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# 1H25 RESULTS & PERFORMANCE

Puregold Price Club, Inc. Presentation

August 2025


PUREGOLD 25 Years of Serbisyong Always Panalo Para Sa Pilipino

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# HEAD OFFICE ADDRESS


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# Pure Play Philippine Food Retailer

## A Proxy for the Philippine Consumption Story

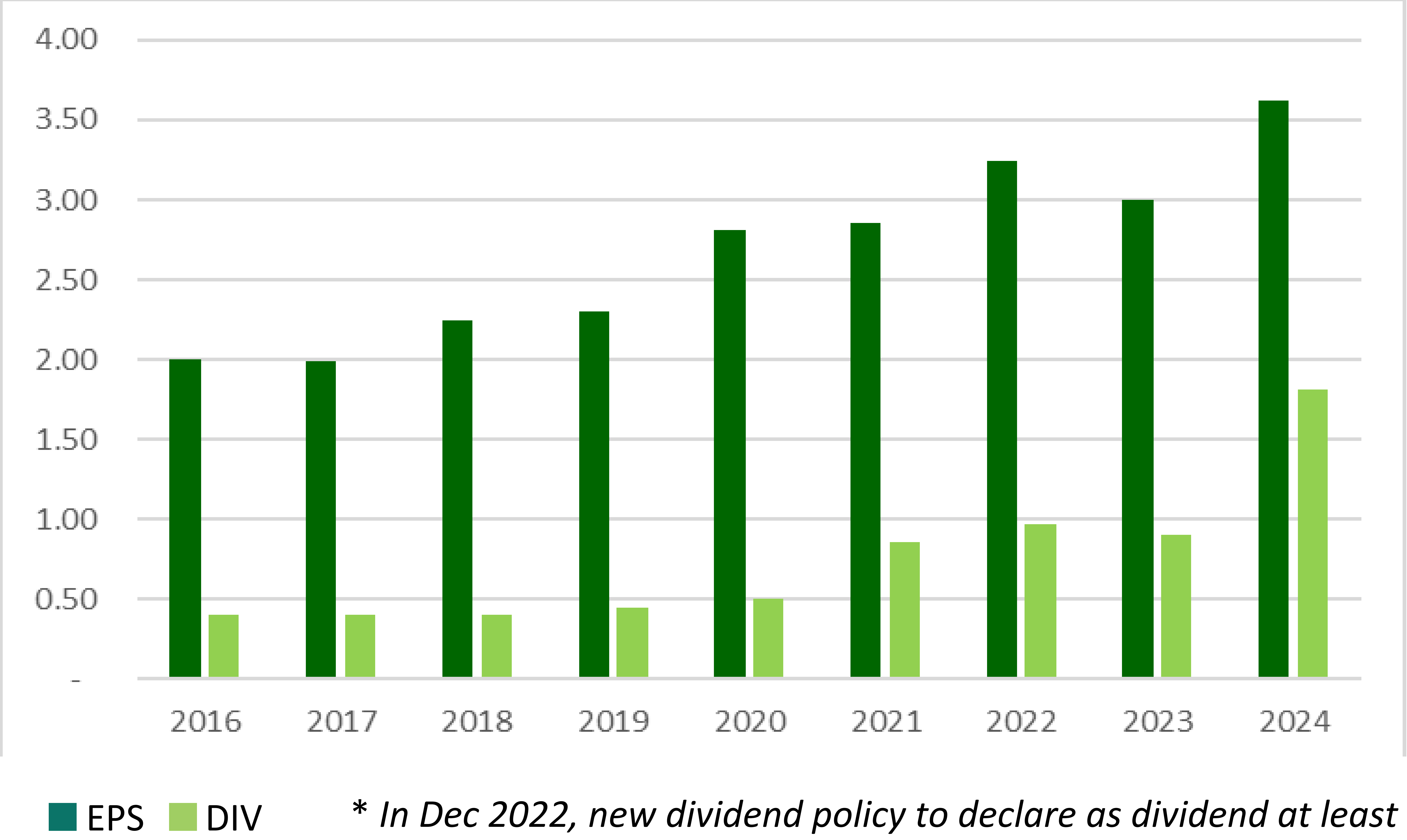
- Robust topline growth from an enterprise with the broadest consumer segments
- Healthy cash flows and a simple capital structure
- Two marquee brands in Philippine retail: Puregold stores and S&R WHs
- Beneficiary of a nation with a growing middle class and a young population
- Preferred partner of 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 |
| **2024** | 3.62 | 1.81 |
| **5YR CAGR** | **9.5%** | **32.1%** |

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

# Pillars of Growth 2025 - 2026


## More Stores

- +8% to 10% organic store expansion in more provincial areas (2nd to 4th class municipalities)
- Development and expansion of Puremart in dense communities


## More Loyal Shoppers

- High potential shopper wholesale initiatives & "salo-salo" program
- APAR expansion (from 750 to 1,000)
- Localized assortment, pricing & promo initiatives
- HORECA business development


## Bigger & Profitable Baskets

- Disproportionate growth of the Fresh category
- Disproportionate growth of House Brands
- Joint Business Plans for TOP 10 Suppliers to grow base brands & develop growth categories


## Robust Supply Chain

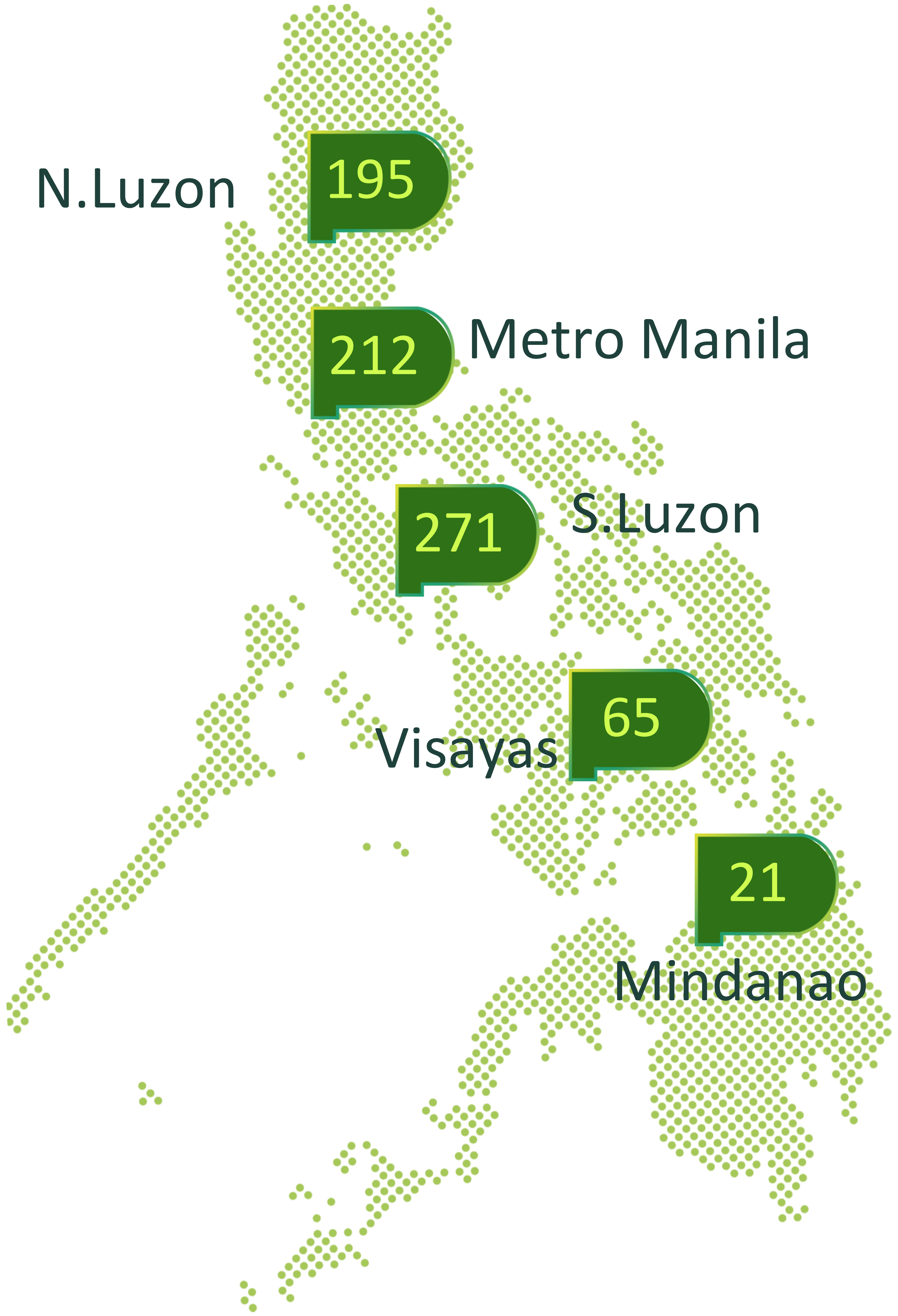
- End to End Supply Chain Reinvention for the Top 1.5k SKUs per region
- Efficient local assortment
- Robust Cold Chain & structure to support Fresh Plans


## Org Development & ESG Sustainability

- Institute rollout of training programs on the identified core competencies.
- Top talent development & succession planning
- Institute good governance practices: transparency / rule of law / inclusiveness / environment / shareholder

# Store Portfolio – 1H 2025

## GEOGRAPHIC COVERAGE




## KEY STATS

| | |
|---|---|
| **TOTAL NUMBER OF STORES** | **764** |
| NO. OF STORES PER FORMAT | 353 hypermarkets<br>96 supermarkets<br>64 extra/minimart<br>153 Puremart<br>31 S&Rs<br>67 S&R QSRs |

| | PUREGOLD | S&R | S&R QSR |
|---|---|---|---|
| Metro Manila | 170 | 12 | 30 |
| North Luzon | 177 | 6 | 12 |
| South Luzon | 246 | 8 | 17 |
| Visayas | 55 | 3 | 7 |
| Mindanao | 18 | 2 | 1 |
| **Total** | **666** | **31** | **67** |

## NEW PG + S&R STORES 2025

Opened

**13** new Puregold Stores +

**153** Puremart Stores

**1** new S&R Warehouse,

**1** re-opening & **5** new S&R QSR

## NET SELLING AREAS (in sqm)

| | |
|---|---|
| Puregold | 584,920 sqm |
| S&R | 155,157sqm |
| QSR | 5,878 sqm |
| **Total** | **745,955 sqm** |

# Financial Performance – 1H 2025

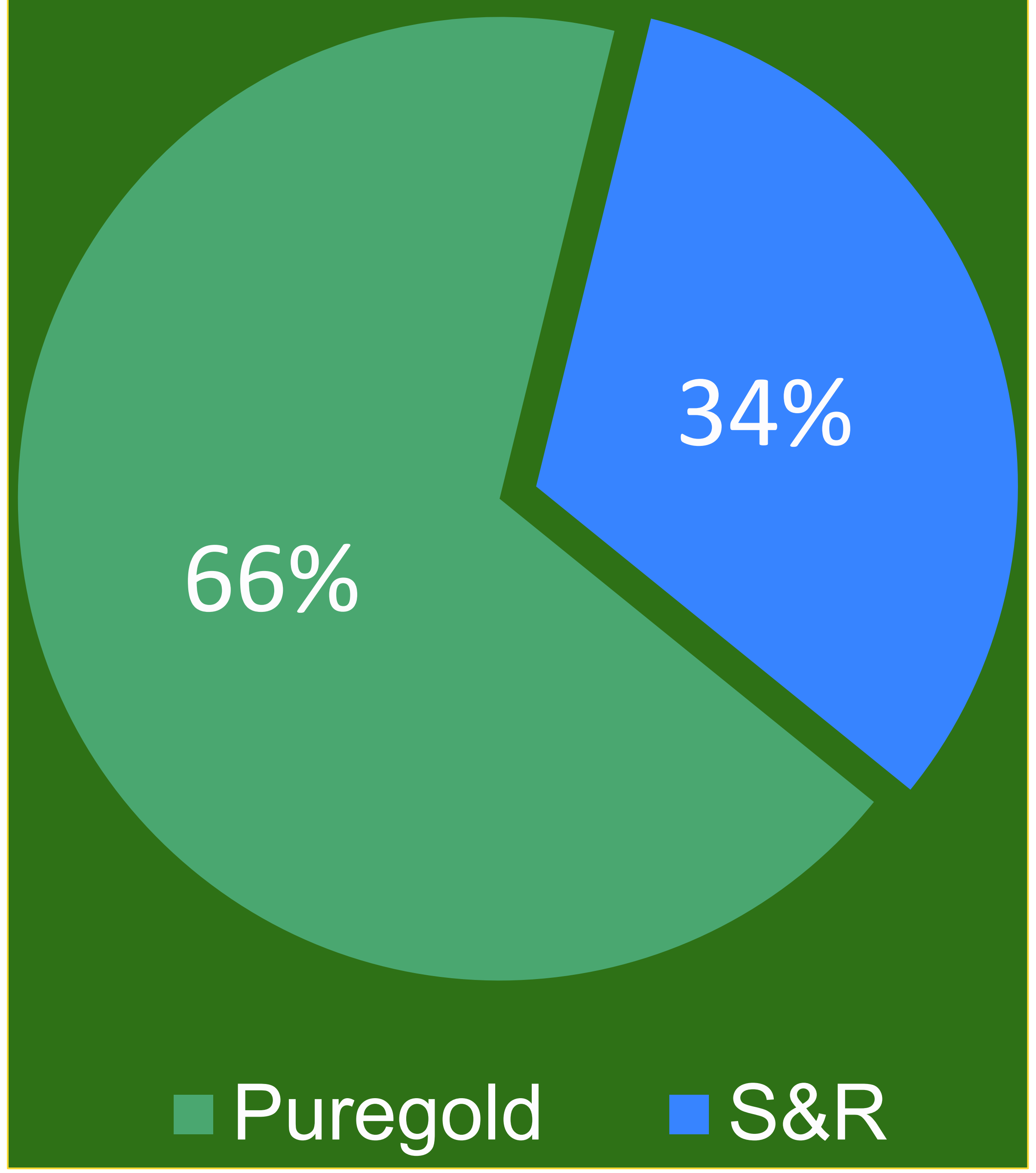
| *Php in thousands* | 1H 2025 | % | 1H 2024 | % | Change | % |
|---|---|---|---|---|---|---|
| **Net Sales** | **P109,876,818** | **100.0%** | **P98,497,538** | **100.0%** | **P11,379,279** | **11.6%** |
| Cost of Sales | 88,928,056 | 80.9% | 79,781,290 | 81.0% | 9,146,766 | 11.5% |
| **Gross Profit** | **20,948,762** | **19.1%** | **18,716,249** | **19.0%** | **2,232,513** | **11.9%** |
| Other Operating Income | 1,859,992 | 1.7% | 1,536,829 | 1.6% | 323,162 | 21.0% |
| Operating Expenses | 14,986,496 | 13.6% | 12,879,426 | 13.1% | 2,107,070 | 16.4% |
| **Income from Operations** | **7,822,257** | **7.1%** | **7,373,652** | **7.5%** | **448,605** | **6.1%** |
| Others-net | (966,249) | -0.9% | (965,025) | -1.0% | (1,224) | 0.1% |
| Income Tax Expense | 1,556,904 | 1.4% | 1,459,515 | 1.5% | 97,390 | 6.7% |
| **Income After Tax** | **P5,299,103** | **4.8%** | **P4,949,112** | **5.0%** | **P349,991** | **7.1%** |
| | | | | | | |
| ***EBITDA*** | ***P11,004,496*** | ***10.0%*** | ***P10,025,031*** | ***10.2%*** | ***P979,465*** | ***9.8%*** |

# Operating Performance – 1H 2025

| Like-for-like Growth % | Puregold | | S&R | |
|---|---|---|---|---|
| | Jun 2025 (476 stores) | Jun 2024 (449 stores) | Jun 2025 (25 wh) | Jun 2024 (21 wh) |
| Net Sales | **6.4%** | 1.9% | **4.7%** | 2.4% |
| Ticket | **5.3%** | -0.5% | **-8.8%** | 2.5% |
| Traffic | **1.0%** | 2.4% | **14.9%** | -0.1% |

| | | | Traffic *(in thousands)* | | | Ticket | | |
|---|---|---|---|---|---|---|---|---|
| **Overall** | Store Count CY | Store Count PY | Jun 2025 | Jun 2024 | % growth | Jun 2025 | Jun 2024 | % growth |
| Puregold | **666** | **498** | **77,863** | **70,799** | 10.0% | **934** | **935** | -0.1% |
| S&R WH | **31** | **28** | **8,241** | **6,492** | 27.0% | **4,323** | **4,759** | -9.2% |

REVENUE CONTRIBUTION

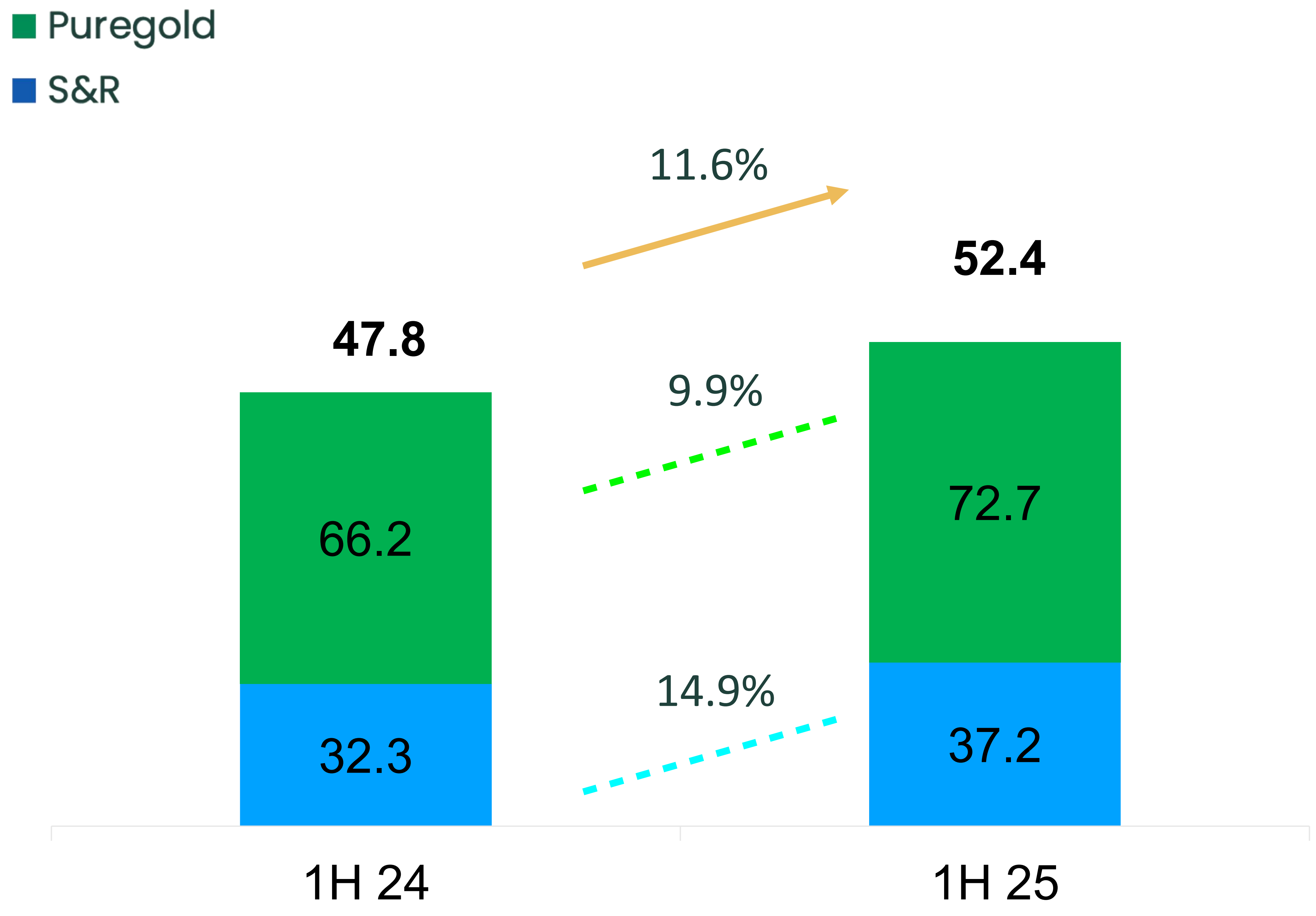


# Financial Highlights – 1H 2025

| | CONSO REVENUE | GROSS PROFIT MARGIN % | EBITDA MARGIN % | NIAT |
|---|---|---|---|---|
| 1H 24 | Php 109.88 bn | 19.1% | 10.5% | Php 5.3 bn |
| YoY | +11.6% | +6 bps | -16 bps | +7.1% |

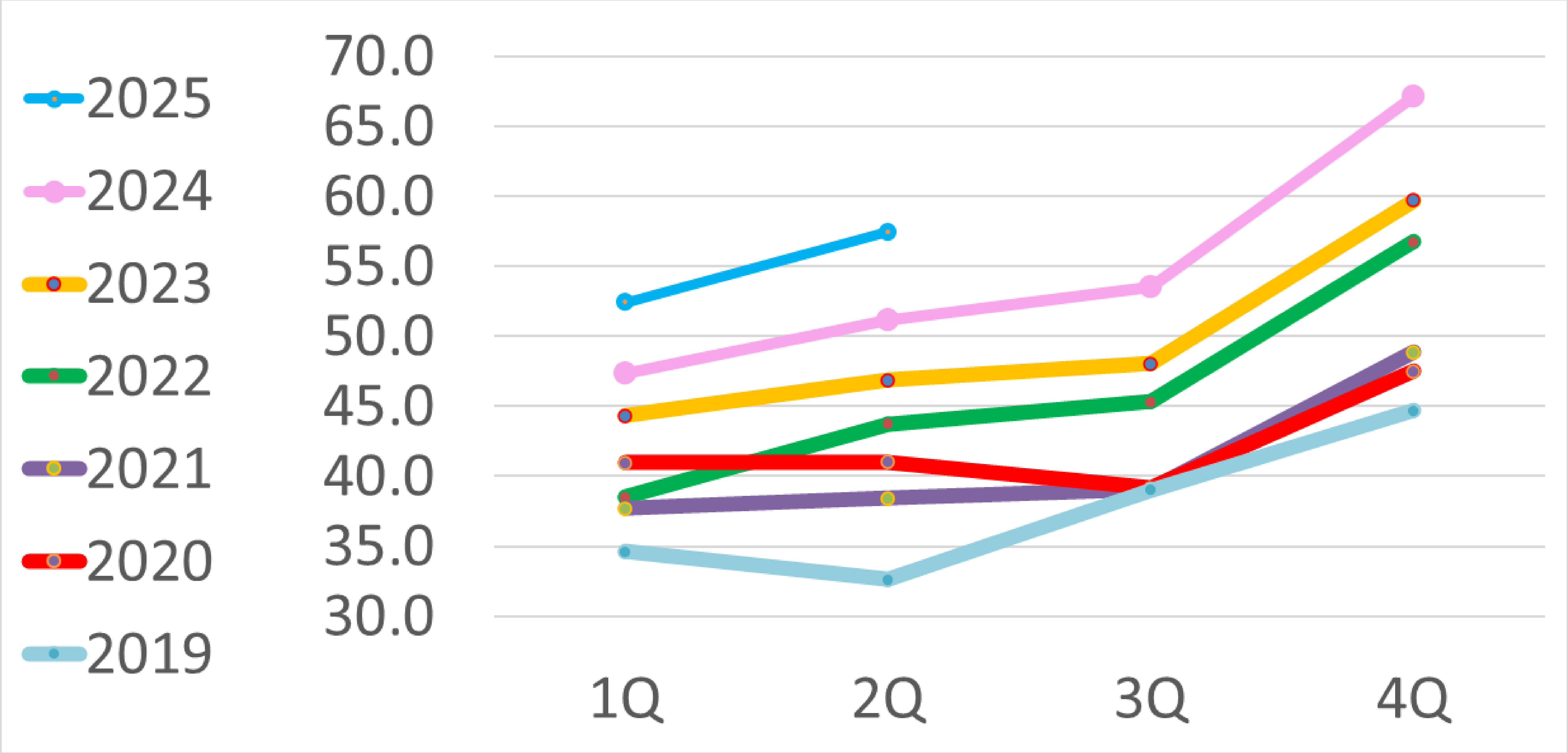
# Financial Performance – Conso 1H 2025

## NET SALES BREAKDOWN




## QTR NET SALES TREND

in PHP Billions

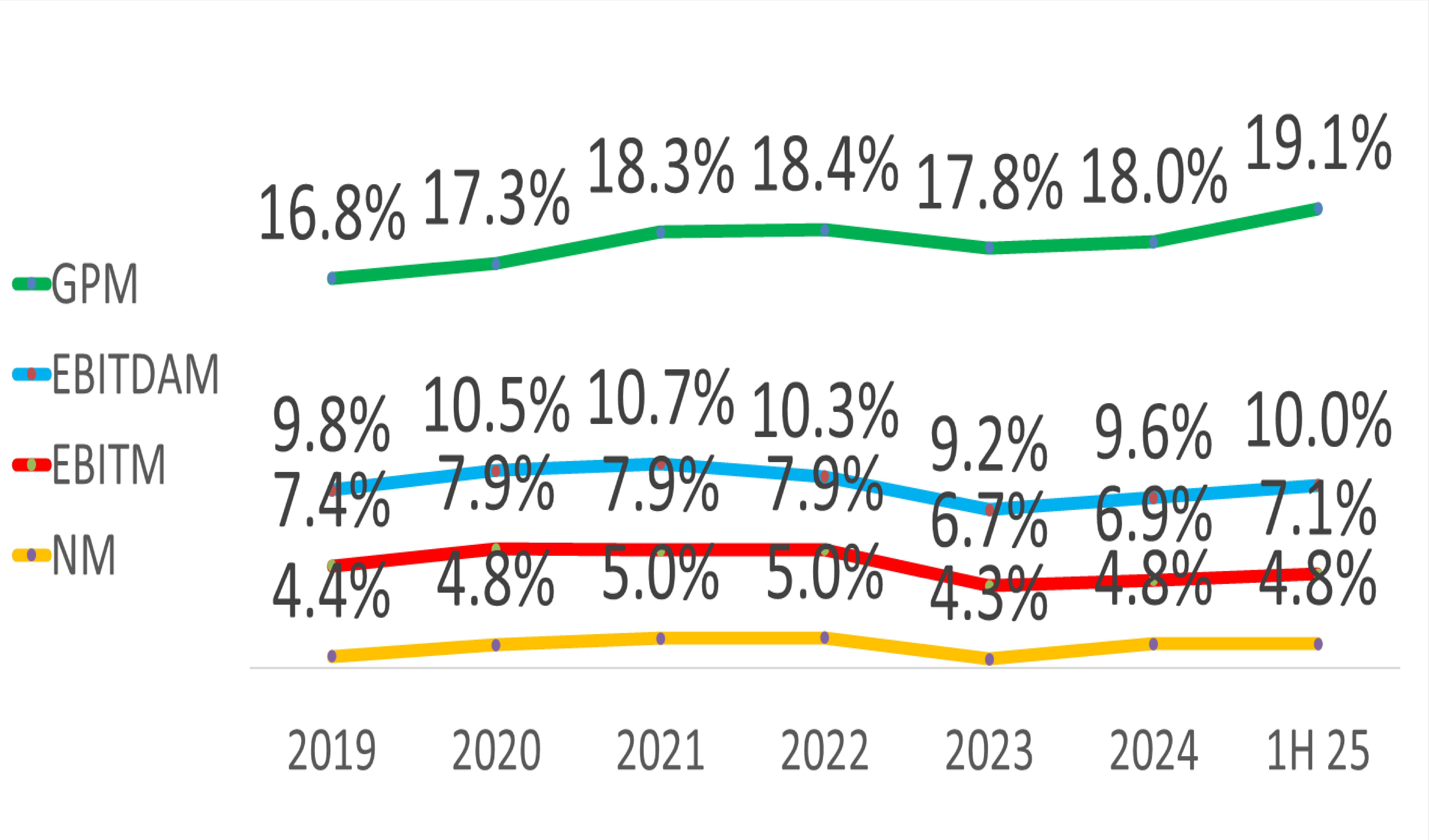



>> Record 1H 2025 net sales.  Double-digit sales growth YoY for the group.

>> 1H 25 YoY major contributors are higher ticket size in PG store and higher traffic for S&R.

>> 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 2025




>> 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

# CAPEX Guidance for FY 2025

**CAPEX Budget of Php 6.35 billion in 2025**

Php 1.9 billion for 30 new Puregold Stores

Php 3.0 billion for 3 S&R WHs and 14 S&R QSRs

Php 200 million for logistics capex

Php 1.25 billion for maintenance capex, solar projects and IT upgrades

# Revised Management Guidance 2025

<u>Consolidated Revenue Growth</u>

7% to 9% target

<u>Gross Profit Margin</u>

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: | 153 stores |
| Average Store size: | 150 sqm |
| Rationale: | Address “proximity shopping”<br>Cheaper costs (less than Php 2.5 million/store) |

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# Thank you

# ANNEX

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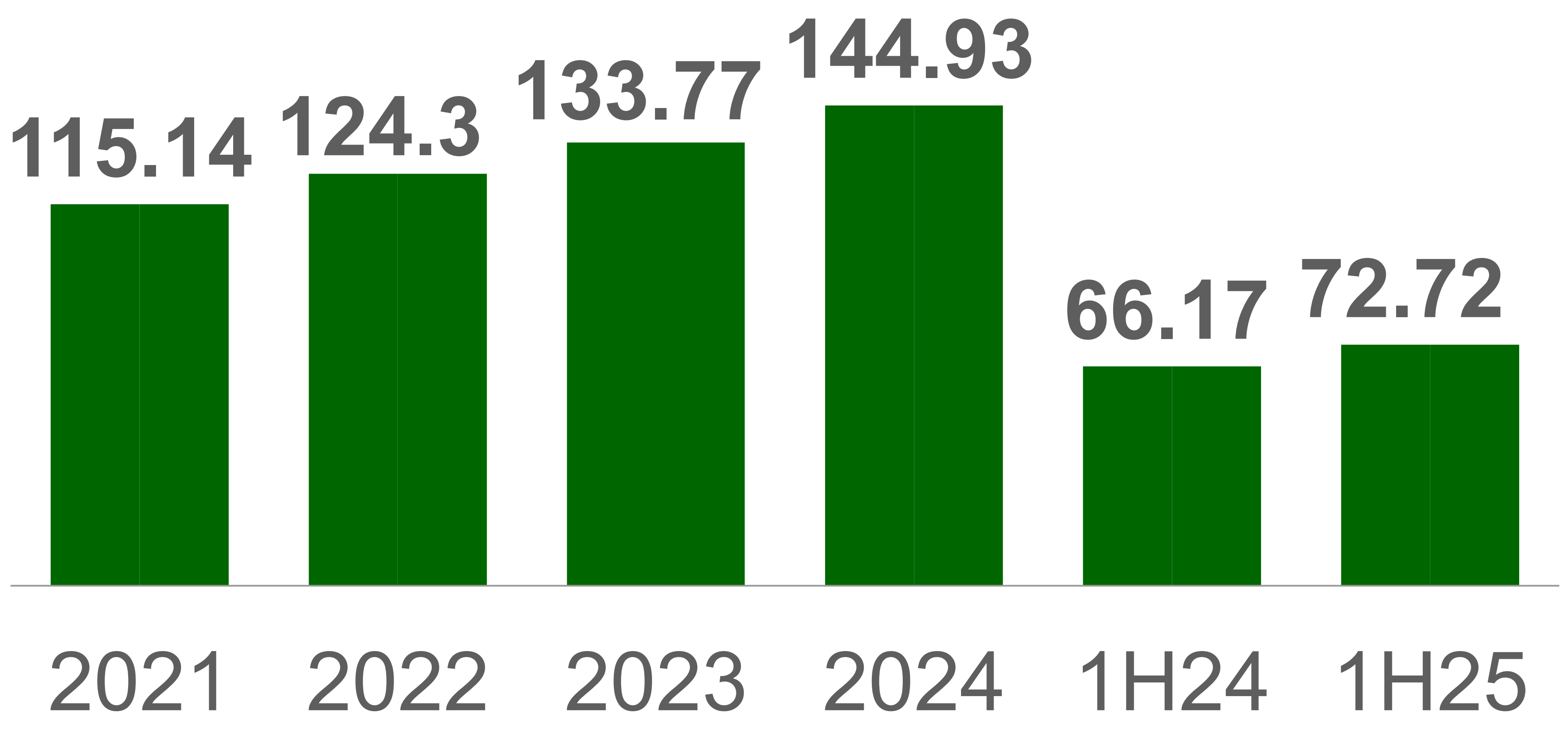
# Financial Performance 1H25 – PGOLD Only

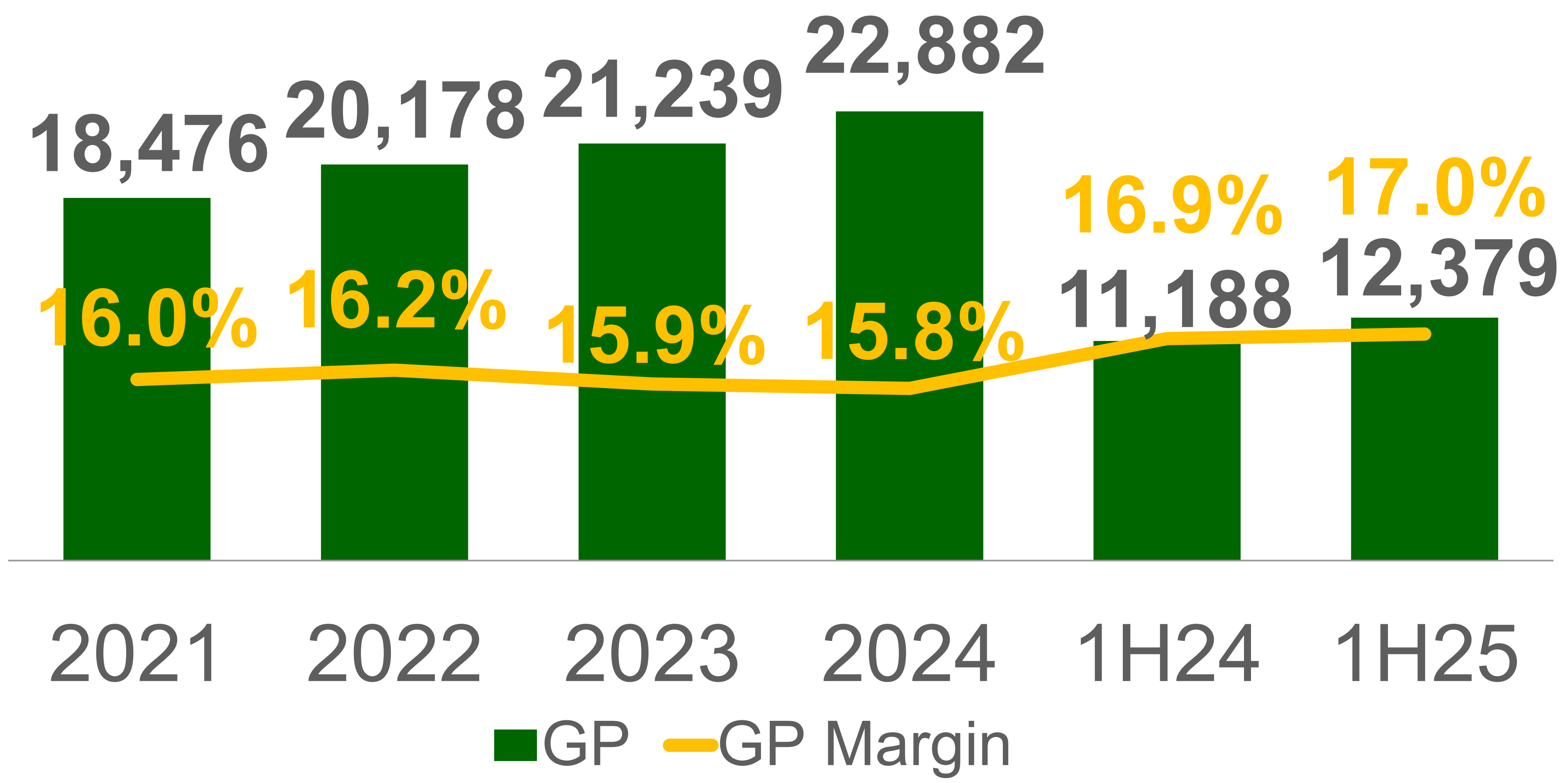
**NET SALES (in PHP Billions)**




3YCAGR 8%

9.9%

**GROSS PROFIT & MARGIN (in PHP Billions)**

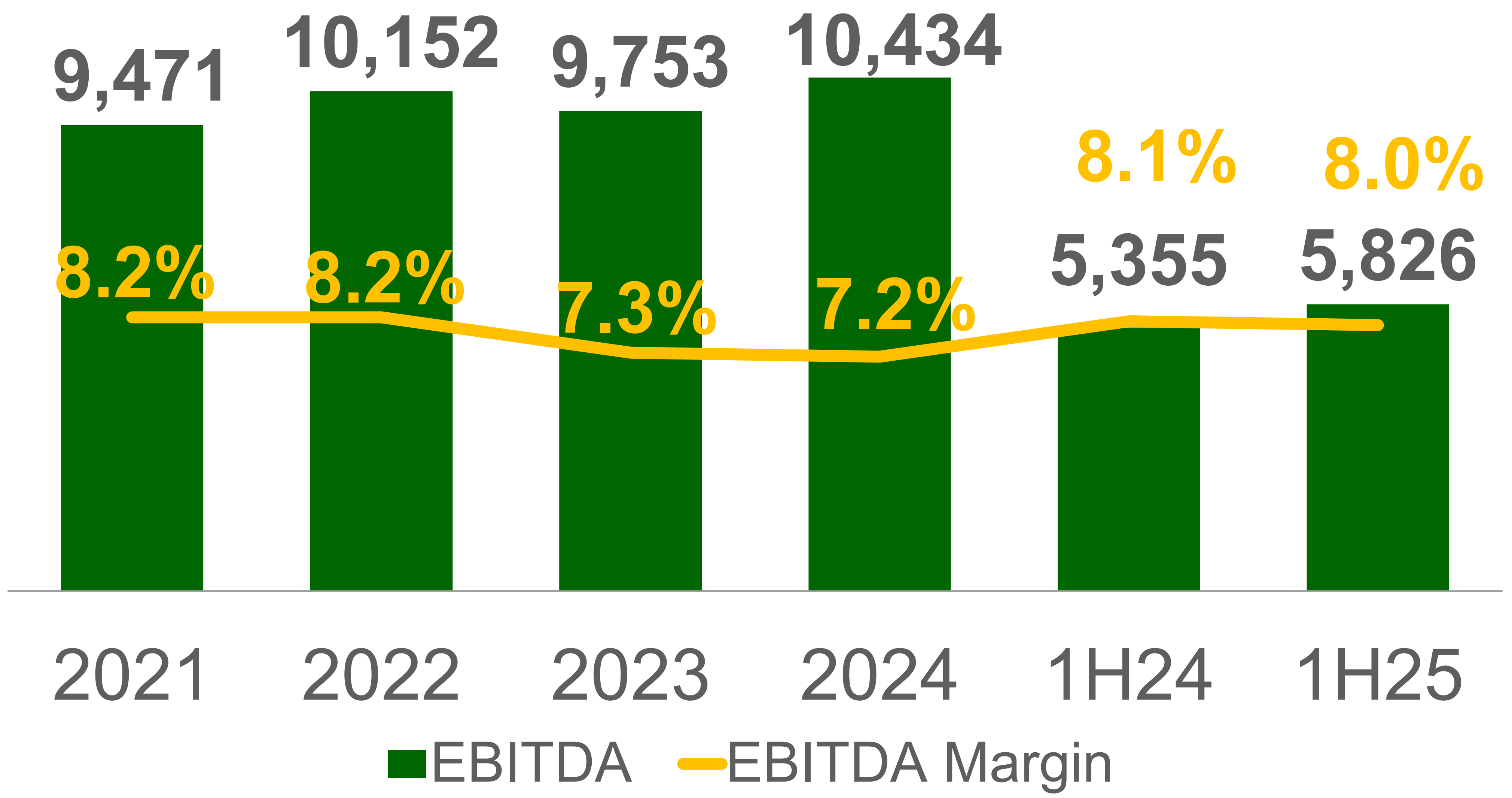



3YCAGR 7.4%

10.6%

# Financial Performance 1H25 – PGOLD Only

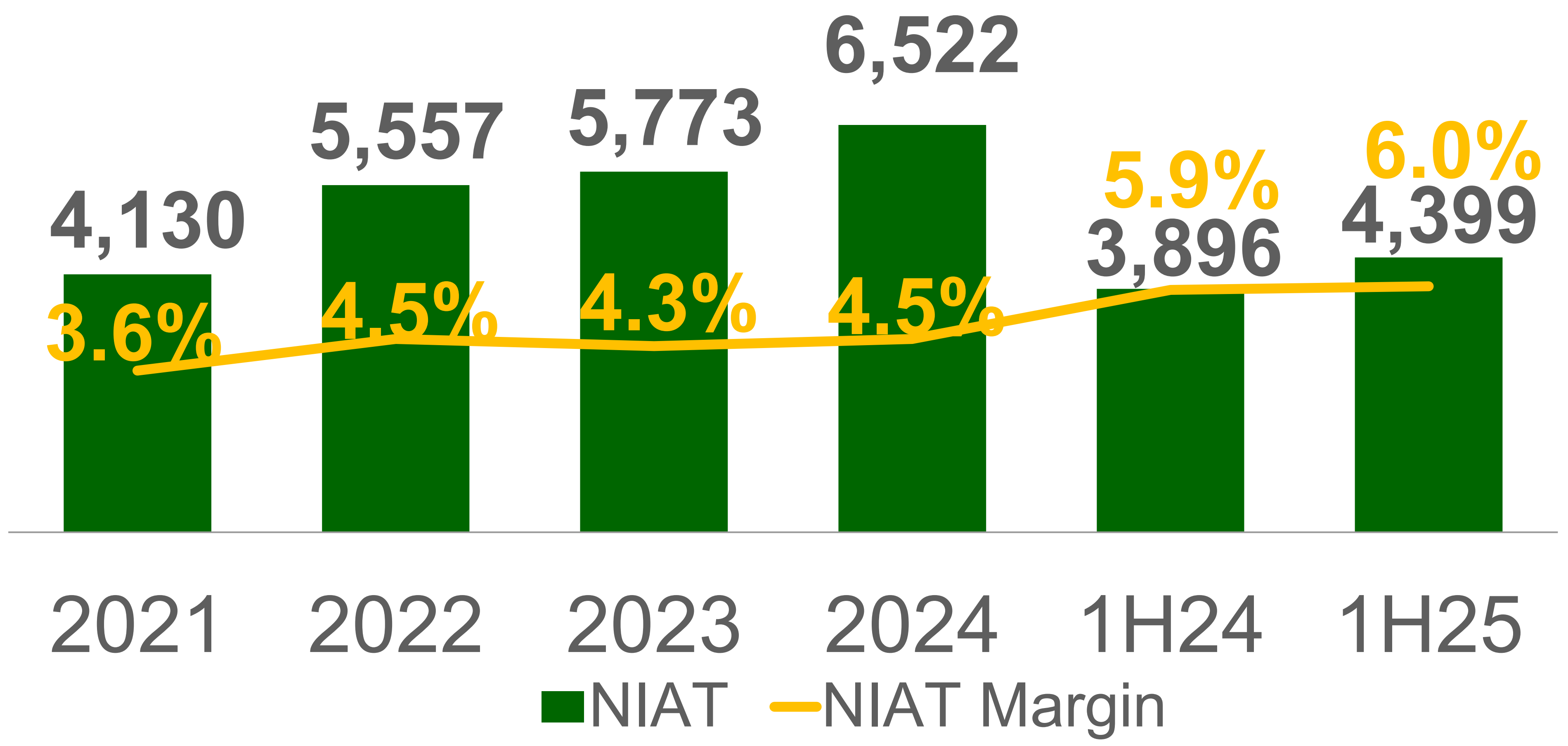
**EBITDA & MARGIN (in PHP millions)**




3YCAGR 3.3%

8.8%

**NET INCOME & MARGIN (in PHP Millions)**

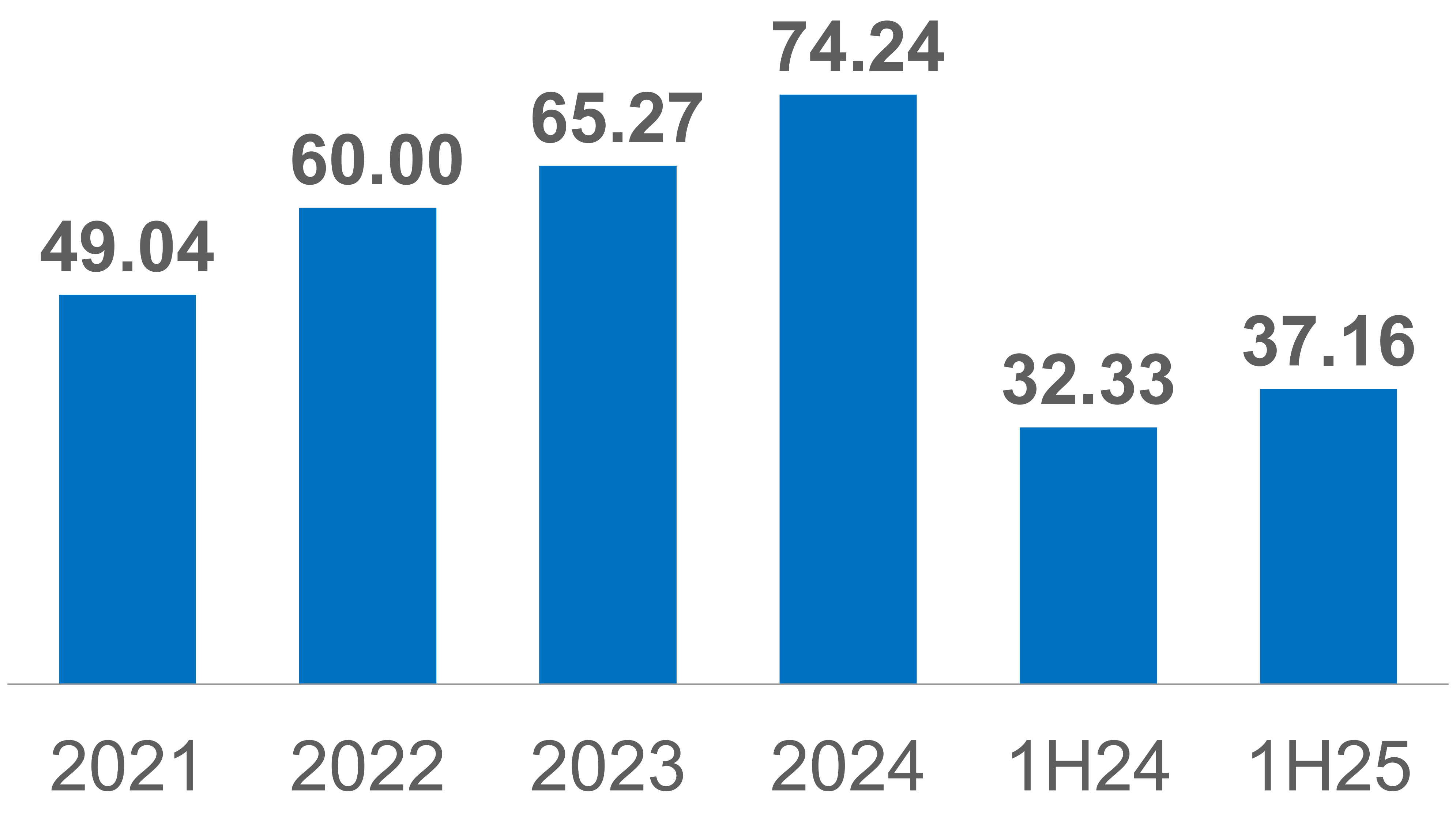



3YCAGR 16.5%

12.9%

# Financial Performance 1H25 – S&R Only

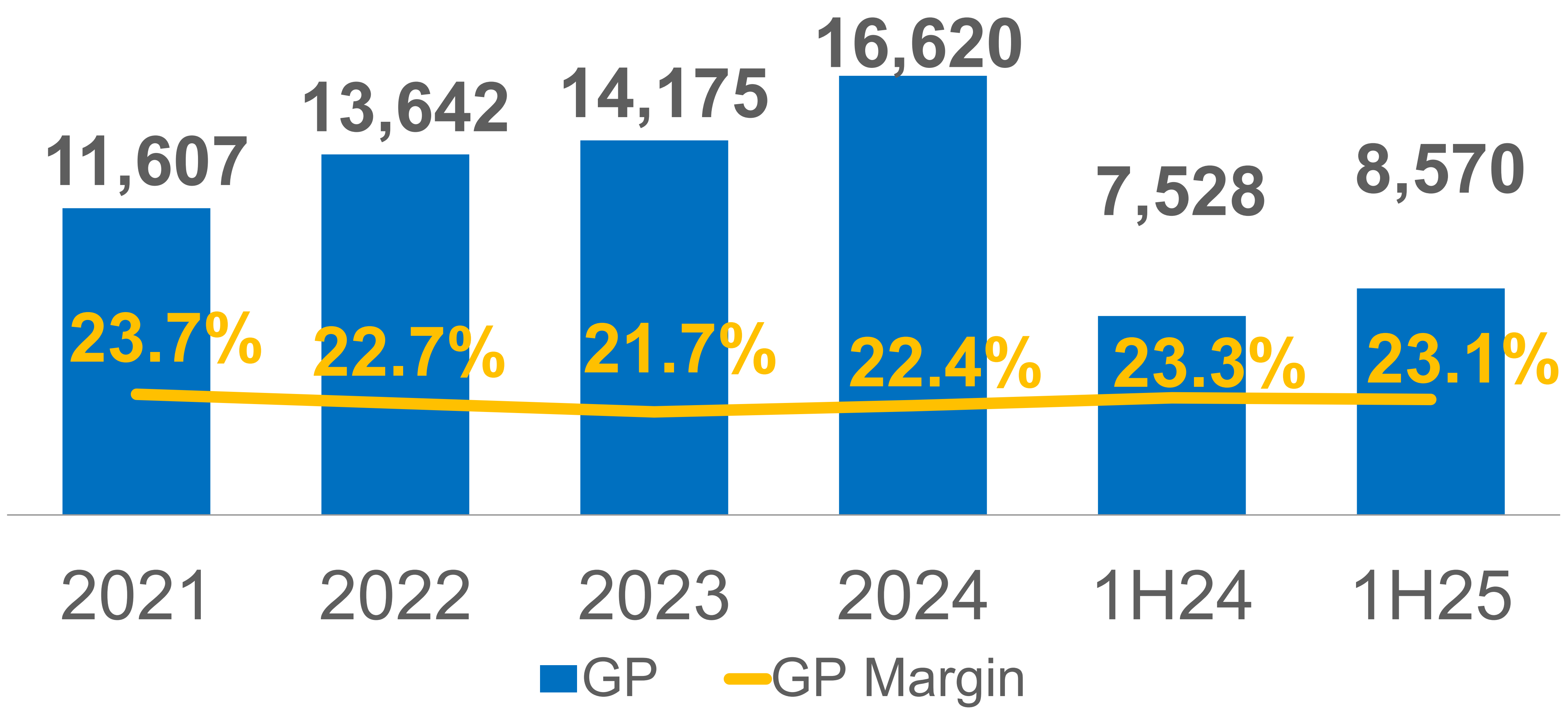
**NET SALES (in PHP Billions)**




3YCAGR 14.8%

14.9%

**GROSS PROFIT & MARGIN (in PHP Billions)**

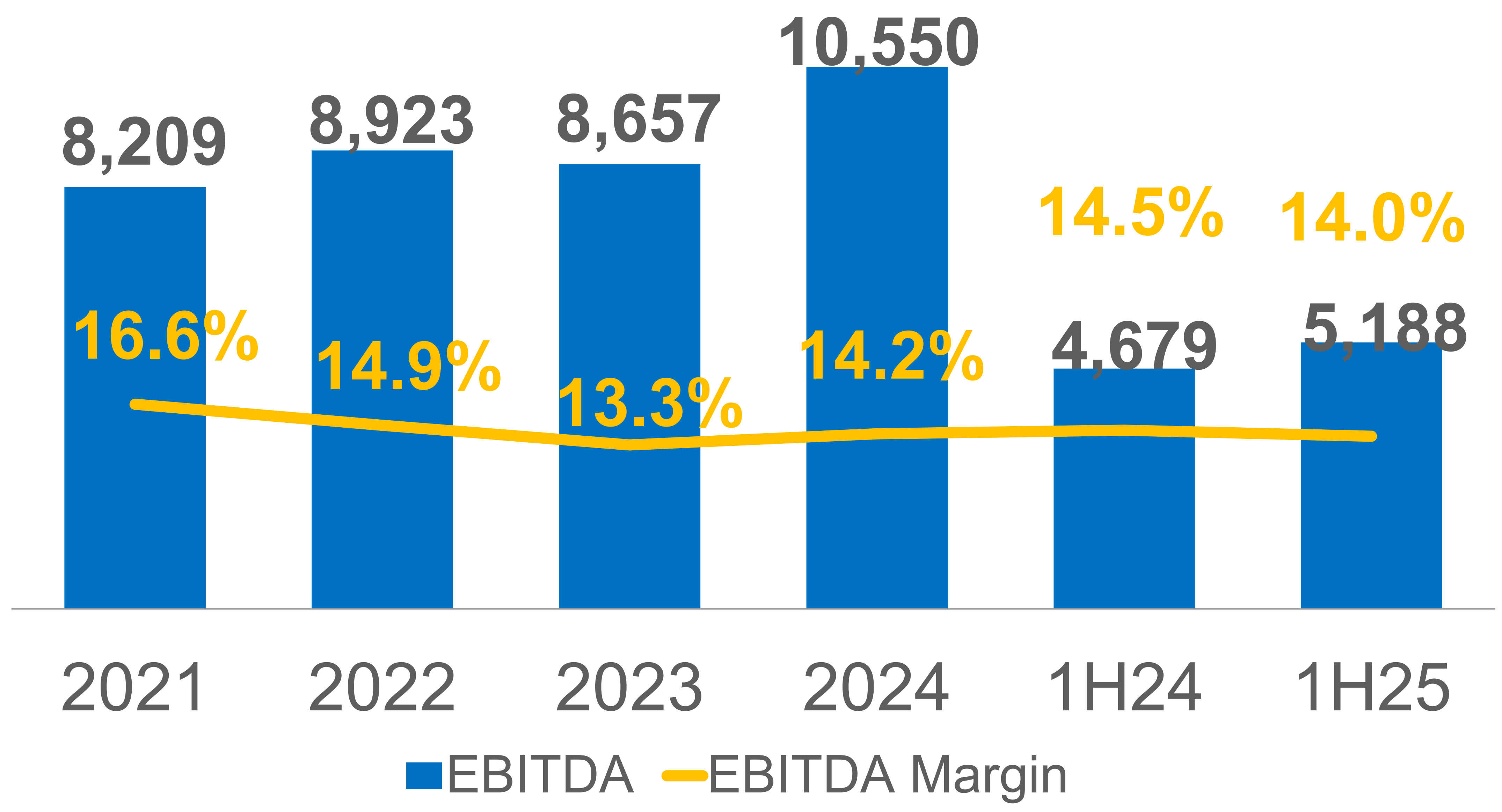



3YCAGR 12.7%

13.8%

# Financial Performance 1H25 – S&R Only

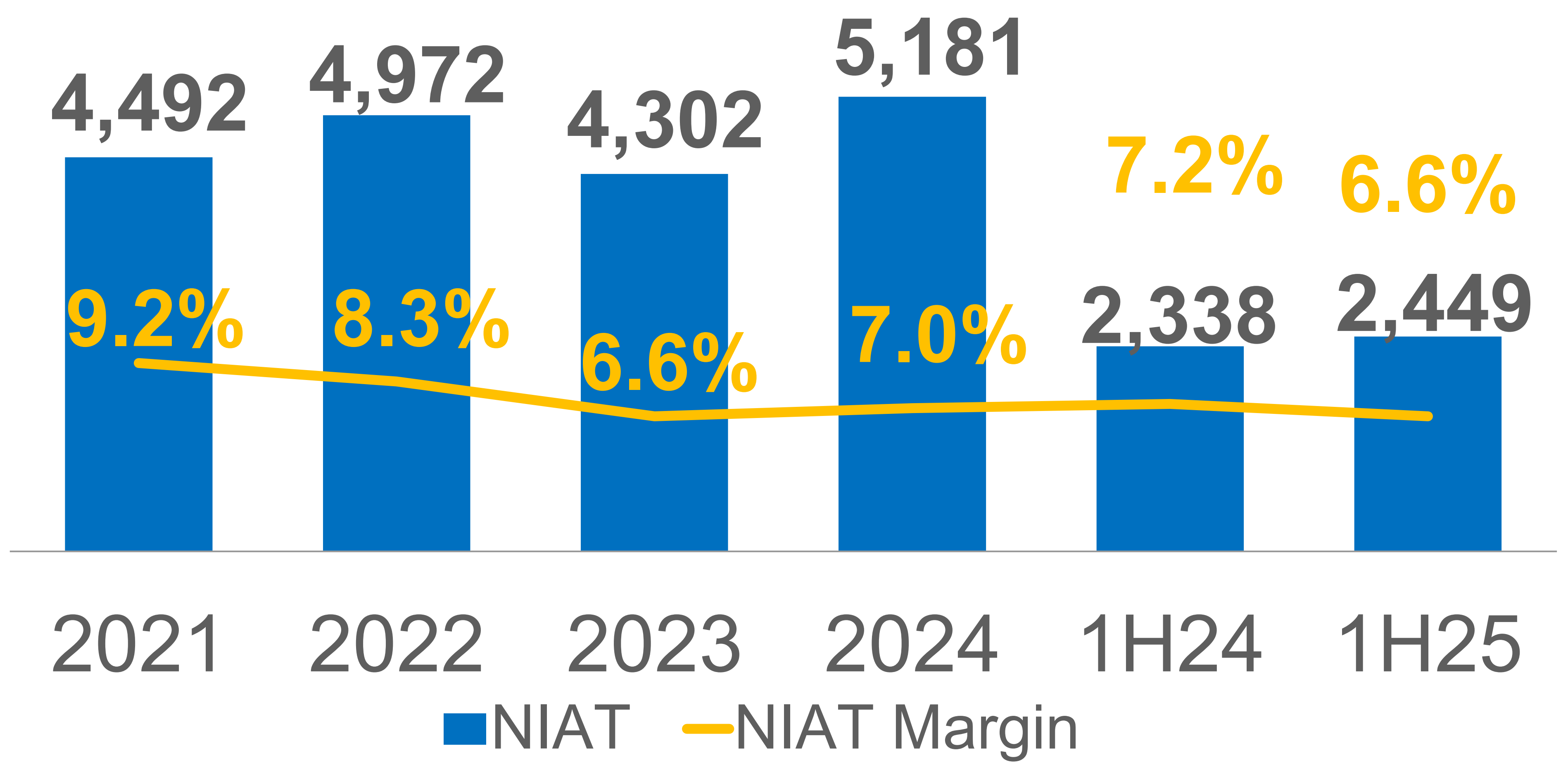
**EBITDA & MARGIN (in PHP millions)**




3YCAGR 8.7%

10.9%

**NET INCOME & MARGIN (in PHP Millions)**




3YCAGR 4.9%

4.8%

# Financial Performance – 1H 2025

| | DEC 2024 | 1H 2025 |
|---|---|---|
| Trade Receivables Days | 6.3 | 5.7 |
| Inventory Days | 57.3 | 59.7 |
| Trade Payables Days | 38.2 | 35.8 |
| Cash Conversion Cycle | 25.4 | 29.5 |

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 2024

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