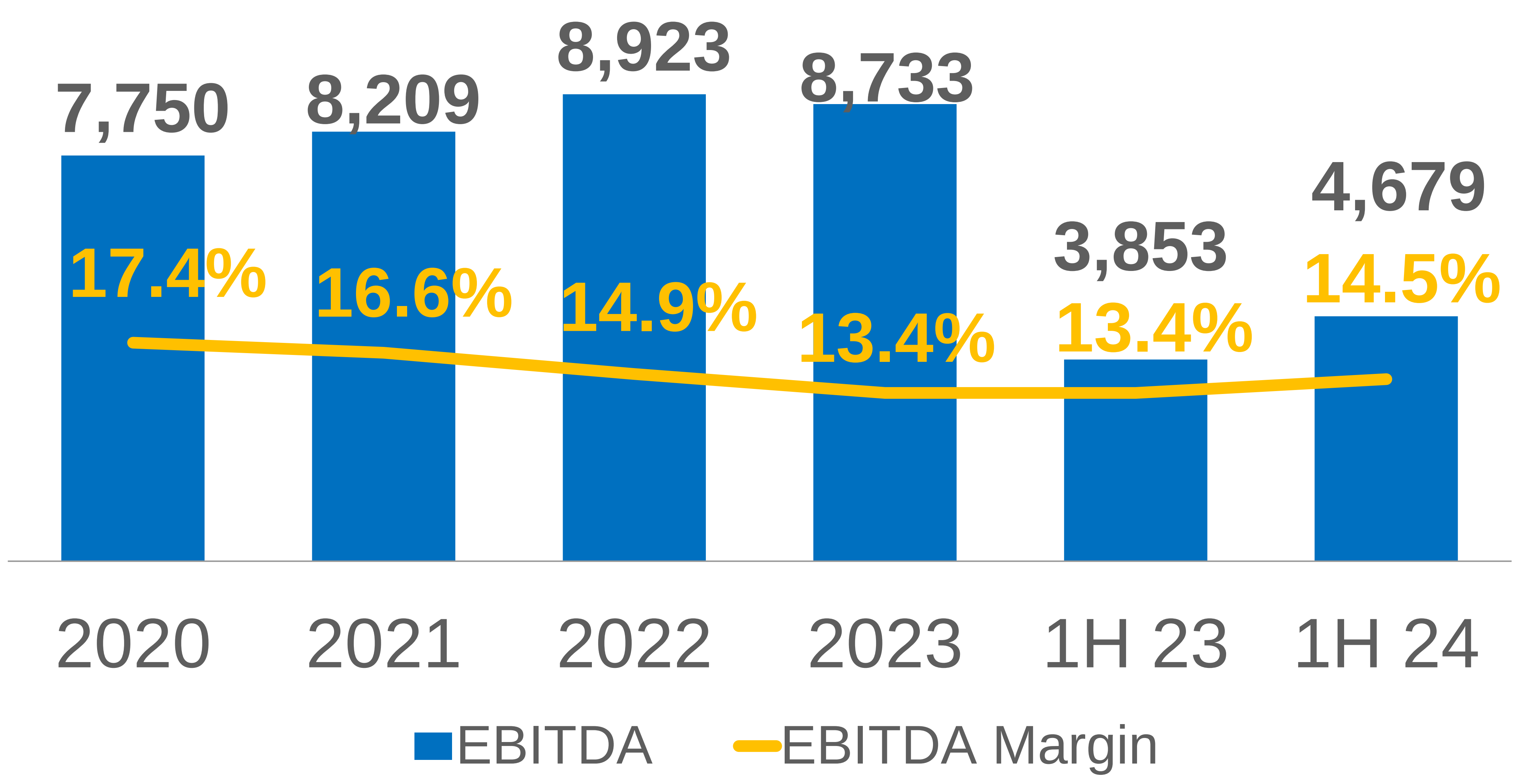


3YCAGR 10.1%

17.6%

Financial Performance 1H24 – S&R Only

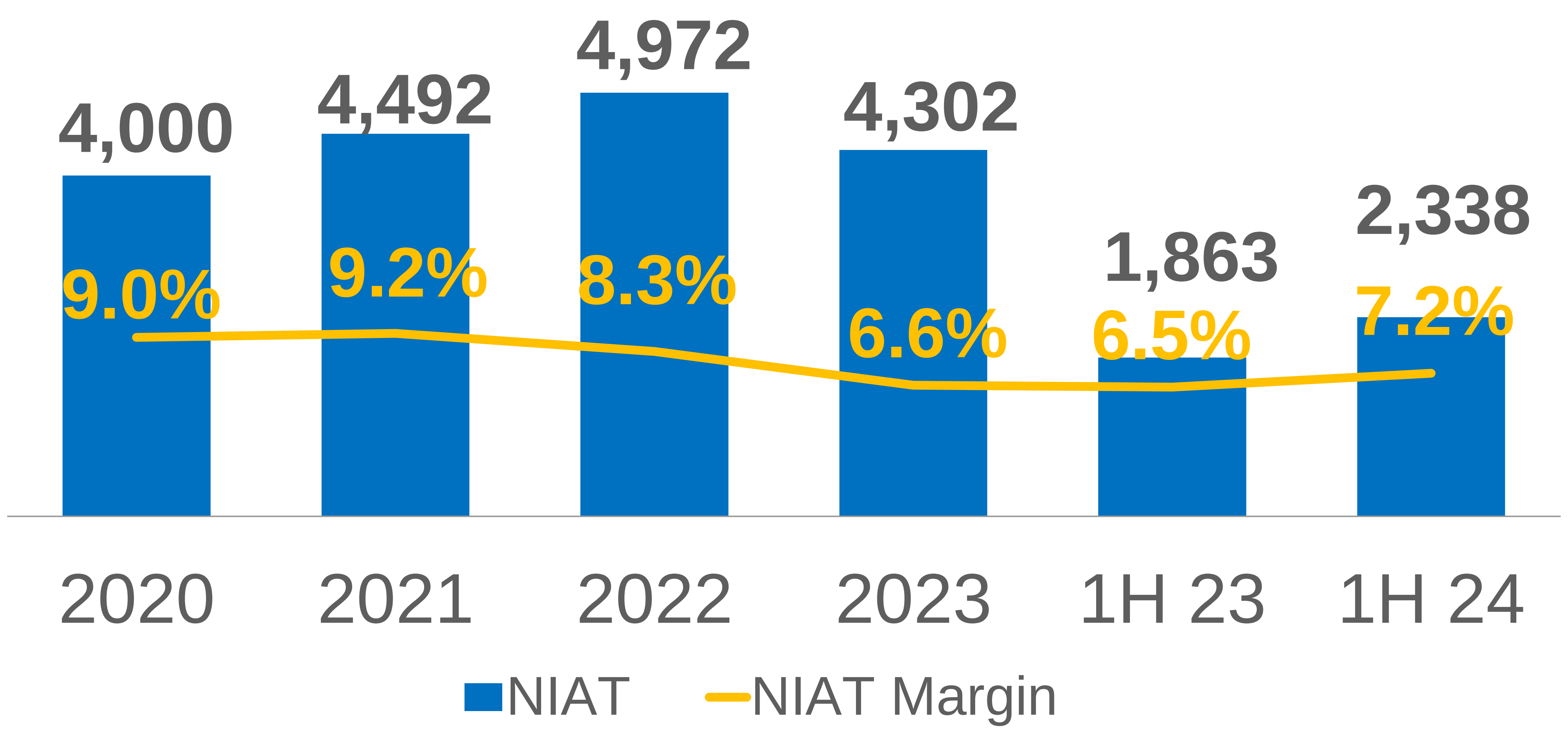
EBITDA & MARGIN (in PHP millions)



3YCAGR 3.8%

21.4%

NET INCOME & MARGIN (in PHP Millions)



3YCAGR 2.5%

25.5%

Financial Performance –1H 2024

	DEC 2023	1H 23	1H 24
Trade Receivables Days	4.5	2.9	4.1
Inventory Days	61.6	68.2	64.8
Trade Payables Days	36.6	29.6	29.1
Cash Conversion Cycle	29.6	41.5	39.8

Notes:

1.Average of inventory at the beginning and end of the period / cost of sales x 363 (for full year))

2.Average of trade receivables at the beginning and end of the period / net sales x 363 (for full year)

3.Average of trade payable at the beginning and end of the period / cost of sales x 363 (for full year)

Sustainability Highlights 2023

ECONOMIC CONTRIBUTION

PHP 5.22B taxes paid to the government

PHP 4.5B employee wages and benefits

PHP 16.6M invested to community including LCCK

13,058 total no. of direct employees

0 incidents of corruption

Sustainability Highlights 2023

ENVIRONMENT PERFORMANCE

20.1M Clean electricity produced

Solar Power rooftop in **26** S&R Warehouse Clubs, 1 S&R Distribution Center, and **13** Puregold Stores

100% LED main lighting

35% Scope 1 and 2 GHG Emissions Reduction

101M reduction of plastic bags used in Puregold stores compared to 2018

54% of Puregold stores use paper bags and promote monthly upsizing to reduce single-use

2093 MT Solid waste was reused while **1260 MT** was recycled

Rain water catchment and Gray water venture

Sustainability Highlights 2023

SOCIAL RESPONSIBILITY

57% female employees in the workforce

994 scholars graduated, **137** passed licensure exam, **260** current no. of scholars

0 legal actions or employee grievance on forced and child labor

827,000+ Puregold Sari-Sari Store members (Support local economy) and **1.8M** Puregold Perks Members

1.9M Puregold Mobile app downloads

Sustainability Highlights 2023