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1Q24 RESULTS & PERFORMANCE

Puregold Price Club, Inc. Presentation
May 2024



Years of Serbisyon Always Panalo Para Sa Pilipino



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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

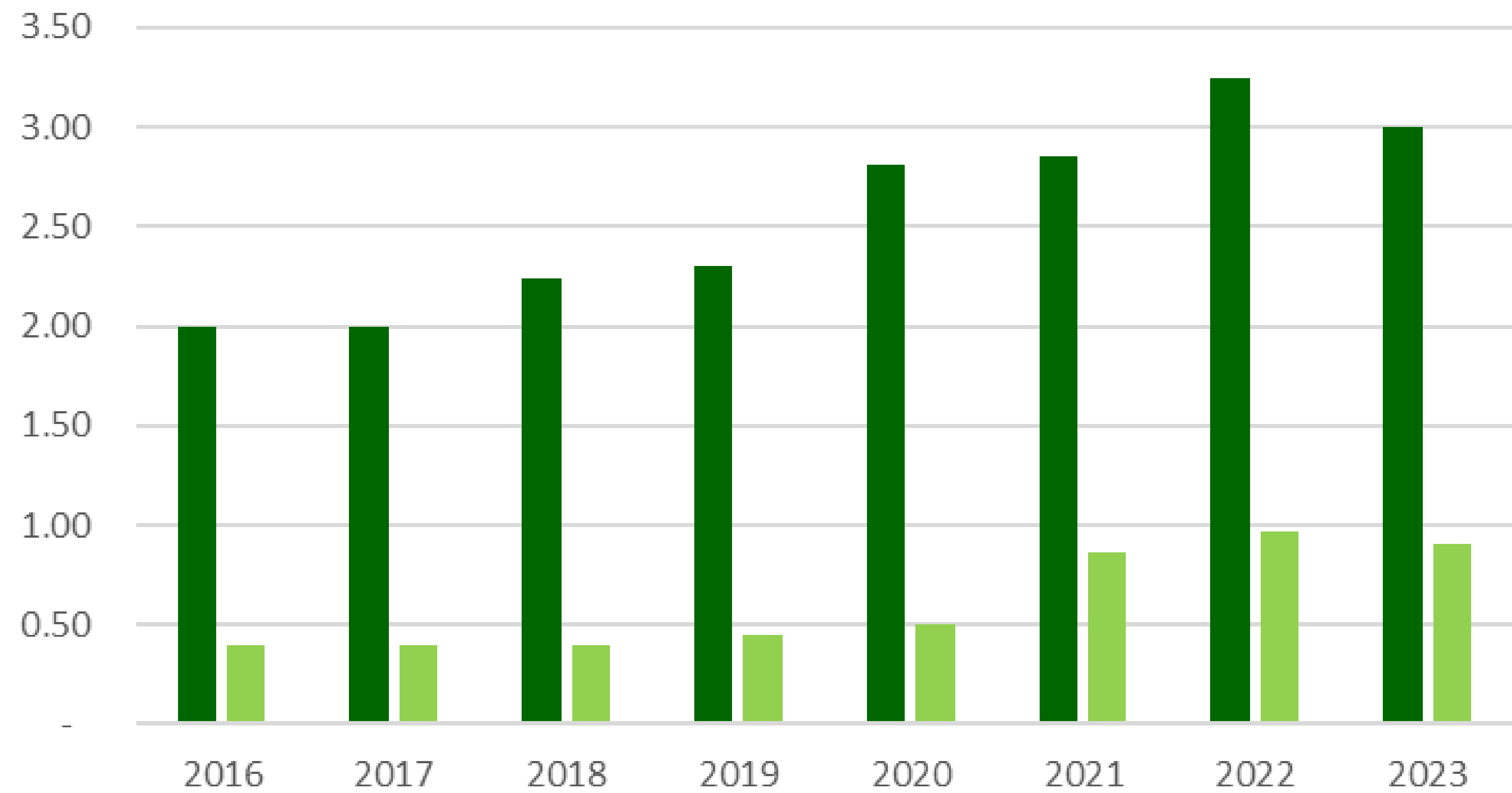
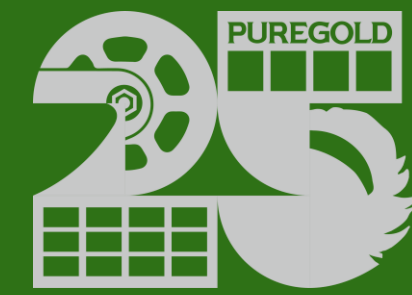


- Caters to the low income and low-middle income customers
- Lower C, D and E market
- Sari sari store customers/resellers
- Popular local and small sized SKUs
- Robust selling platform for all FMCG cos. doing business in PH



- 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

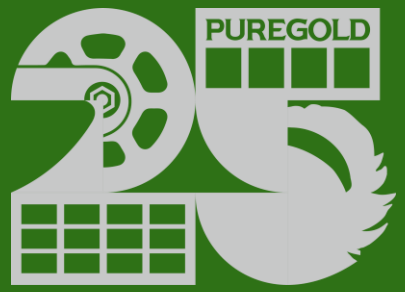


Year	EPS	DIV
2016	2.00	0.40
2017	1.99	0.40
2018	2.24	0.40
2019	2.30	0.45
2020	2.81	0.50
2021	2.85	0.86
2022	3.24	0.97
2023	3.00	0.90
5YR CAGR	6.0%	17.6%

■ EPS ■ DIV

** 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

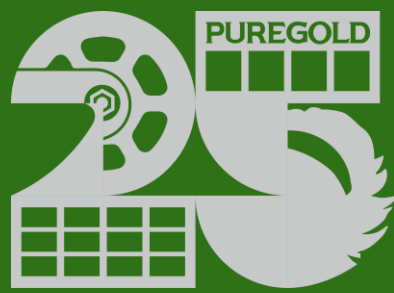
- End to End Supply Chain Reinvention for the Top 1.5k SKUs per region
- Efficient local assortment
- Robust Cold Chain & structure to support Fresh Plans



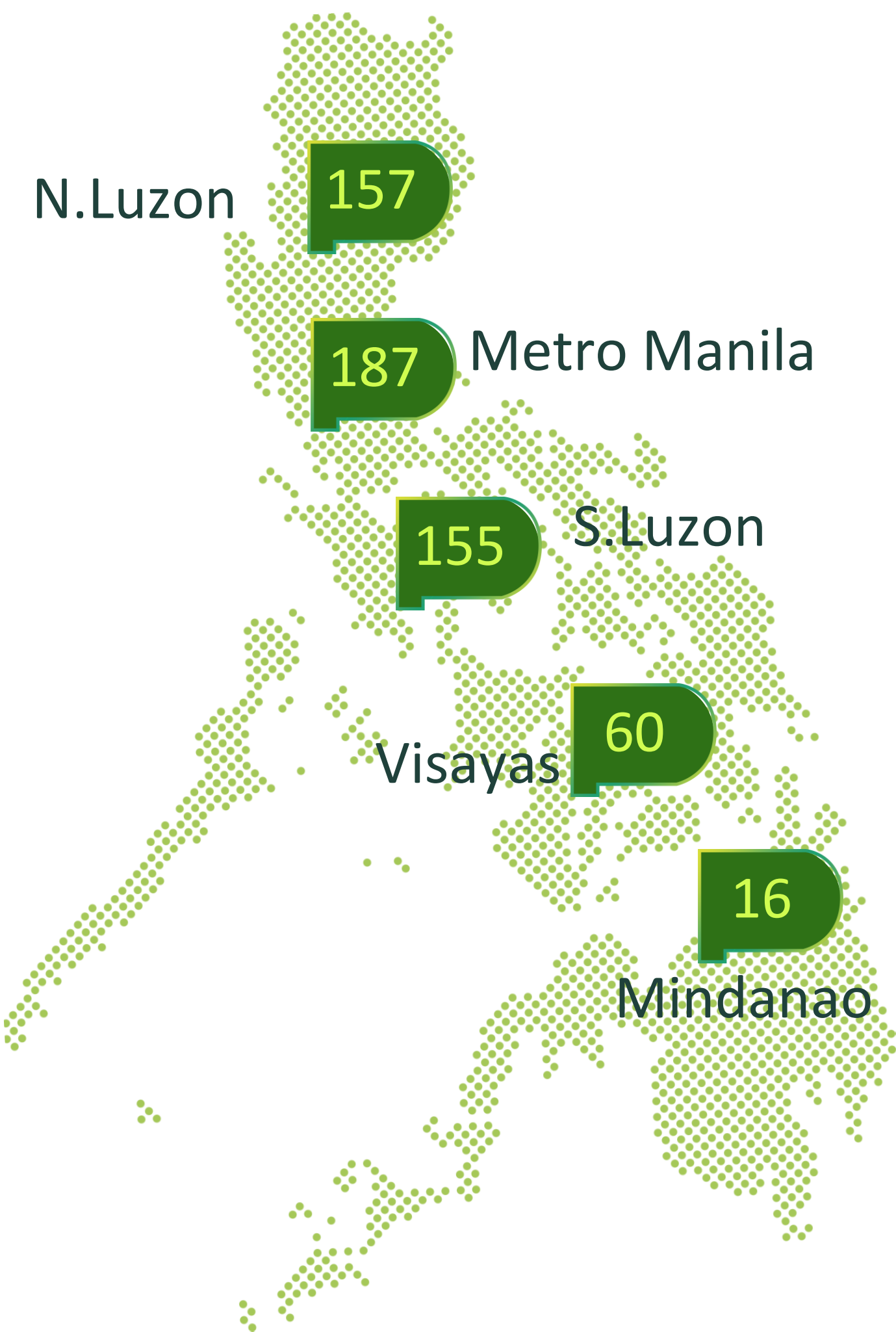
ESG Sustainability

- 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 – 1Q 2024



GEOGRAPHIC COVERAGE



KEY STATS

TOTAL NUMBER OF STORES	575
NO. OF STORES PER FORMAT	331 hypermarkets 98 supermarkets 66 extra/minimart 26 S&Rs 54 S&R QSRs

	PUREGOLD	S&R	S&R QSR
Metro Manila	147	12	28
North Luzon	144	4	9
South Luzon	139	6	10
Visayas	51	2	7
Mindanao	14	2	-
Total	495	26	54

NEW PG + S&R STORES 2024

Opened
9 new Puregold Stores
closed 2 stores

NET SELLING AREAS (in sqm)

Puregold	556,499 sqm
S&R	132,726 sqm
QSR	5,101 sqm
Total	694,326 sqm

Financial Performance – 1Q 2024



<i>Php in thousands</i>	Q1 2024	%	Q1 2023	%	Change	%
Net Sales	P47,317,537	100.0%	P44,352,437	100.0%	P2,965,100	6.7%
Cost of Sales	38,062,942	80.4%	35,831,845	80.8%	2,231,096	6.2%
Gross Profit	9,254,595	19.6%	8,520,591	19.2%	734,004	8.6%
Other Operating Income	746,777	1.6%	762,048	1.7%	(15,271)	-2.0%
Operating Expenses	6,324,770	13.4%	5,705,152	12.9%	619,618	10.9%
Income from Operations	3,676,602	7.8%	3,577,487	8.1%	99,115	2.8%
Others-net	(469,192)	-1.0%	(461,752)	-1.0%	(7,440)	1.6%
Income Tax Expense	728,088	1.5%	709,569	1.6%	18,519	2.6%
Income After Tax	P2,479,322	5.2%	P2,406,166	5.4%	P73,156	3.0%
EBITDA	P4,988,781	10.5%	P4,780,760	10.8%	P208,022	4.4%

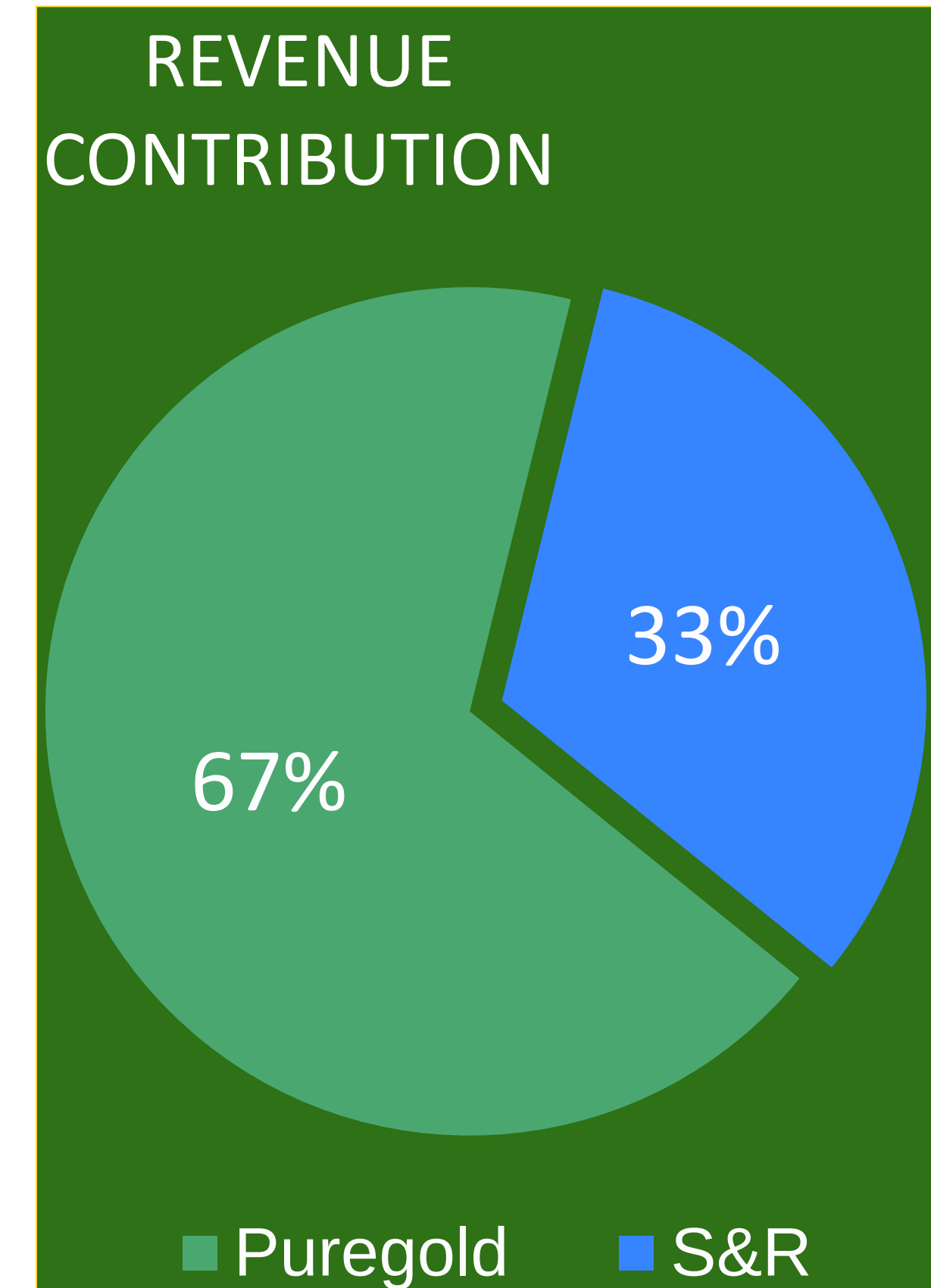
EPS	P0.87	P0.84	
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Operating Performance – 1Q 2024



Like-for-like Growth %	Puregold		S&R	
	Mar 2024 (449 stores)	Mar 2023 (427 stores)	Mar 2024 (21 wh)	Mar 2023 (22 wh)
Net Sales	1.5%	8.8%	-1.2%	16.8%
Ticket	-1.1%	0.2%	0.8%	3.6%
Traffic	2.6%	8.7%	-1.9%	12.7%

			Traffic <i>(in thousands)</i>			Ticket		
Overall	Store Count		Mar 2024	Mar 2023	% growth	Mar 2024	Mar 2023	% growth
	CY	PY						
Puregold	495	456	35,022	32,393	8.1%	905	928	-2.5%
S&R WH	26	23	3,116	2,856	9.1%	4,793	4,951	-3.2%

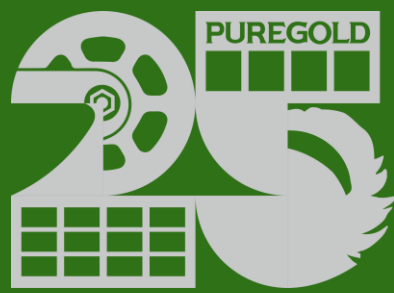


Financial Highlights – 1Q 2024

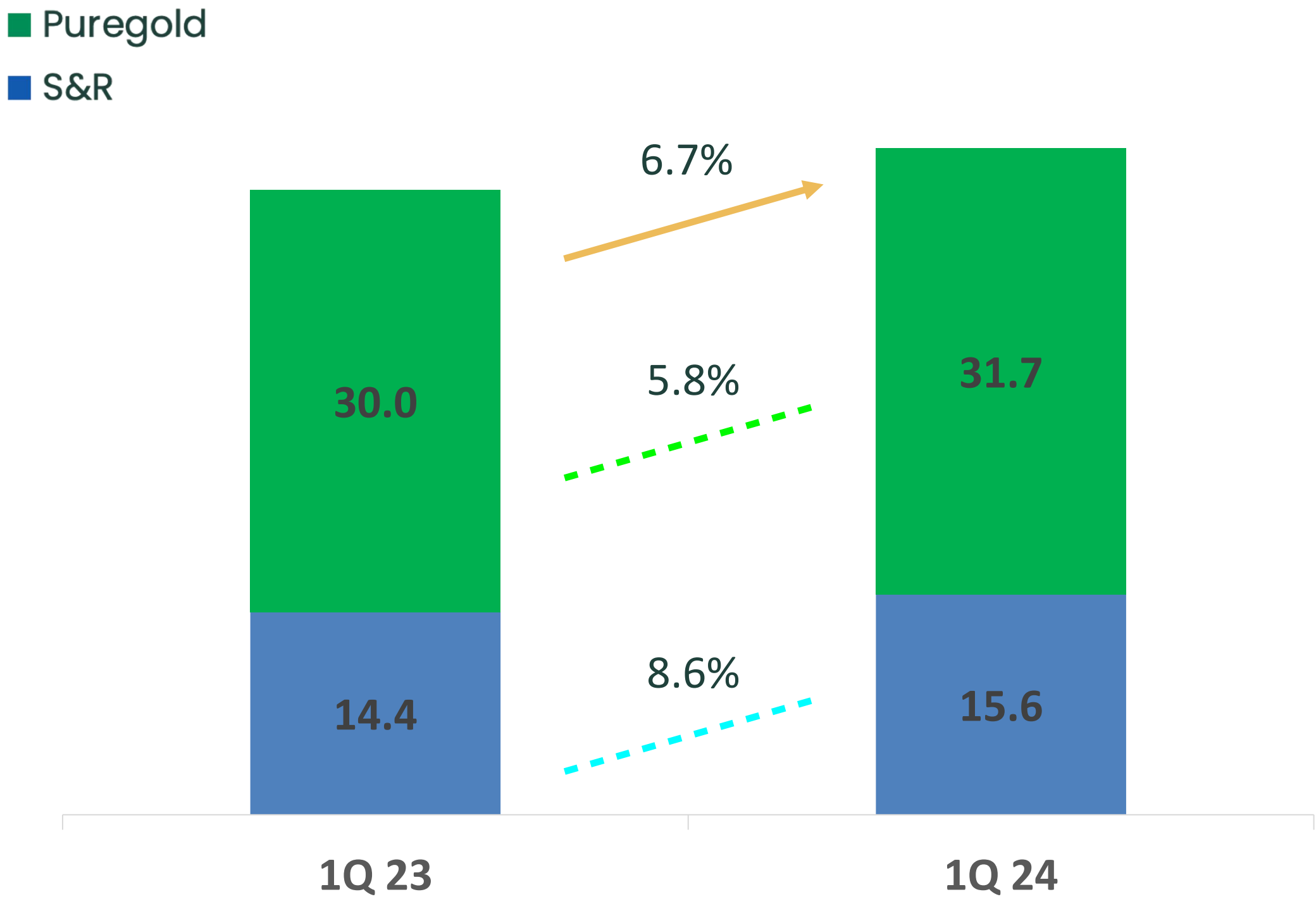


	CONSO REVENUE	GROSS PROFIT MARGIN %	EBITDA MARGIN %	NIAT
1Q 24	Php 47.3bn	19.6%	10.5%	Php 2.48 bn
YoY	6.7%	+35 bps	-24 bps	+3%

Financial Performance – Conso 1Q 2024

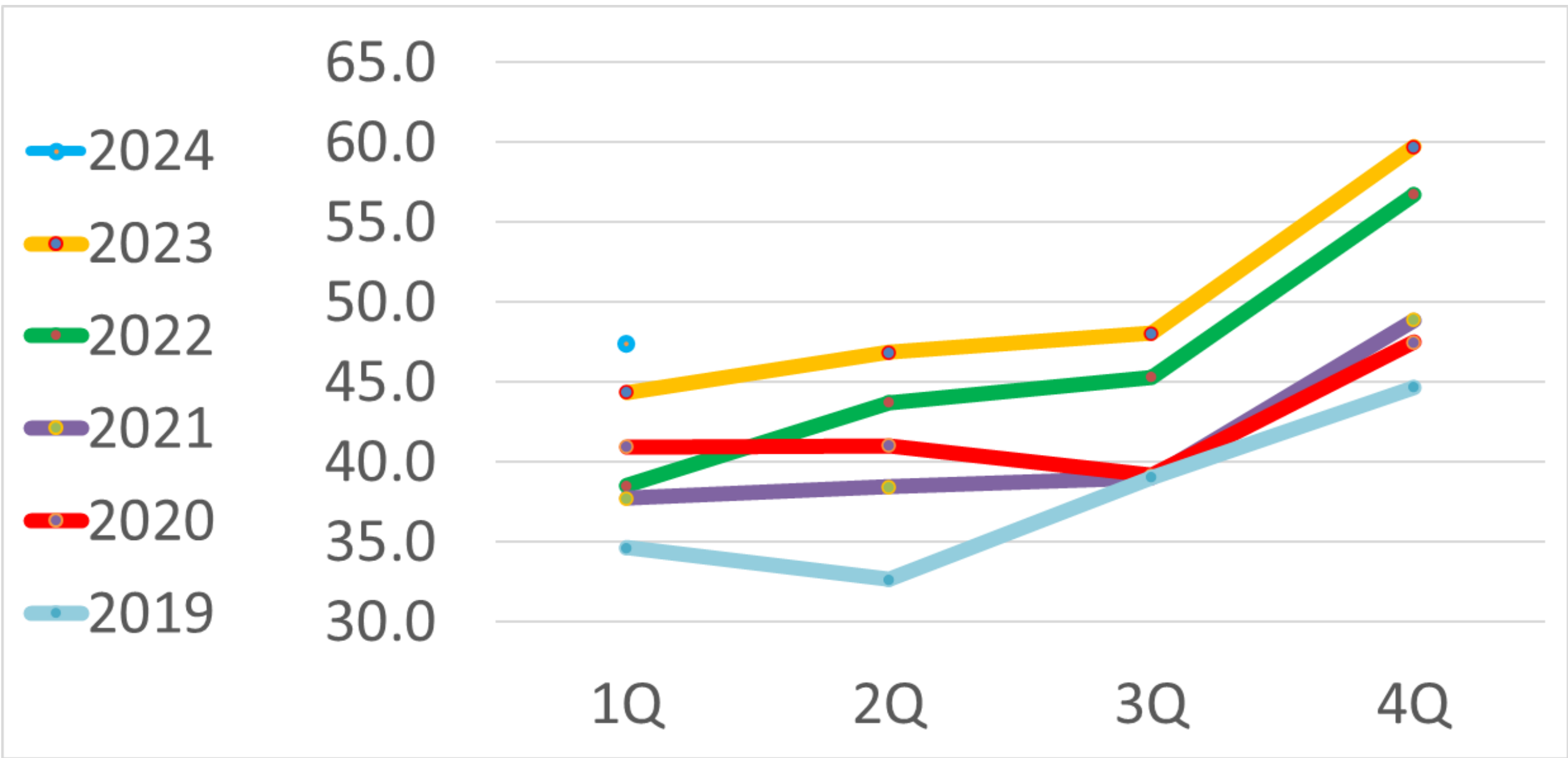


NET SALES BREAKDOWN



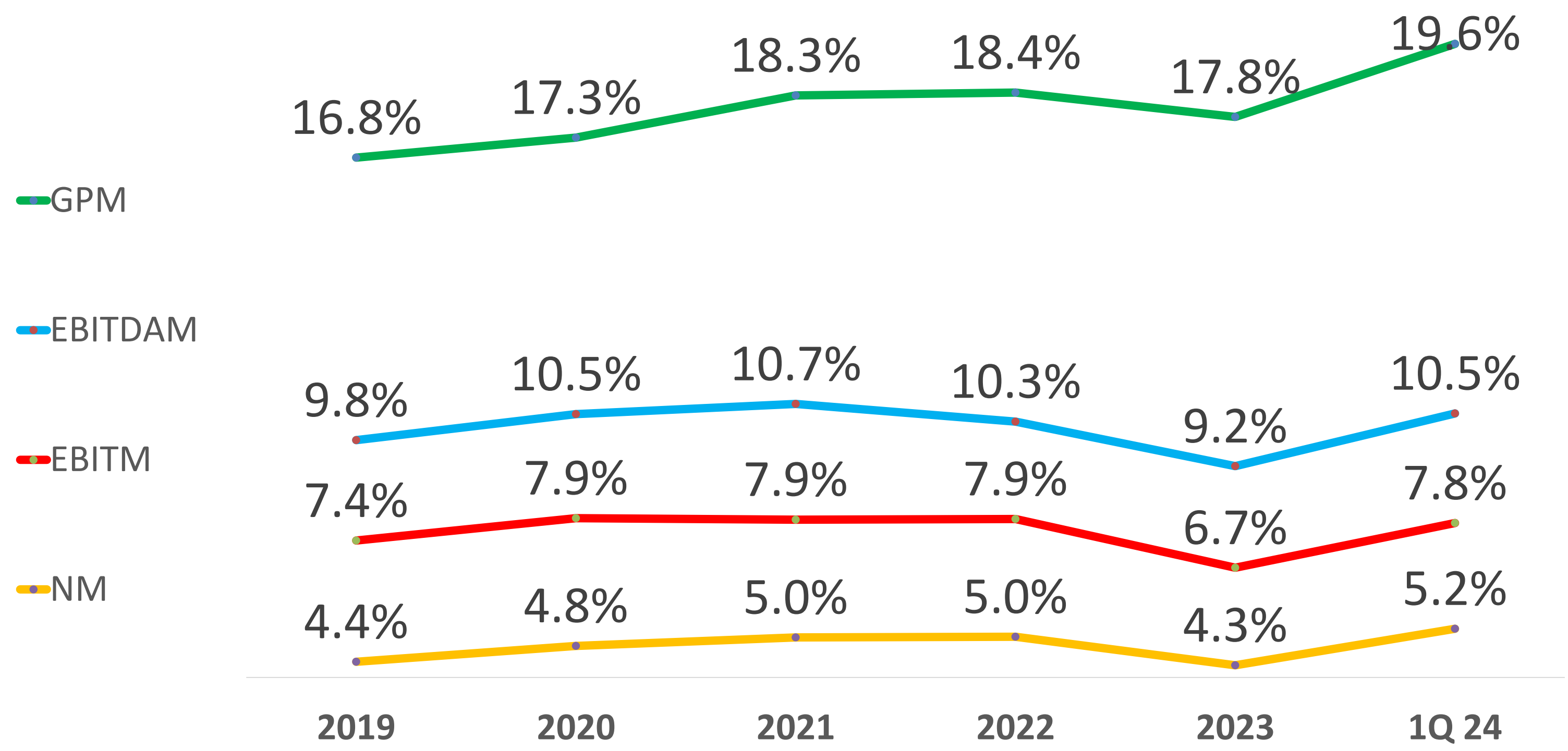
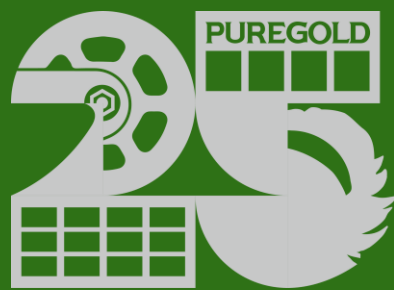
QTR NET SALES TREND

in PHP Billions



- >> Record 1Q net sales. Mid Single-digit sales growth YoY for the group.
- >> 1Q24 YoY major contributors are higher traffic in PG store & S&R WHs, with slightly offset by decrease in ticket size in both store formats.
- >> Consumption by carded members continue to be good source of growth. Traditional Retail remain strong. End-con showing biggest growth in transactions.

Margin Trends – Conso 1Q 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 higher opex/sales tempered by higher interest income and expansion of GPM; EBITDAM decline due to growth initiatives

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

Consolidated Revenue Growth

5% to 8% target

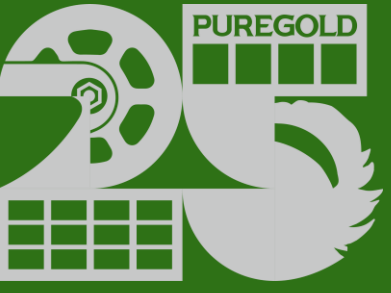
Gross Profit Margin

Puregold Stores: 15.5% to 16.5% target

S&R WH: 21.5% to 22.5% target

FY2023 RESULTS & PERFORMANCE

Puregold Price Club, Inc. Presentation



Q&A

Q&A

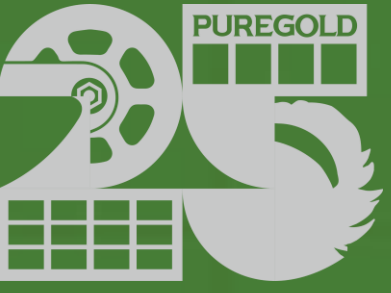


Thank you

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FY 2023 RESULTS & PERFORMANCE

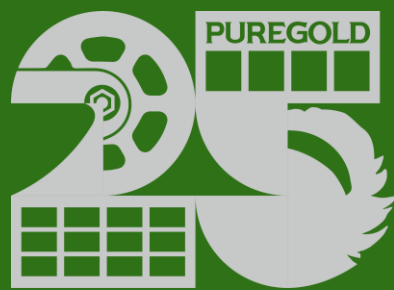
Puregold Price Club, Inc. Presentation



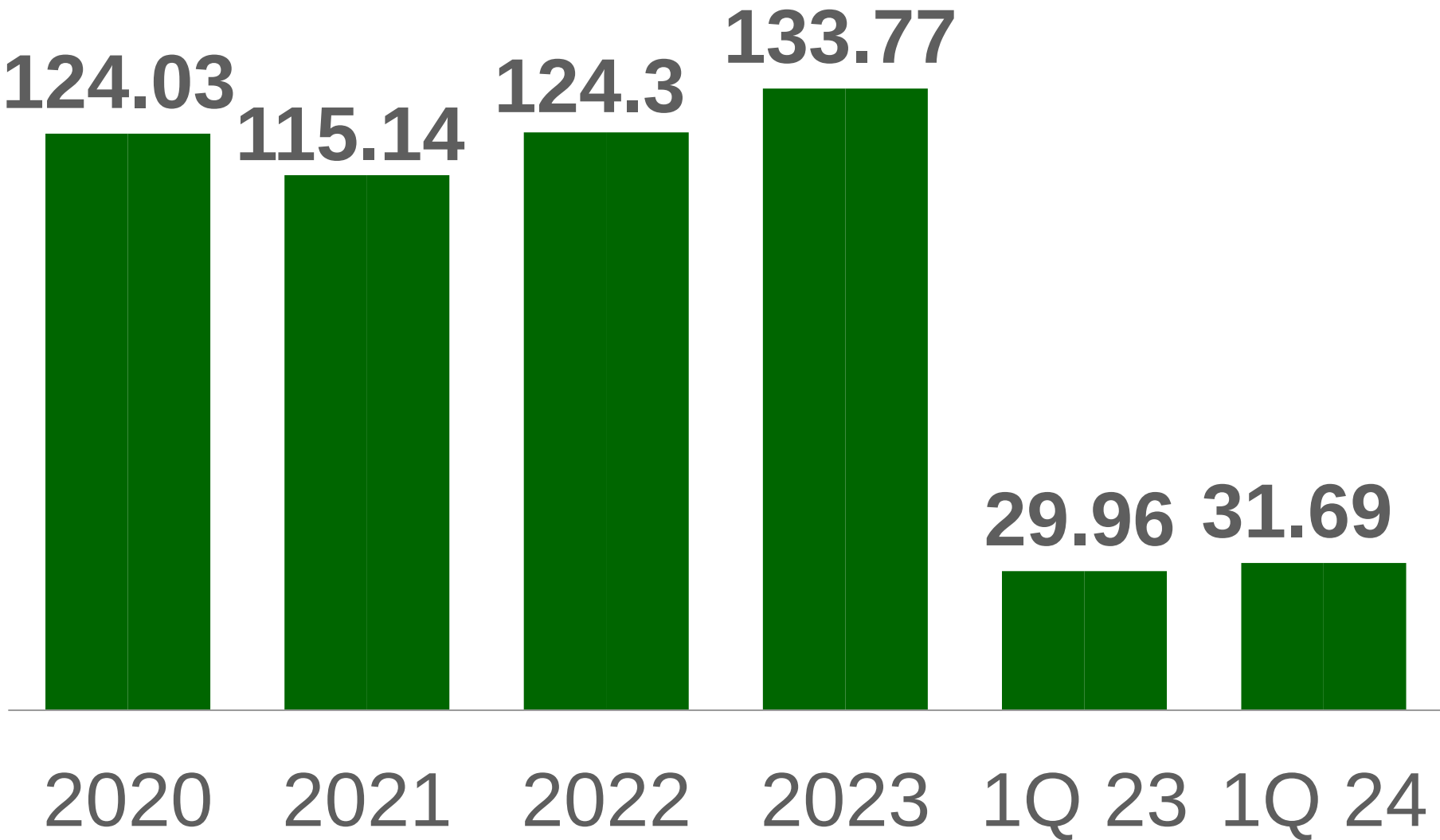
ANNEX

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Financial Performance 1Q24 – PGOLD Only

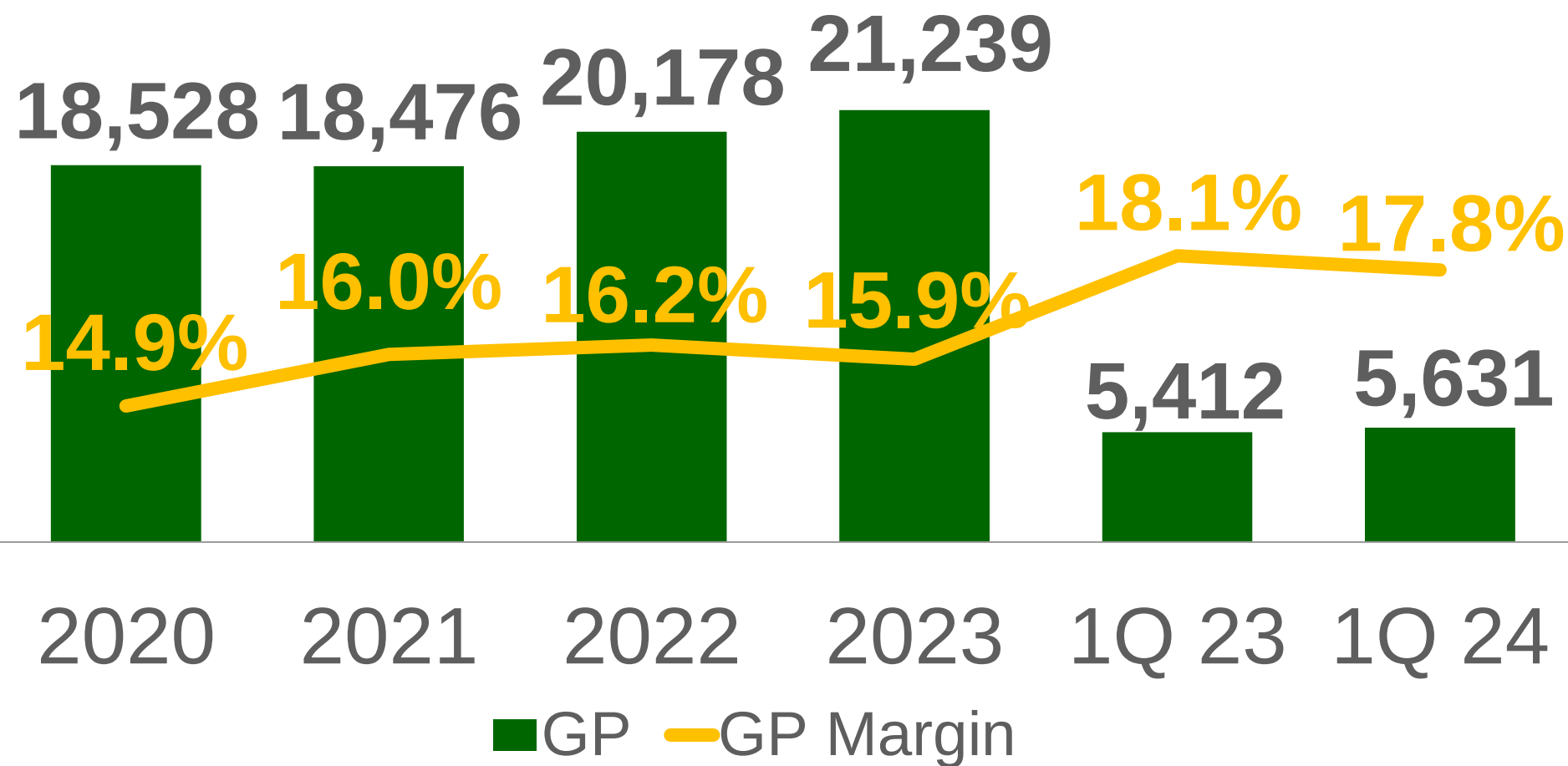


NET SALES (in PHP Billions)



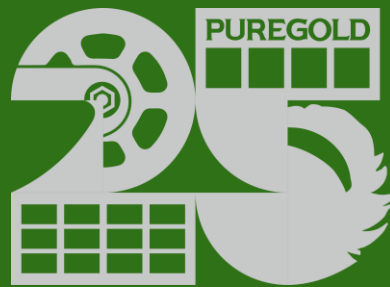
 3YCAGR 2.6%  5.8%

GROSS PROFIT & MARGIN (in PHP Billions)

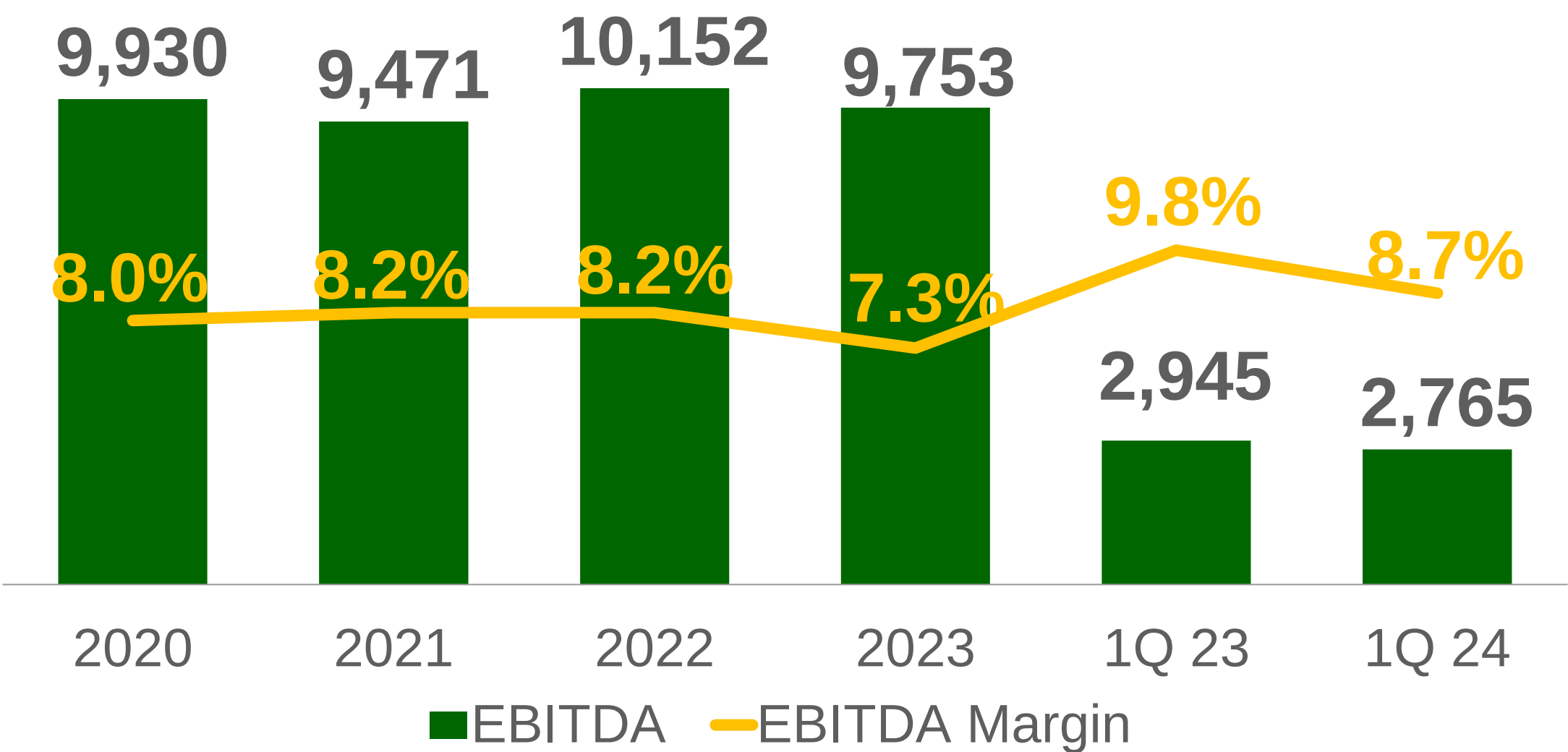


 3YCAGR 4.7%  4%

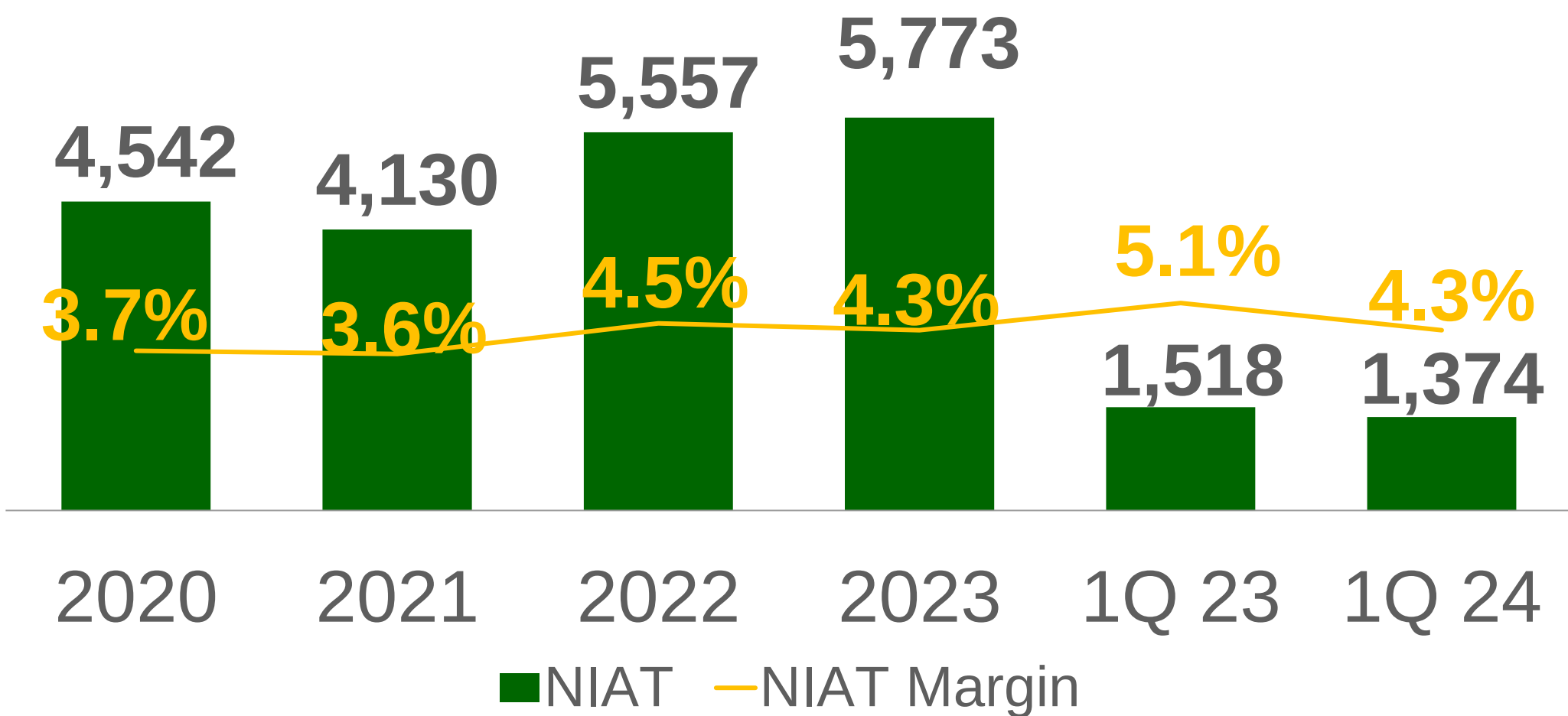
Financial Performance 1Q24 – PGOLD Only



EBITDA & MARGIN (in PHP millions)



NET INCOME & MARGIN (in PHP Millions)



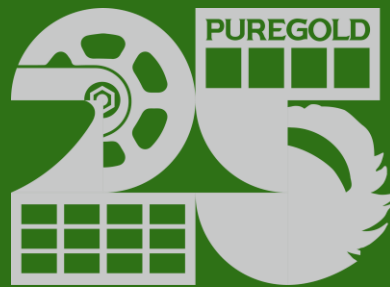
▼ 3YCAGR -0.6%

▼ -6.1%

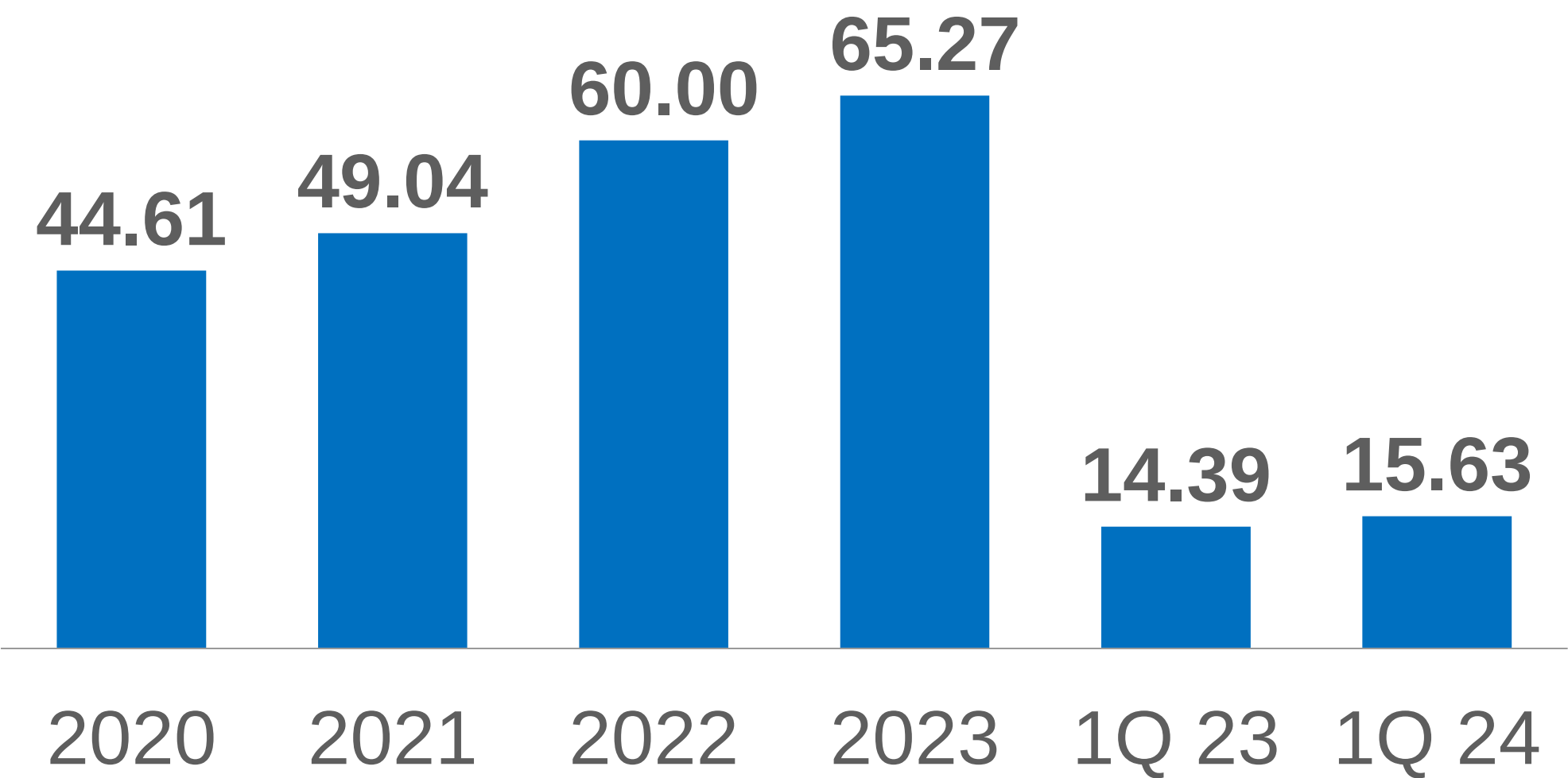
▲ 3YCAGR 8.3%

▼ -9.5%

Financial Performance 1Q24 – S&R Only



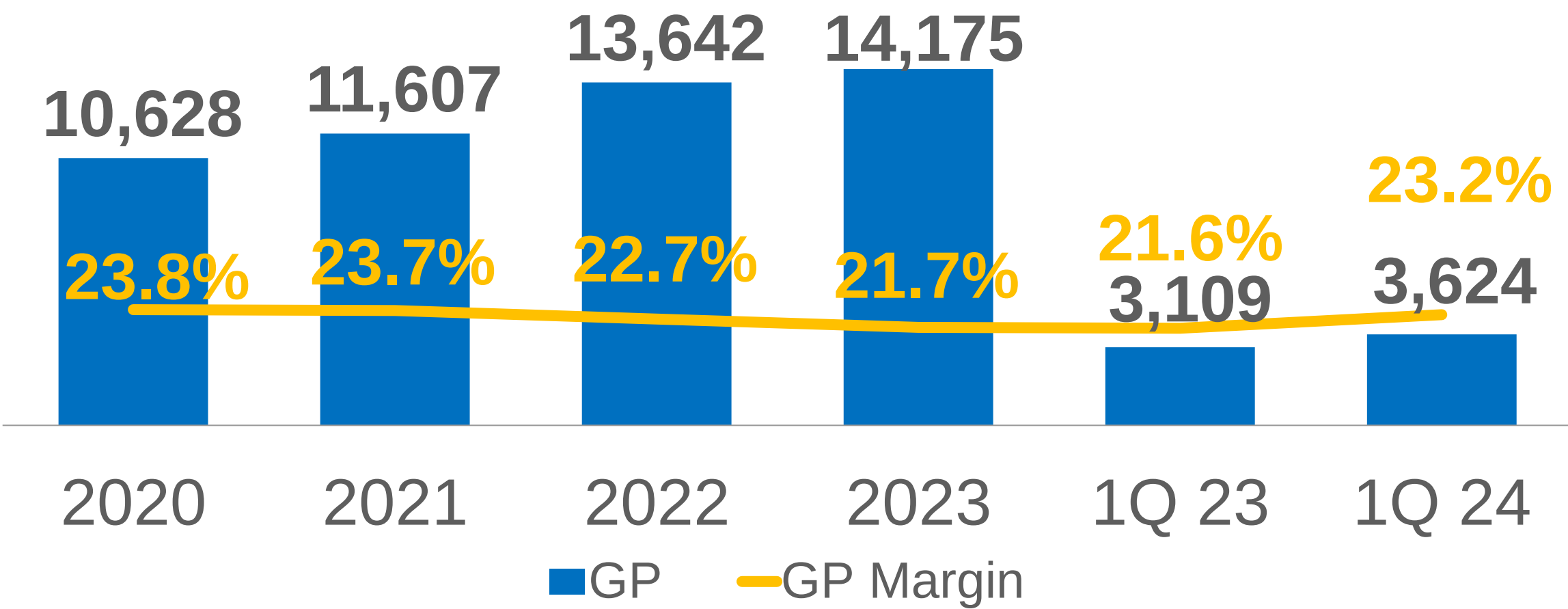
NET SALES (in PHP Billions)



 3YCAGR 13.5%

 8.6%

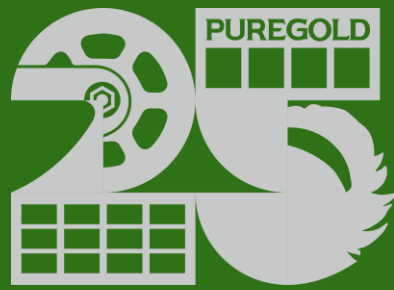
GROSS PROFIT & MARGIN (in PHP Billions)



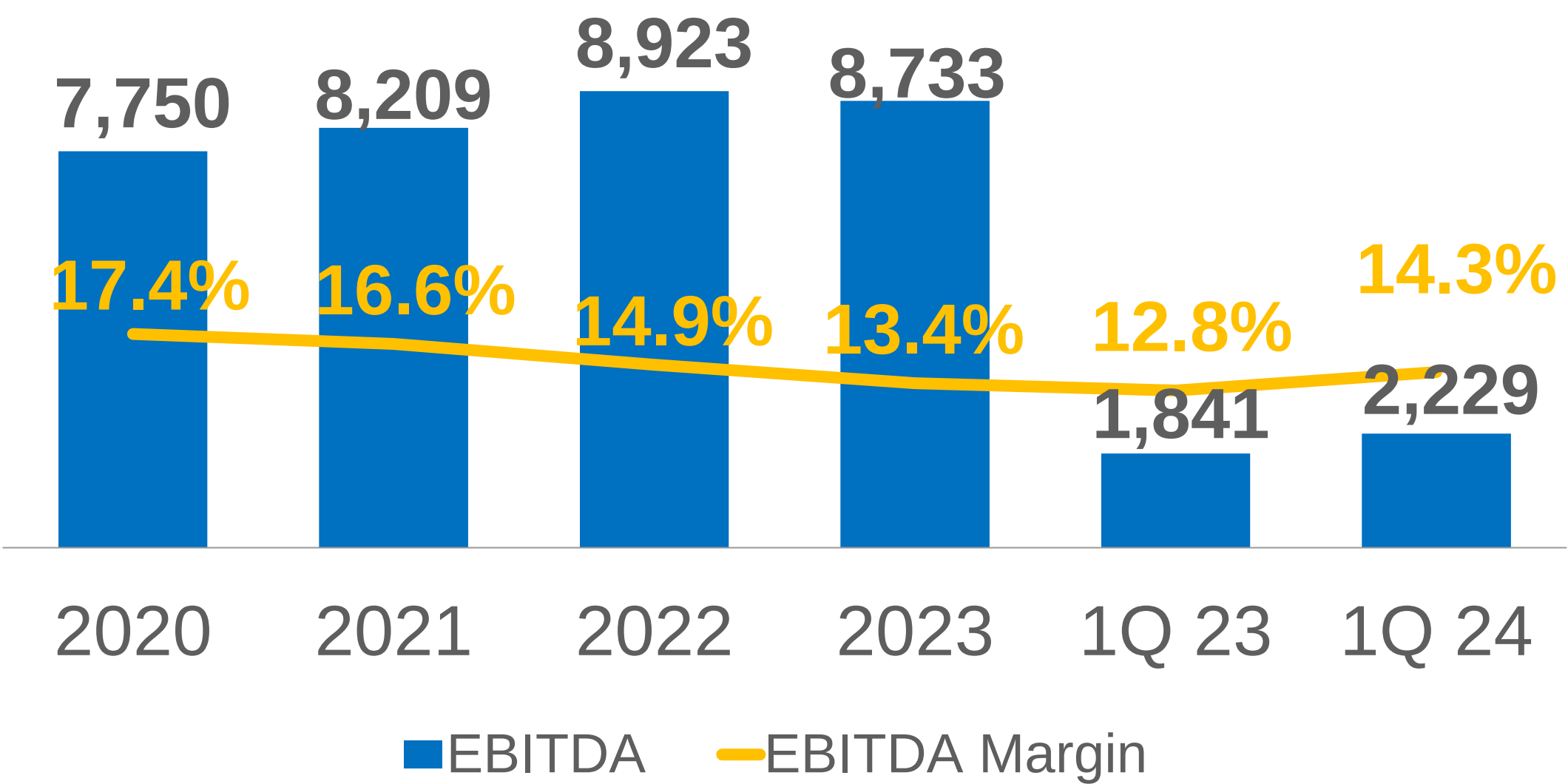
 3YCAGR 10.1%

 16.6%

Financial Performance 1Q24 – S&R Only



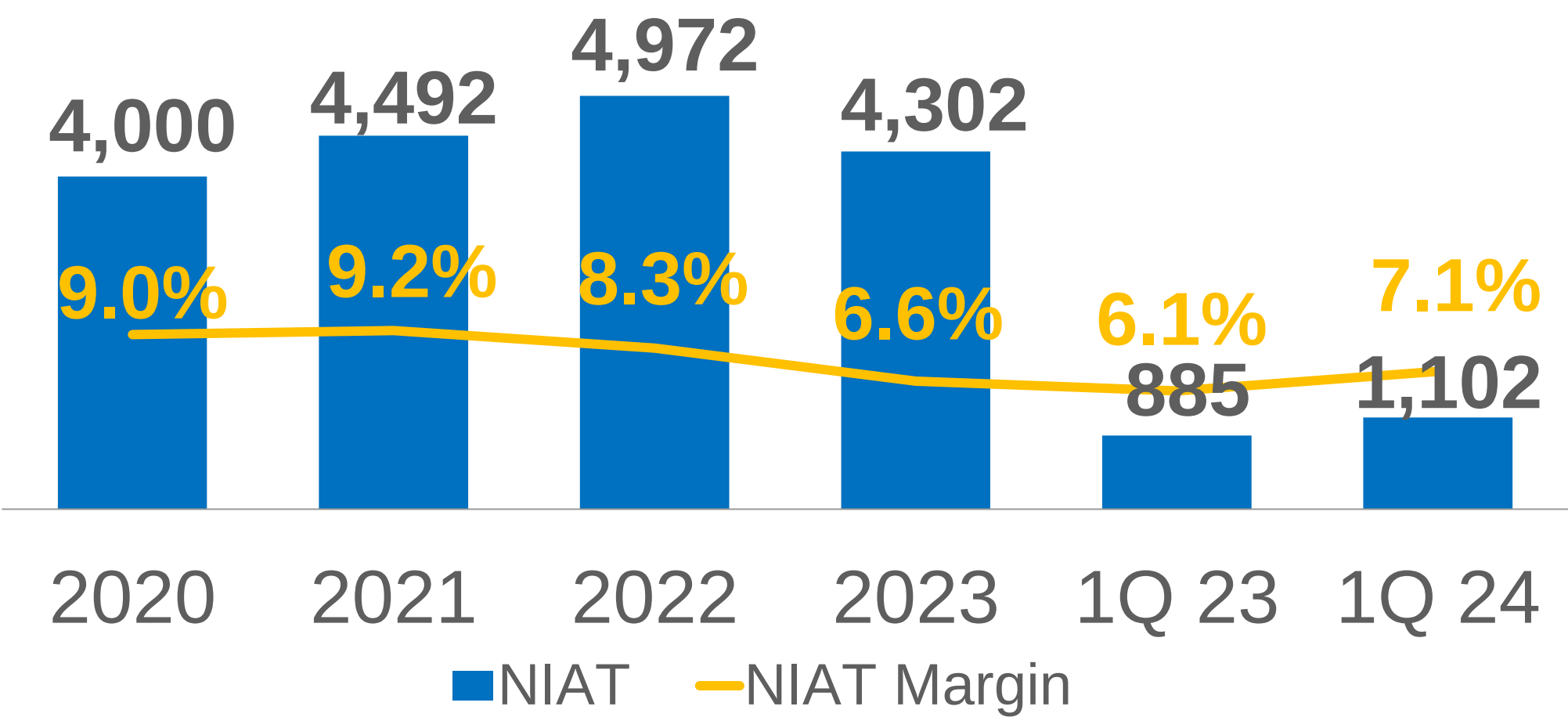
EBITDA & MARGIN (in PHP millions)



▲ 3YCAGR 3.8%

▲ 21.1%

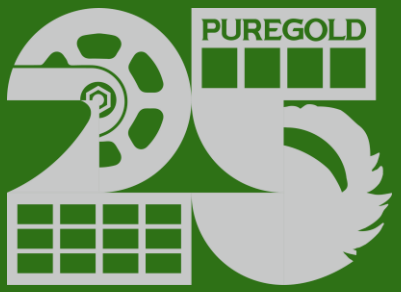
NET INCOME & MARGIN (in PHP Millions)



▲ 3YCAGR 2.5%

▲ 24.6%

Financial Performance –1Q 2024

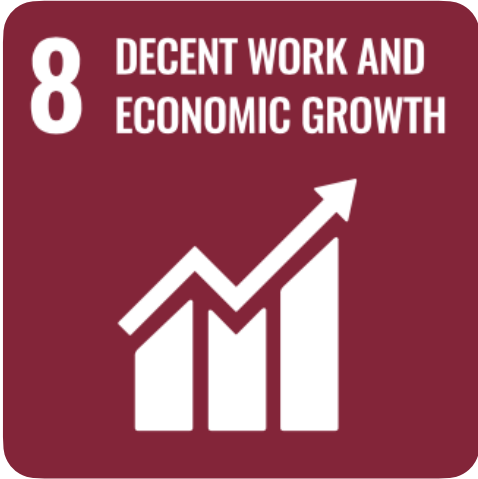


	DEC 2023	1Q 23	1Q 24
Trade Receivables Days	4.5	2.9	4.6
Inventory Days	61.6	73.3	67.3
Trade Payables Days	36.6	31.3	32.3
Cash Conversion Cycle	29.6	44.9	39.6

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)

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

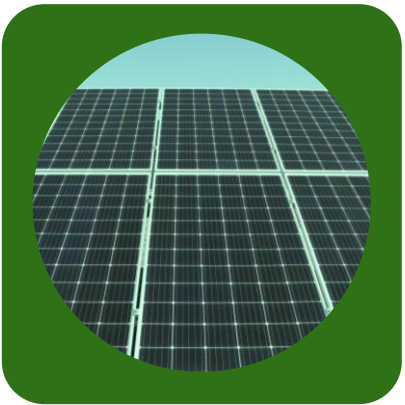


0 incidents of corruption

ENVIRONMENT PERFORMANCE



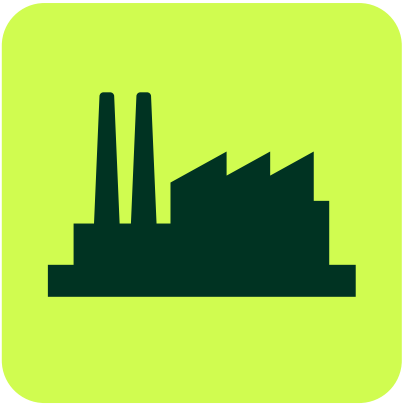
20.1M Clean electricity produced



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

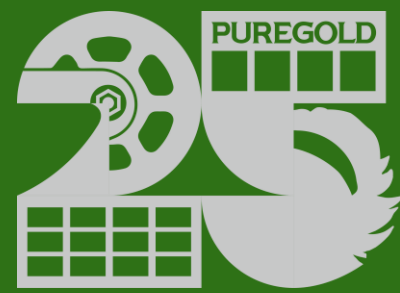


2093 MT Solid waste was reused while **1260 MT** was recycled



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

