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9M24 RESULTS & PERFORMANCE

Puregold Price Club, Inc. Presentation
November 2024

PUREGOLD 25 Years of Serbisyong Always Panalo Para Sa Pilipino

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Pure Play Philippine Food Retailer

A Proxy for the Philippine Consumption Story

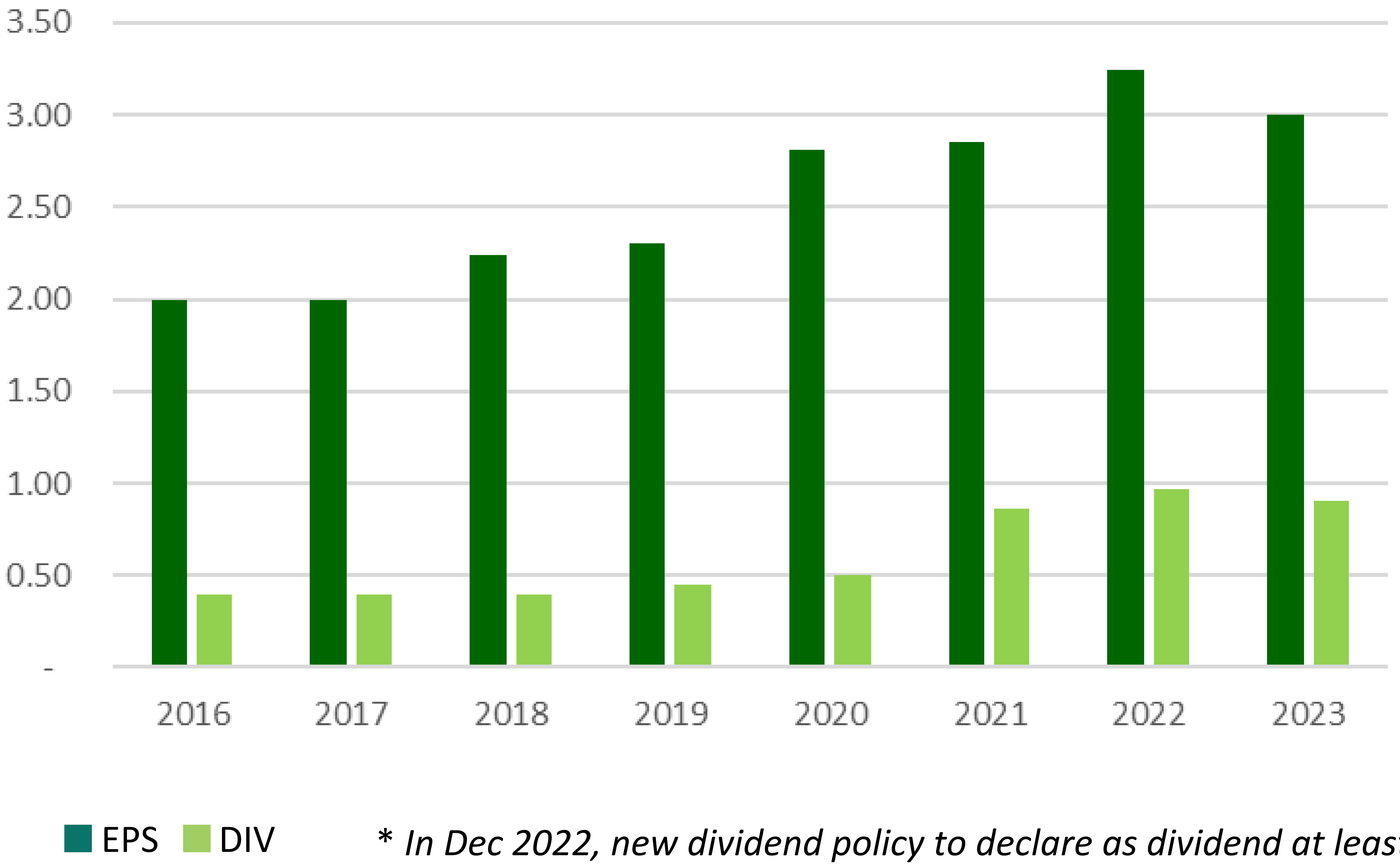
- Robust topline growth from an enterprise with the broadest consumer segments
- Healthy cash flows and a simple capital structure
- Two marquee brands in Philippine retail: Puregold stores and S&R WHs
- Beneficiary of a nation with a growing middle class and a young population
- Preferred partner of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

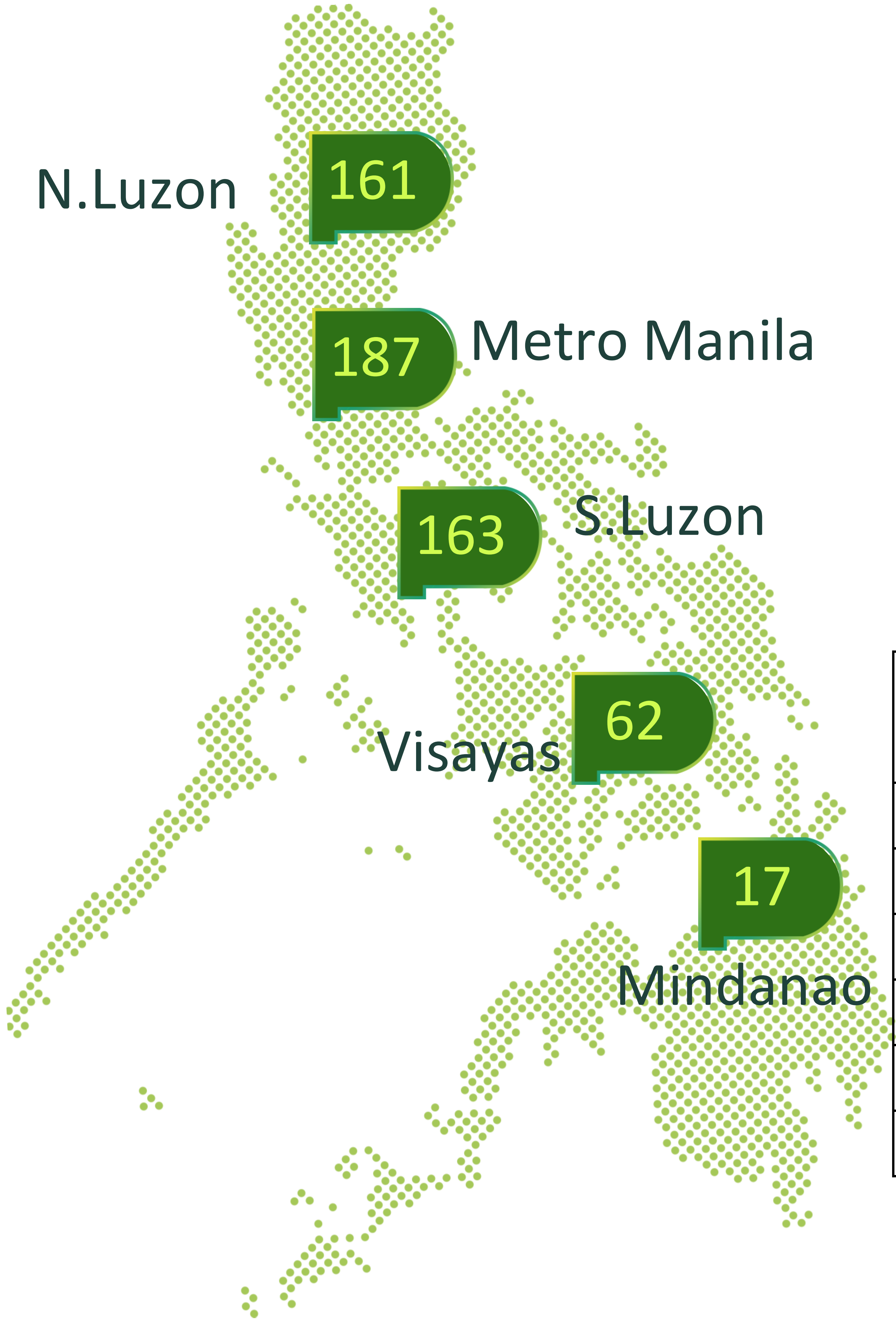
- End to End Supply Chain Reinvention for the Top 1.5k SKUs per region
- Efficient local assortment
- Robust Cold Chain & structure to support Fresh Plans

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 – 9M 2024

GEOGRAPHIC COVERAGE



KEY STATS

TOTAL NUMBER OF STORES	**590**
NO. OF STORES PER FORMAT	341 hypermarkets 98 supermarkets 66 extra/minimart 28 S&Rs 57 S&R QSRs

	PUREGOLD	S&R	S&R QSR
Metro Manila	148	11	28
North Luzon	147	5	9
South Luzon	143	7	13
Visayas	52	3	7
Mindanao	15	2	-
Total	**505**	**28**	**57**

NEW PG + S&R STORES 2024

Opened

19 new Puregold Stores
closed 2 stores
3 new S&R Warehouse
(**1** under renovation) &
3 new S&R QSR

NET SELLING AREAS (in sqm)

Puregold	564,164 sqm
S&R	141,182 sqm
QSR	5,285sqm
Total	**710,631 sqm**

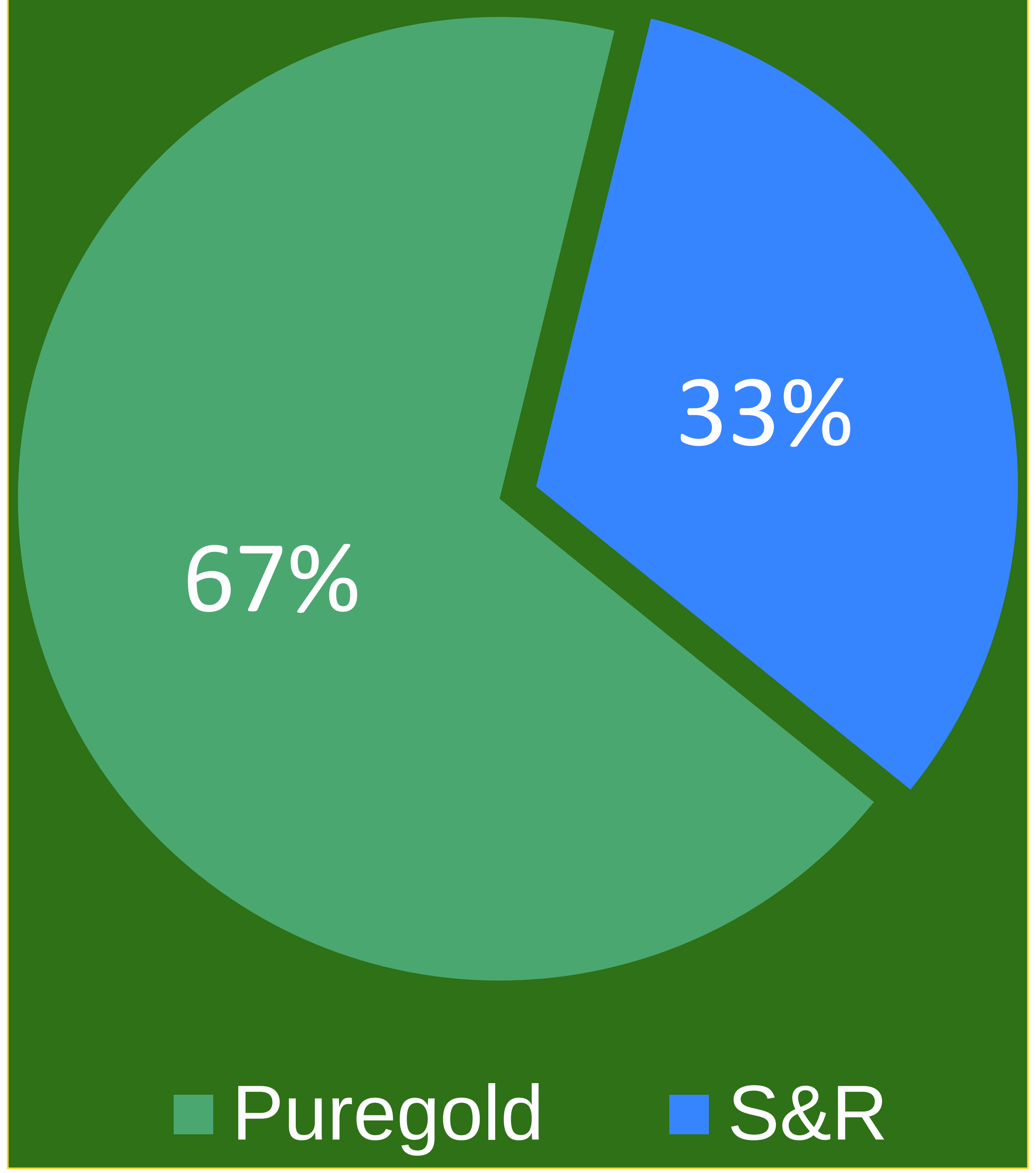
Financial Performance – 9M 2024

Php in thousands	9M 2024	%	9M 2023	%	Change	%
Net Sales	**P151,975,275**	**100.0%**	**P139,298,608**	**100.0%**	**P12,676,667**	**9.1%**
Cost of Sales	124,324,313	81.8%	113,763,568	81.7%	10,560,746	9.3%
Gross Profit	27,650,962	**18.2%**	25,535,041	**18.3%**	2,115,922	8.3%
Other Operating Income	2,454,639	1.6%	2,308,963	1.7%	145,676	6.3%
Operating Expenses	19,703,863	**13.0%**	17,807,535	**12.8%**	1,896,328	10.6%
Income from Operations	**10,401,739**	**6.8%**	**10,036,469**	**7.2%**	**365,270**	**3.6%**
Others-net	(1,459,873)	**-1.0%**	(1,472,450)	**-1.1%**	12,577	-0.9%
Income Tax Expense	2,033,196	1.3%	1,951,911	1.4%	81,285	4.2%
Income After Tax	**P6,908,669**	**4.5%**	**P6,612,108**	**4.7%**	**P296,562**	**4.5%**
EBITDA	***P14,403,890***	***9.5%***	***P13,736,025***	***9.9%***	***P667,865***	***4.9%***
EPS	**P2.41**		**P2.31**			

Operating Performance – 9M 2024

Like-for-like Growth %	Puregold		S&R	
	9M 2024 (449 stores)	9M 2023 (427 stores)	9M 2024 (21 wh)	9M 2023 (22 wh)
Net Sales	**3.5%**	4.8%	**4.1%**	4.1%
Ticket	**1.3%**	-0.4%	**2.4%**	-2.5%
Traffic	**2.2%**	5.2%	**1.7%**	6.7%

REVENUE CONTRIBUTION



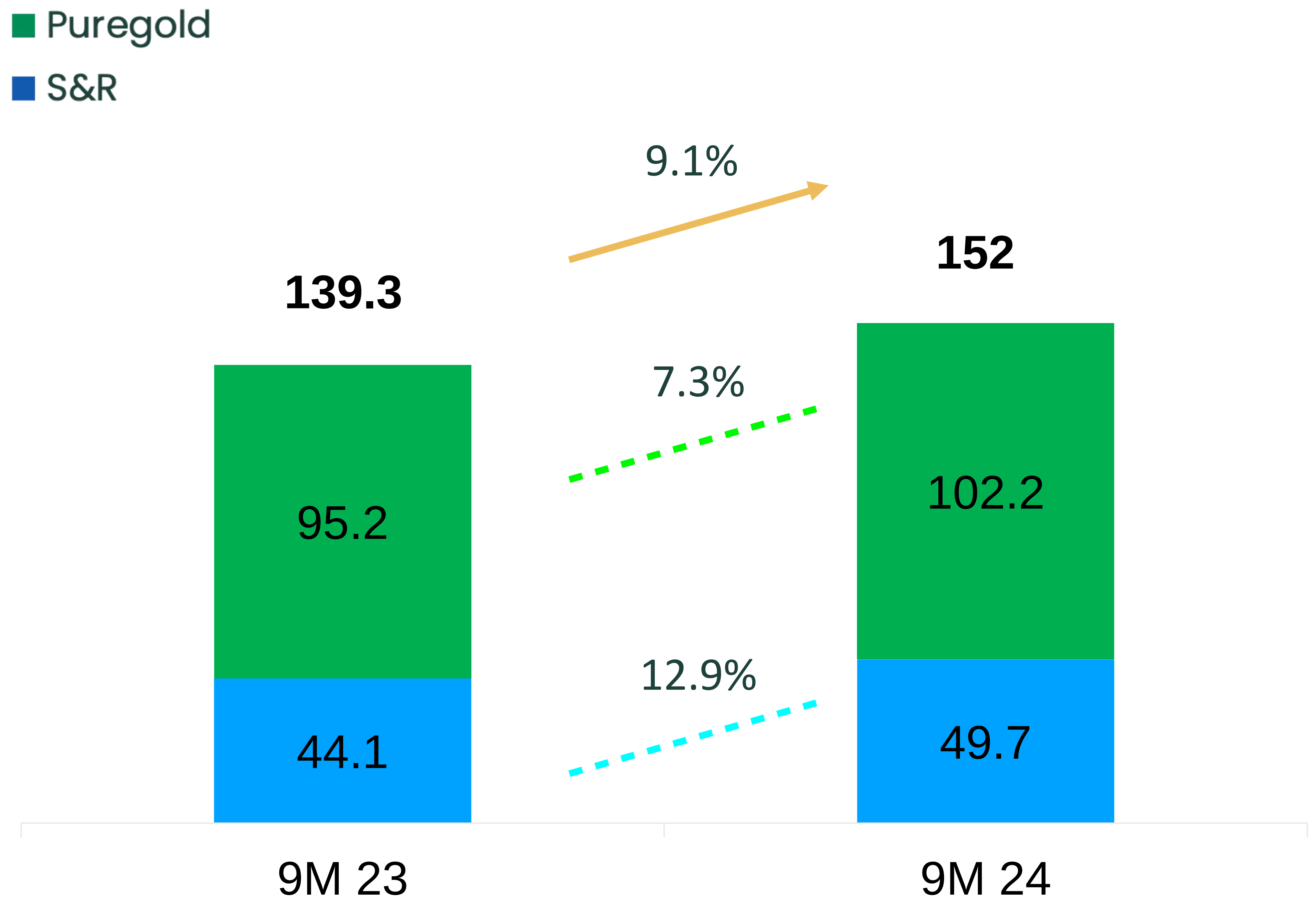
Overall	Store Count CY	Store Count PY	Traffic (in thousands) 9M 2024	Traffic (in thousands) 9M 2023	Traffic (in thousands) % growth	Ticket 9M 2024	Ticket 9M 2023	Ticket % growth
Puregold	505	481	107,389	100,503	6.9%	952	959	-0.7%
S&R WH	28	24	9,938	8,975	10.7%	4,804	4,783	0.4%

Financial Highlights – 9M 2024

	CONSO REVENUE	GROSS PROFIT MARGIN %	EBITDA MARGIN %	NIAT
9M 24	Php 151.98bn	18.2%	9.5%	Php 6.9 bn
YoY	+9.1%	-14 bps	-38 bps	+4.5%

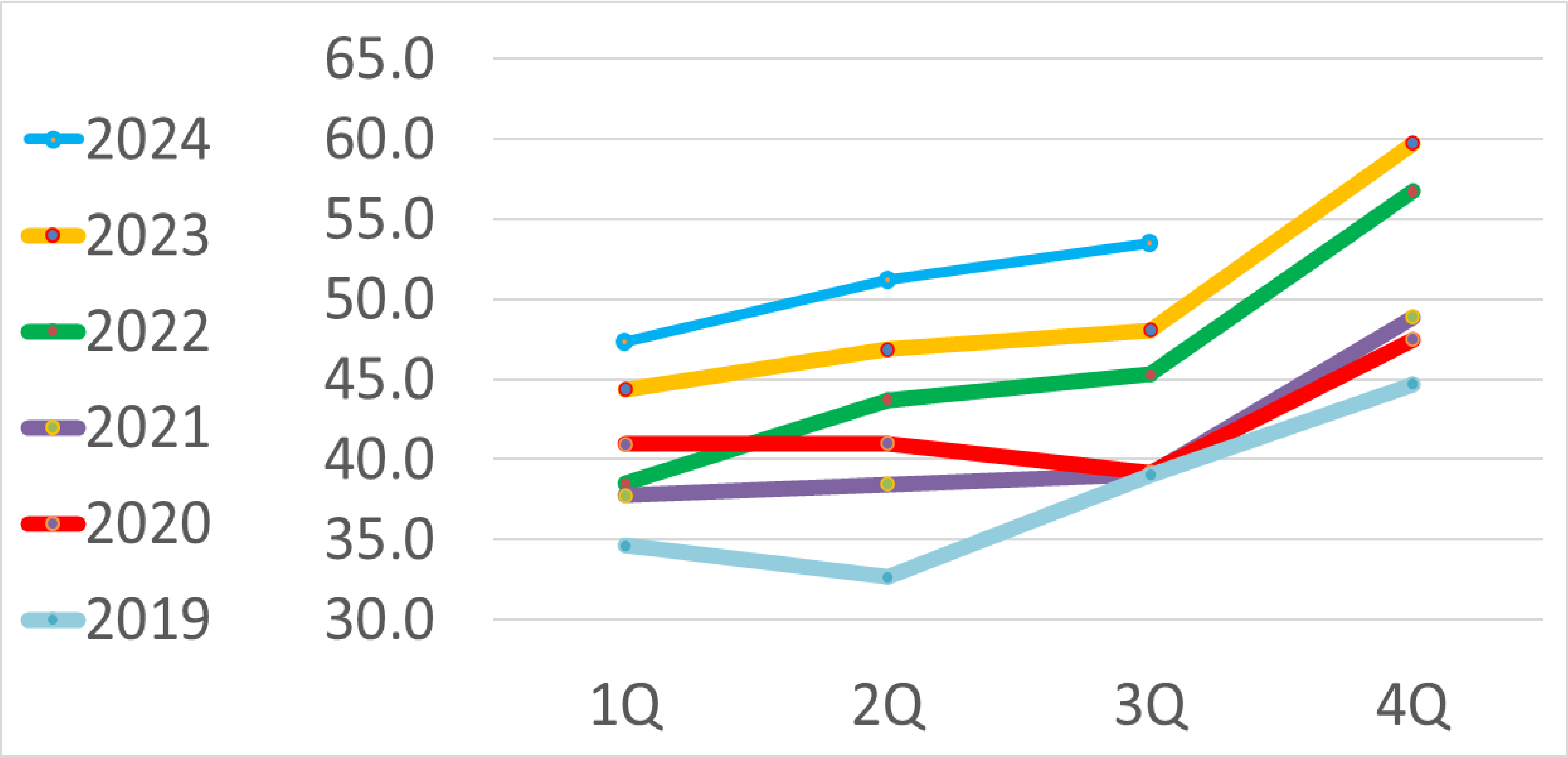
Financial Performance – Conso 9M 2024

NET SALES BREAKDOWN



QTR NET SALES TREND

in PHP Billions

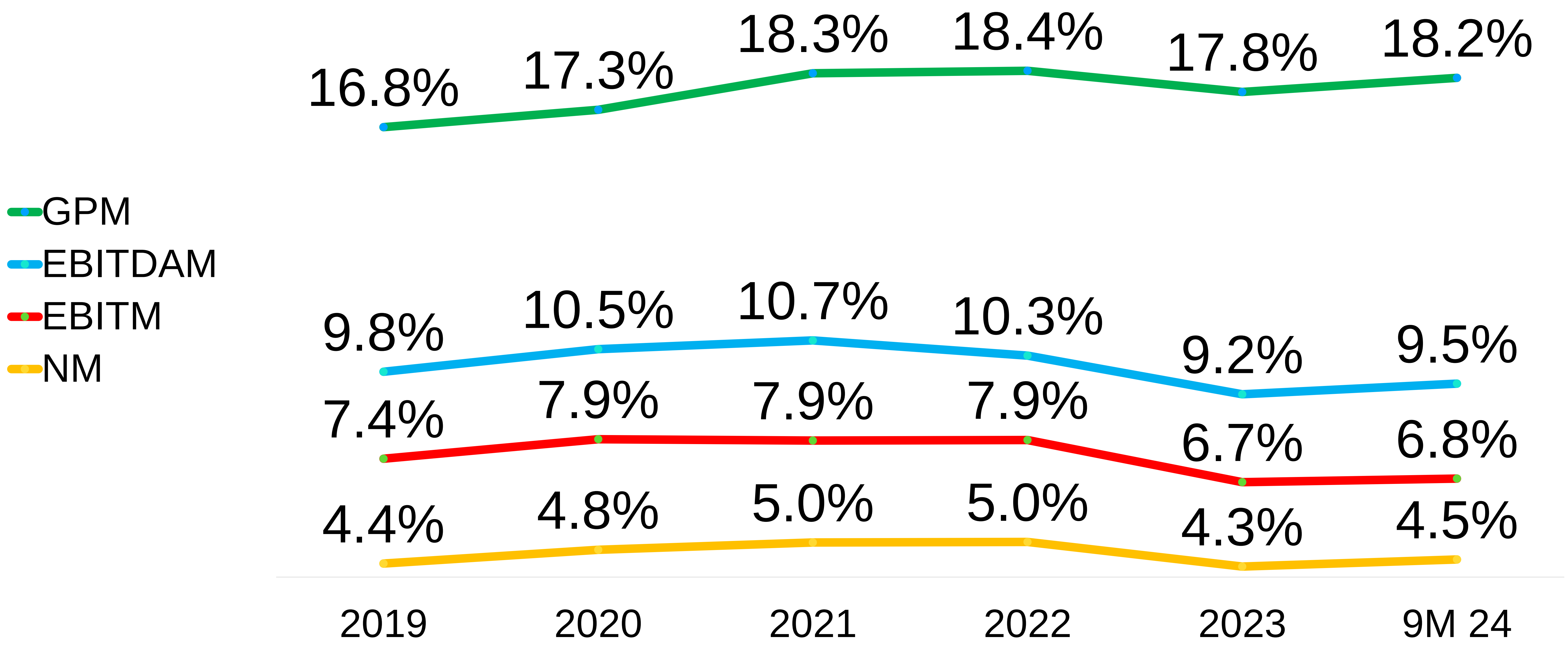


>> Record 9M net sales. High Single-digit sales growth YoY for the group.

>> 9M 24 YoY major contributors are higher traffic in PG store and S&R with higher in traffic and 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 9M 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 increases 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

Margin Trends – PG & S&R Only 9M24

2024 vs 2023			
Puregold Only	**1Q**	**2Q**	**3Q**
Rev Growth	5.8%	6.4%	9.7%
GPM	17.8%	16.1%	14.1%
SSSG	1.7%	2.0%	6.7%
S&R Only	**1Q**	**2Q**	**3Q**
Rev Growth	8.6%	15.5%	14.5%
GPM	23.2%	23.4%	22.1%
SSSG	-1.2%	6.0%	7.6%

>> Groupwide competitive pricing initiatives for market share volume growth coupled with improvement in SSSG

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

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

Update on Puremart Acquisition 2024

Acquisition Cost:	Php 568 million
EV/EBITDA Multiple:	4x
# of stores:	at least 120-130 stores
Average Store size:	150 sqm
Rationale:	Address “proximity shopping” Cheaper costs (less than Php 2.5 million/store)

Q&A

Q&A

PUREGOLD

Thank you

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ANNEX

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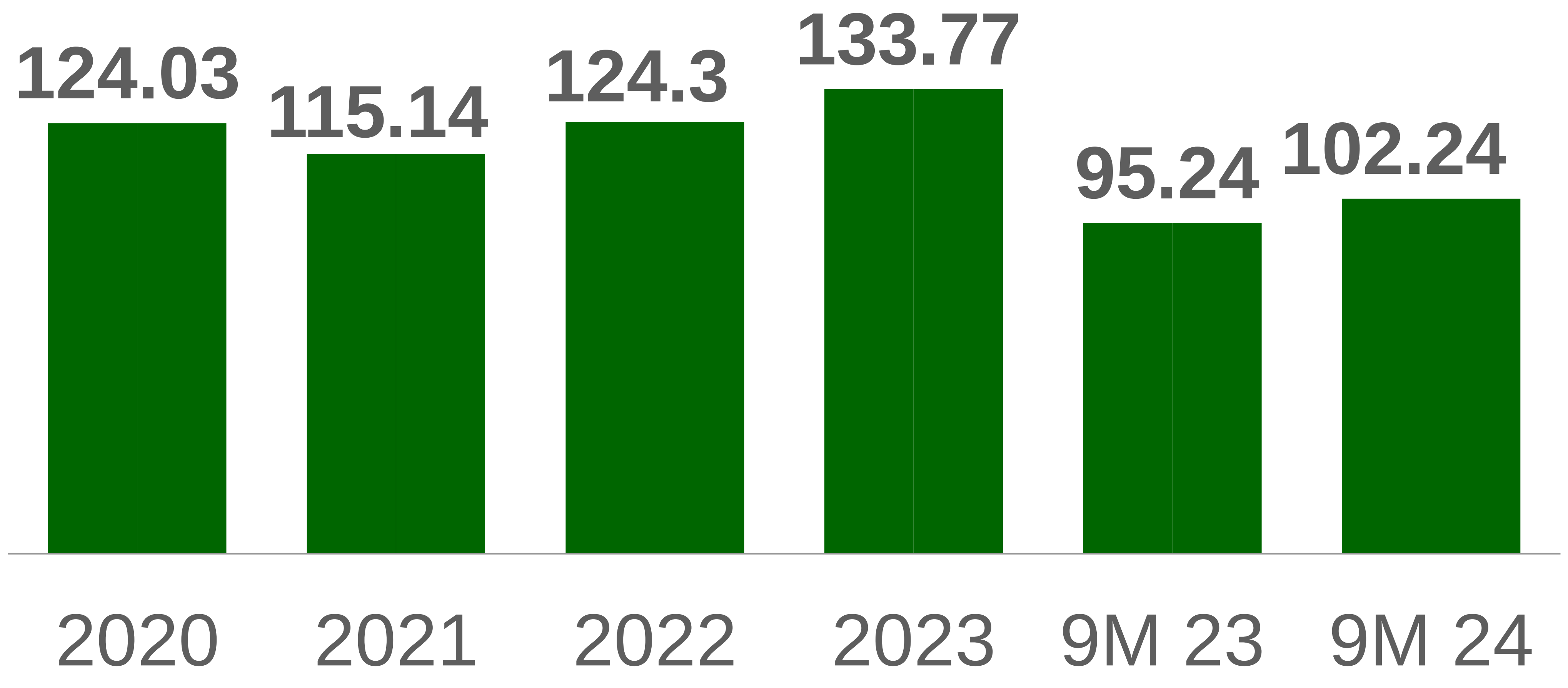
Financial Performance 9M24 – PGOLD Only

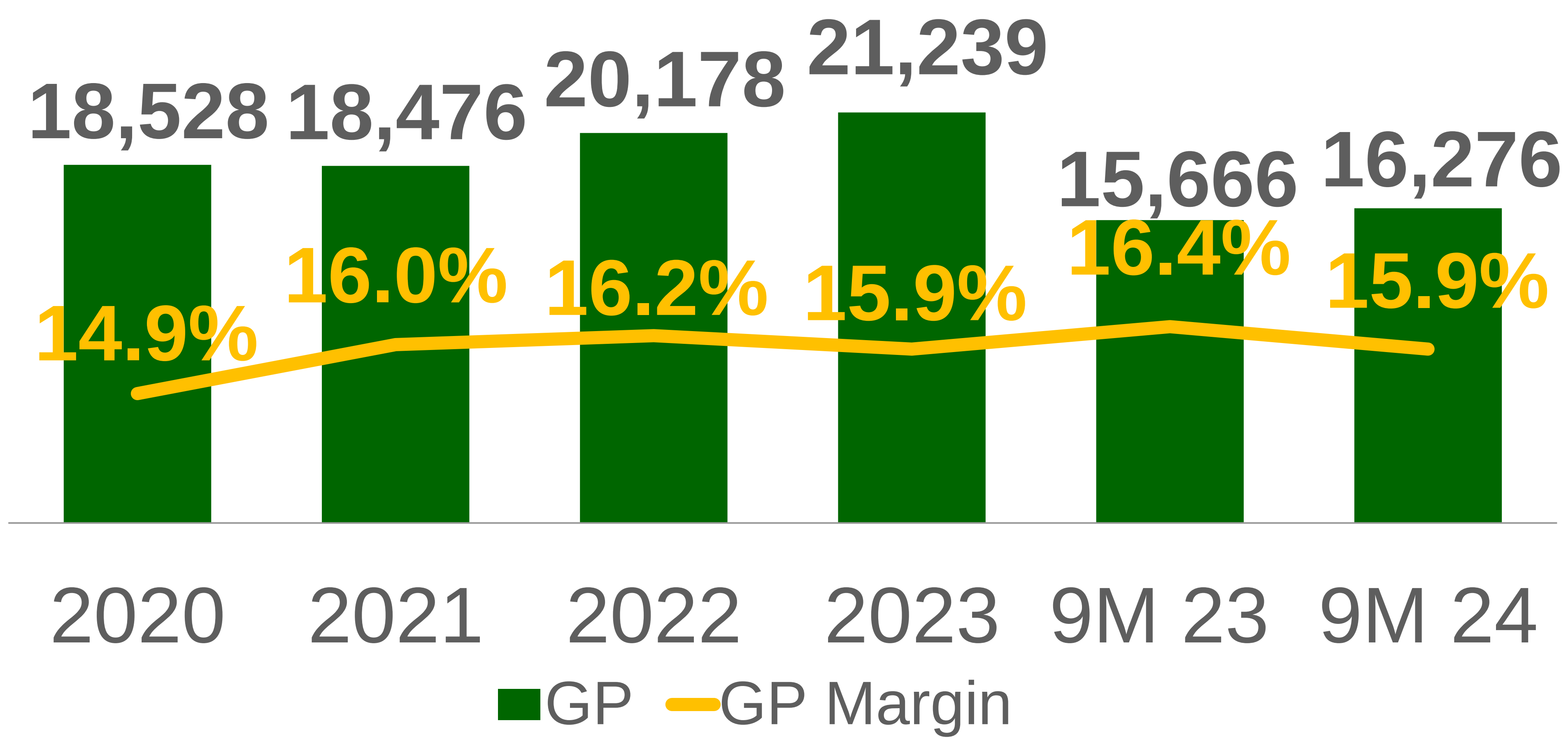
NET SALES (in PHP Billions)



3YCAGR 2.6%

7.3%

GROSS PROFIT & MARGIN (in PHP Billions)

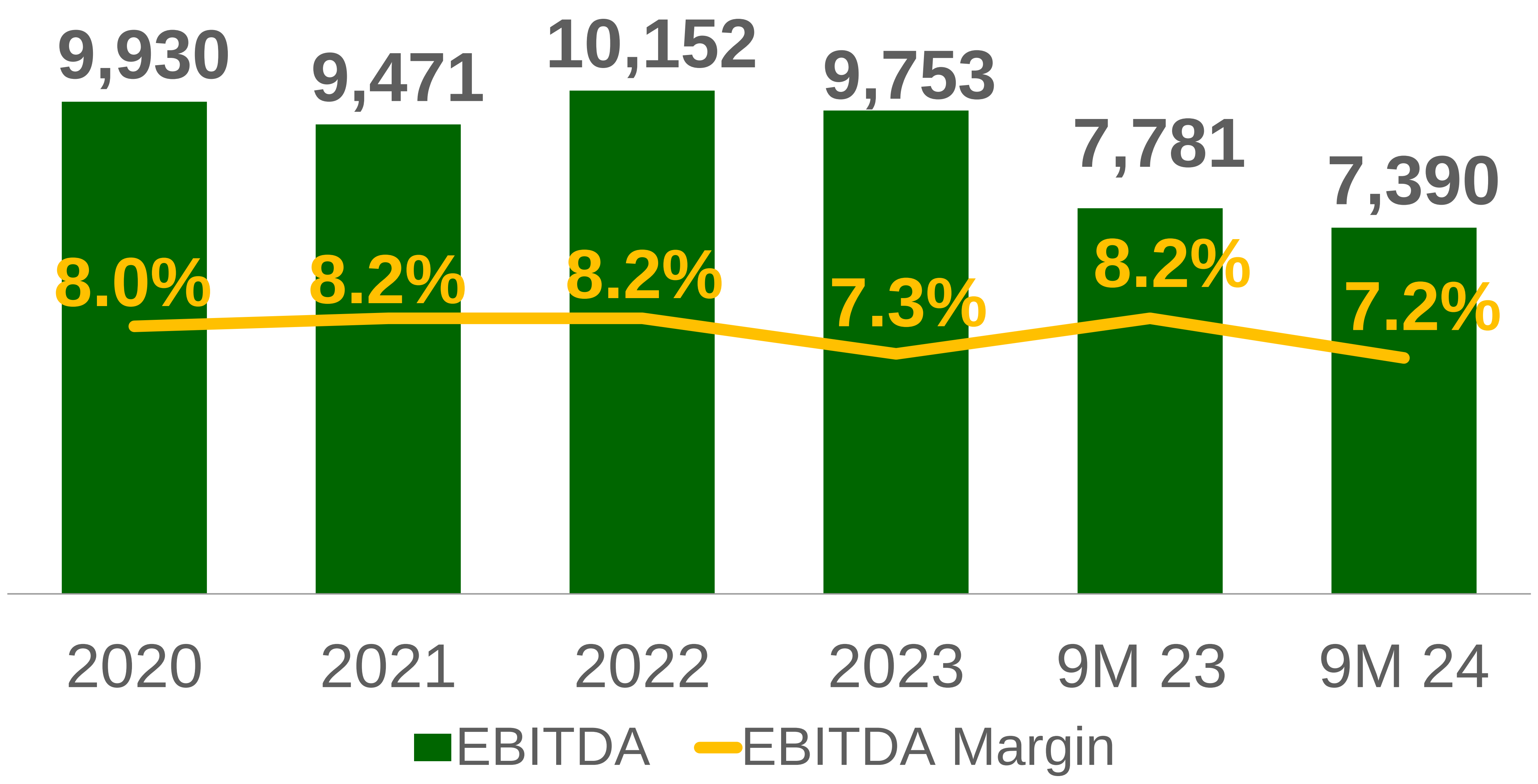


3YCAGR 4.7%

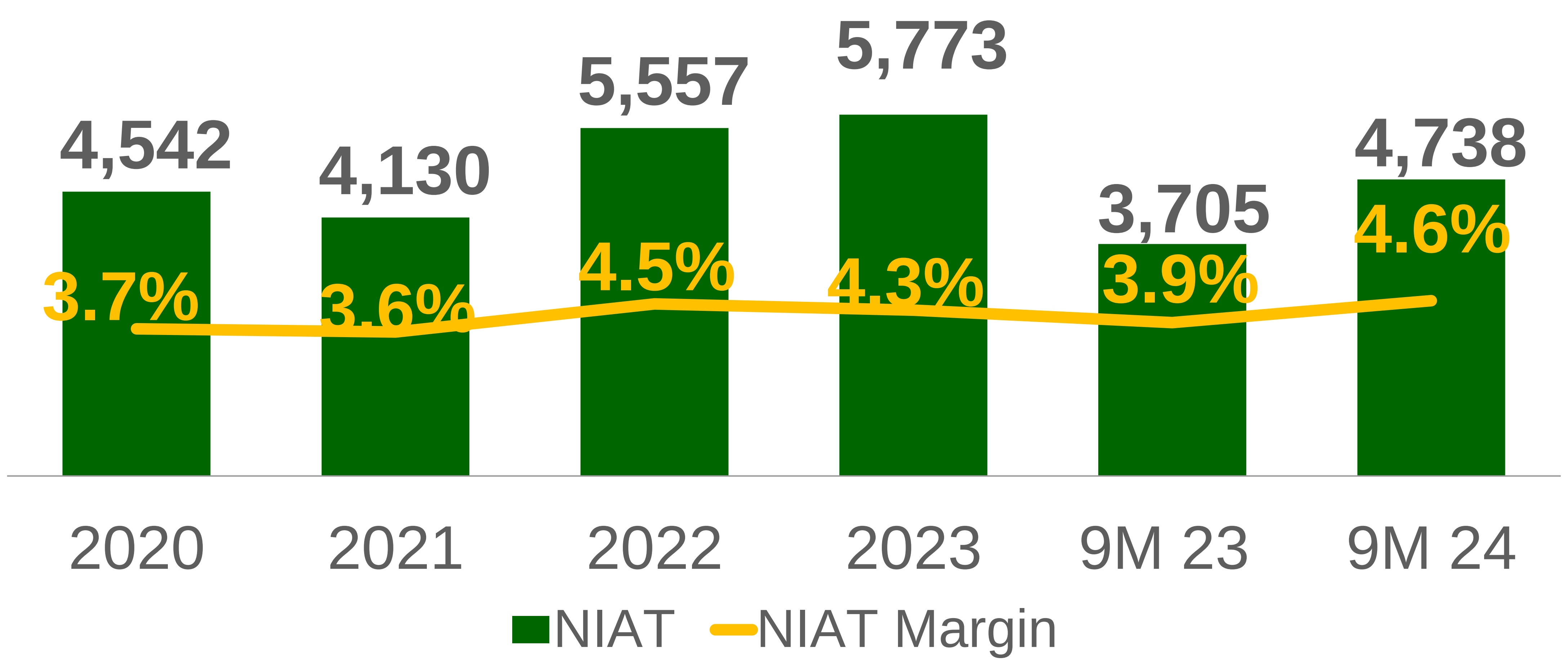
3.9%

Financial Performance 9M24 – PGOLD Only

EBITDA & MARGIN (in PHP millions)



NET INCOME & MARGIN (in PHP Millions)

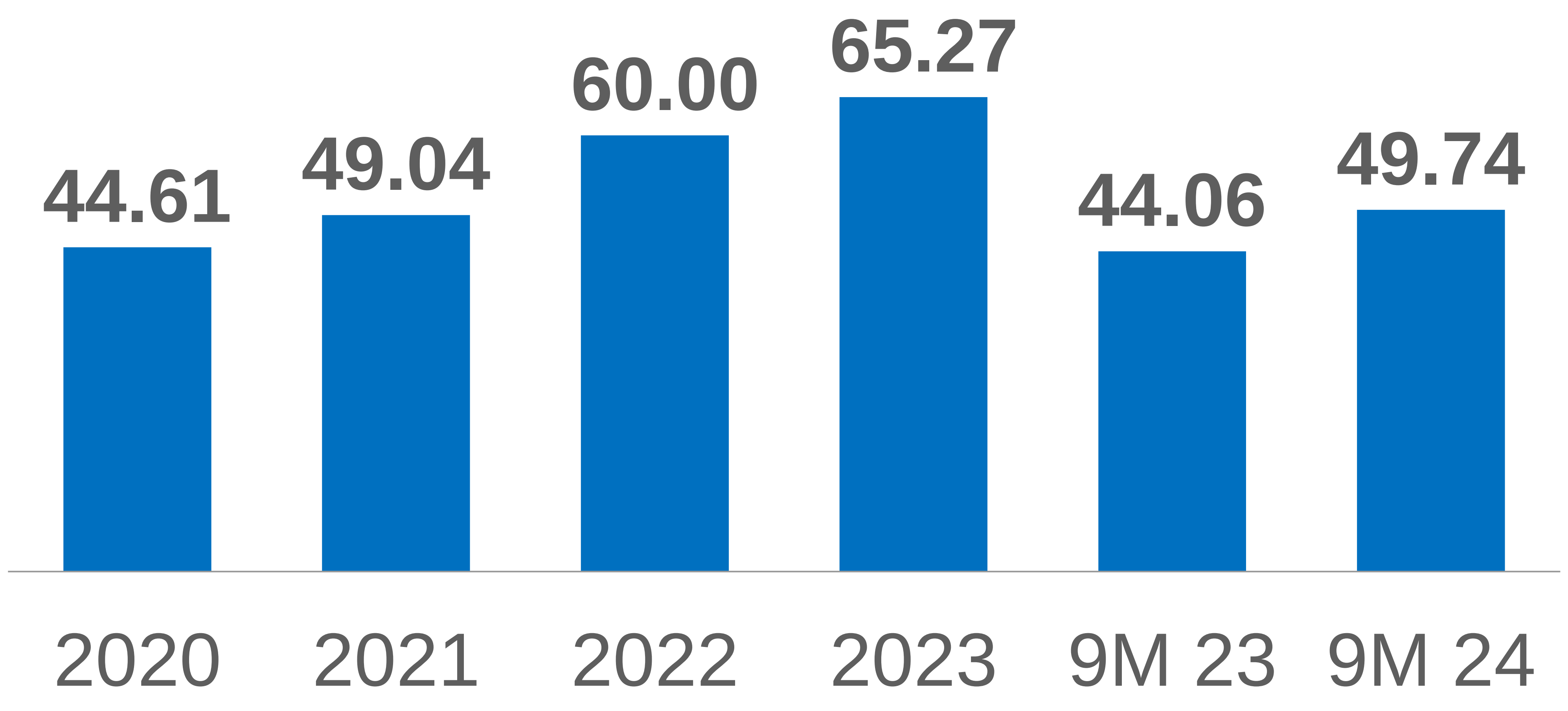


▽ 3YCAGR -0.6% ▽ 5%

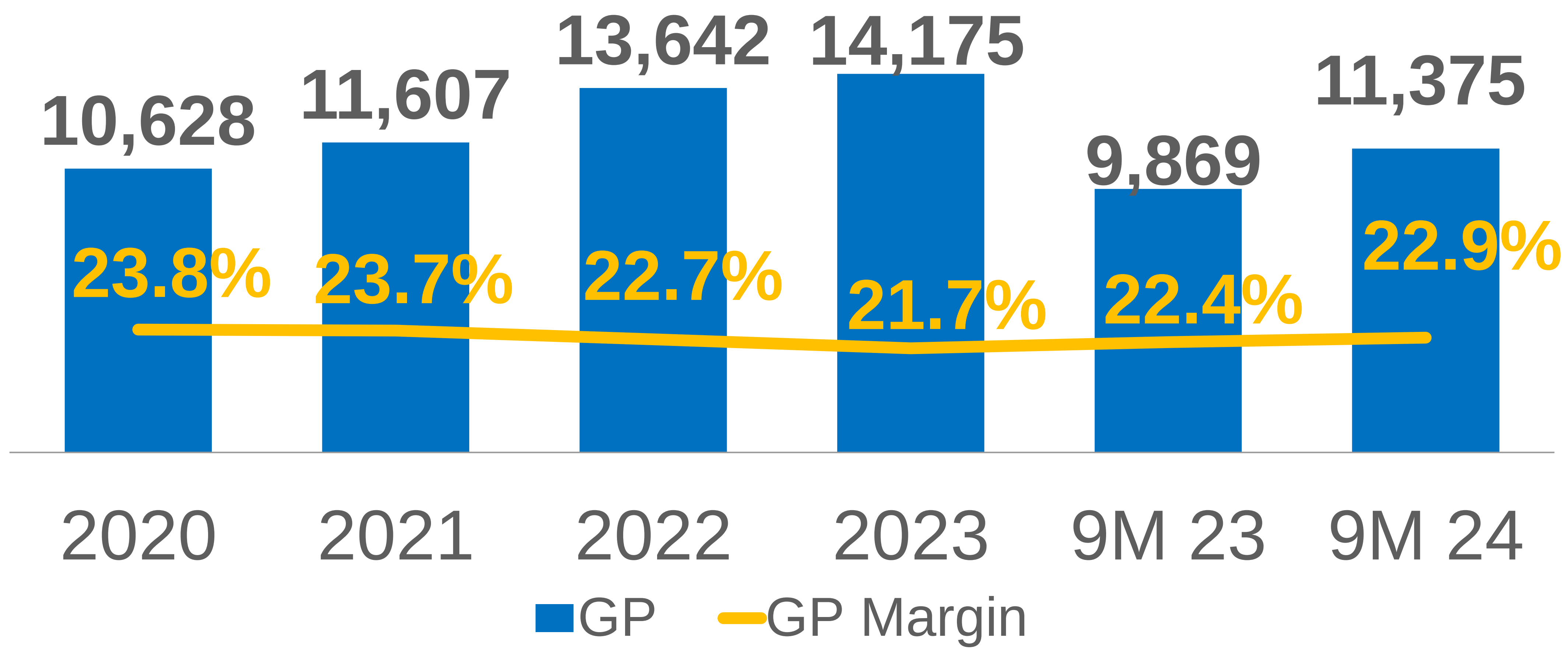
△ 3YCAGR 8.3% △ 27.9%

Financial Performance 9M24 – S&R Only

NET SALES (in PHP Billions)



GROSS PROFIT & MARGIN (in PHP Billions)

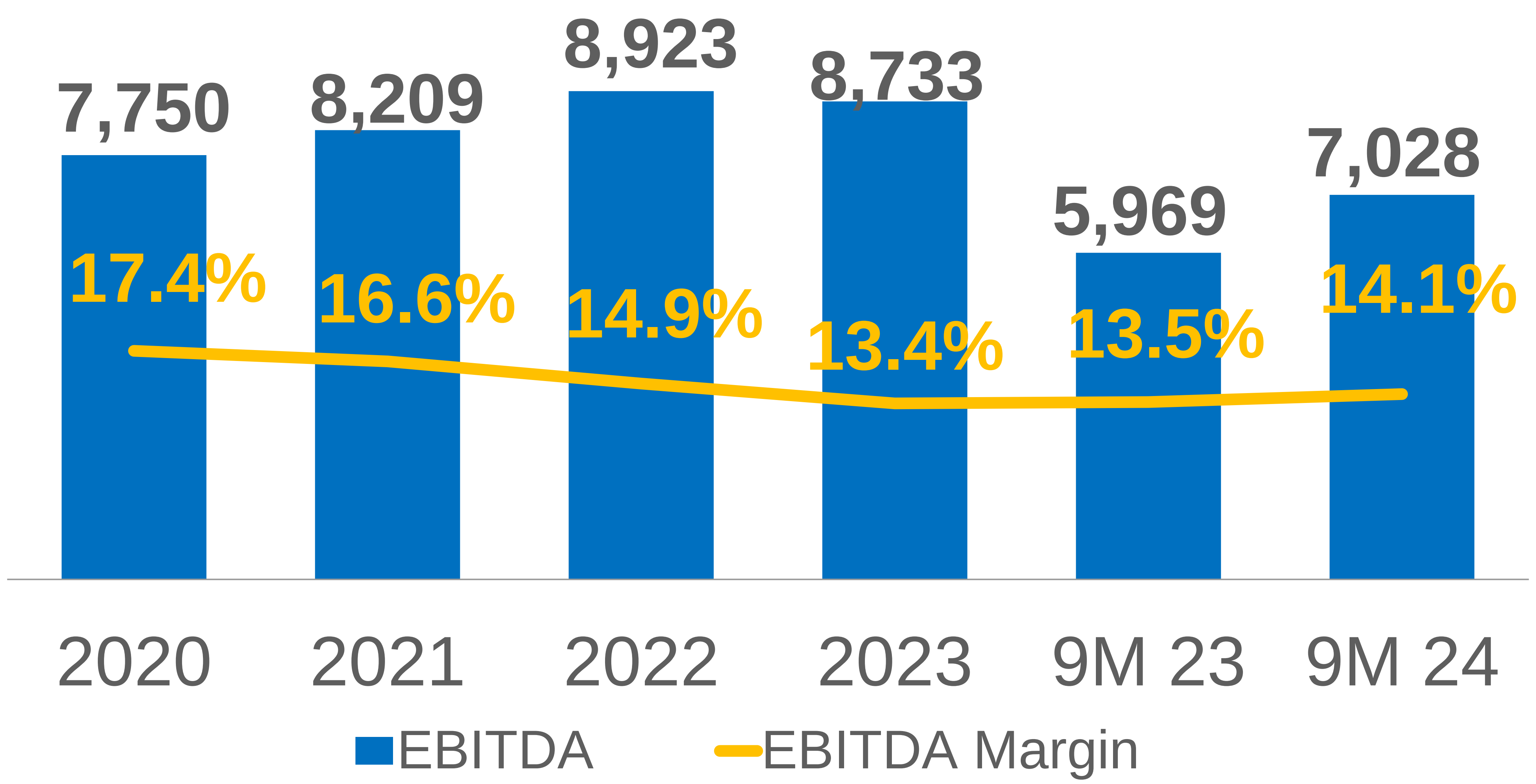


3YCAGR 13.5% | 12.9%

3YCAGR 10.1% | 15.3%

Financial Performance 9M24 – S&R Only

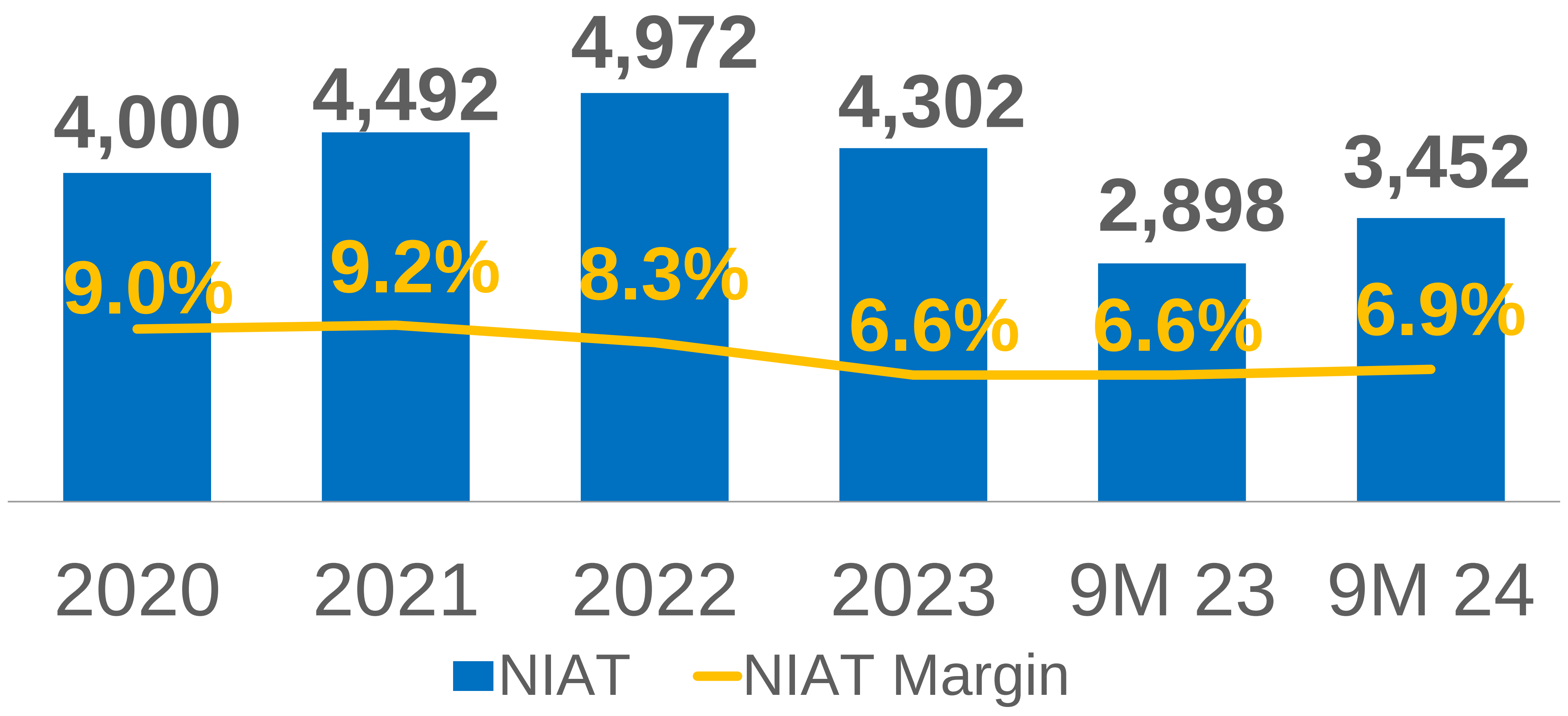
EBITDA & MARGIN (in PHP millions)



3YCAGR 3.8%

17.7%

NET INCOME & MARGIN (in PHP Millions)



3YCAGR 2.5%

19.1%

Financial Performance – 9M 2024

	DEC 2023	9M 23	9M 24
Trade Receivables Days	4.5	3.2	3.4
Inventory Days	61.6	69.0	65.0
Trade Payables Days	36.6	30.0	31.5
Cash Conversion Cycle	29.6	42.1	36.8

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

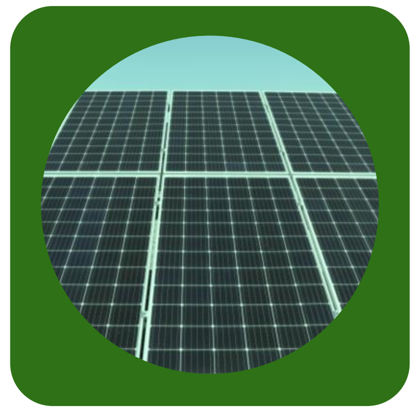
13,058 total no. of direct employees

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

1 NO POVERTY

2 ZERO HUNGER

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

15 LIFE ON LAND

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

SUSTAINABLE DEVELOPMENT GOALS