



PUREGOLD PRICE CLUB, INC.

April 7, 2017

Securities and Exchange Commission
SEC Building, EDSA, Mandaluyong City

Attention: **Vicente Graciano P. Felizmenio, Jr.**
Director - Market and Securities Regulation Division

Subject: **Company Presentation**

GENTLEMEN:

Please see attached Company Presentation for Investor's Briefing Teleconference to be held today, April 7, 2017, 3:00 P.M.

Thank you.

Very truly yours,


ATTY. CANDY H. DACANAY-DATUON
Assistant Corporate Secretary

COVER SHEET

A 1 9 9 8 1 3 7 5 4

SEC Registration Number

PUREGOLD PRICE CLUB, INC.

(Company's Full Name)

NO. 900 ROMUALDEZ ST., PACO, MANILA

(Business Address: No. Street City/Town/Province)

CANDY H. DACANAY-DATUON

(Contact Person)

(02) 523-3055

(Company Telephone Number)

1 2 3 1

Month

Day

SEC FORM 17-C

0 5 0 9

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

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	April 7, 2017
SEC Identification Number	A199813754
BIR Tax Identification Number	201-277-095
Name of Issuer as specified in its charter	Puregold Price Club, Inc.
Address of principal office and postal code	No. 900 Romualdez St., Paco, Manila, 1007
Industry Classification Code	
Issuer's Telephone Number	(632) 522-8801
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 - 2,765,381,406 Treasury Shares - 19,981,471
Indicate the item numbers reported therein	Other Matters/Event

Other Event:

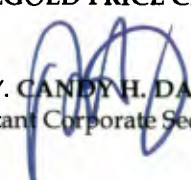
Please see attached Company Presentation for Investor's Briefing Teleconference to be held today, April 7, 2017, 3:00 P.M.

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.

PUREGOLD PRICE CLUB, INC.

April 7, 2017


ATTY. CANDY H. DACANAY-DATUON
Assistant Corporate Secretary



PUREGOLD PRICE CLUB, INC.

Company Presentation

FY 2016 Results and Performance

April 2017



Disclaimer



These presentations and/or other documents have been written and presented by Puregold Price Club, Inc. (PGOLD). PGOLD is solely responsible for the accuracy and completeness of the contents of such presentations and/or other documents. Third parties, other than PGOLD, do not have any responsibility for or control over the contents of such presentations and/or other documents. No endorsement is intended or implied notwithstanding the distribution of this presentation and/or other documents during the analysts and investors calls and meetings of PUREGOLD. The materials and information in the presentations and other documents are for informational purposes only, and are not an offer or solicitation for the purchase or sale of any securities or financial instruments or to provide any investment service or investment advice.

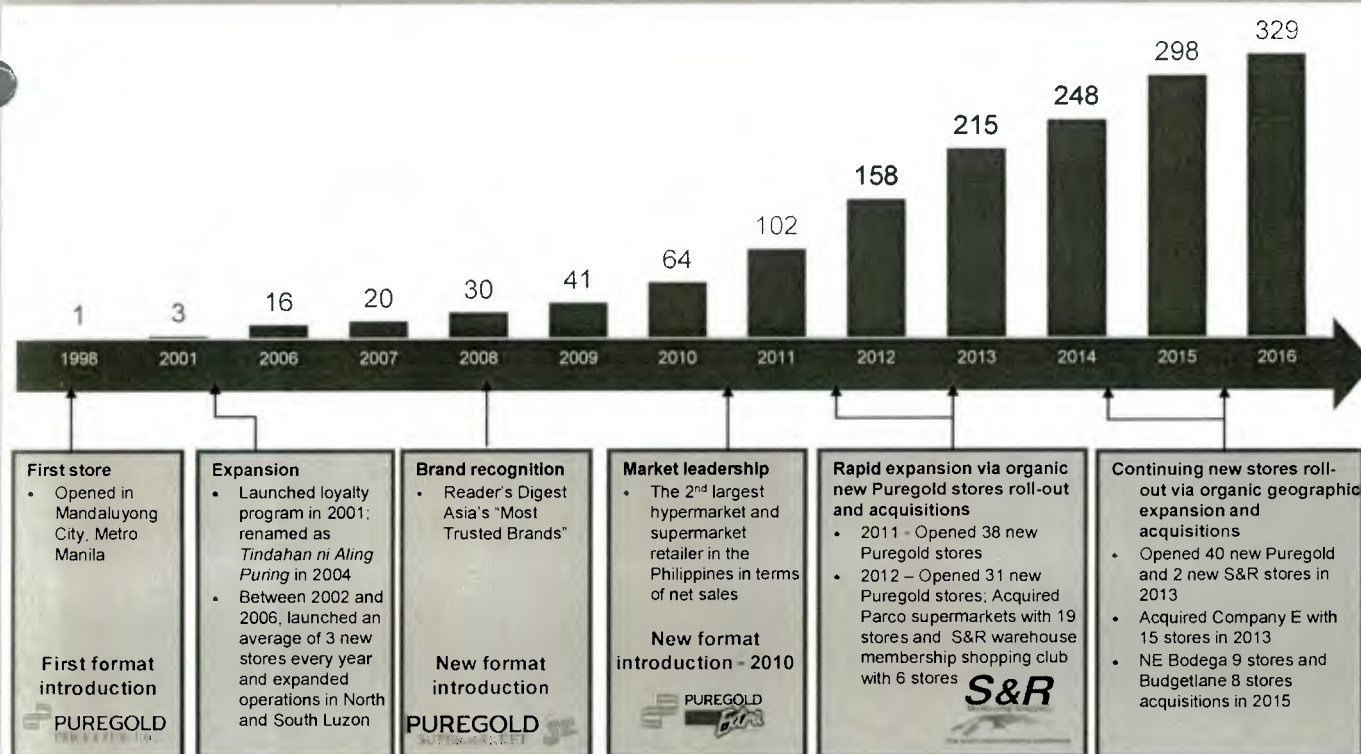
Investment Summary



1. Sustained economic growth of the Philippines
2. Exposure to growing & robust consumer sector
3. Visible growth pipeline in the next 5 years
4. Focused core target market per brand
5. Expansion of new store formats aimed at the broad-C market
6. Expansion to new geographic locations
7. Management focused on the sustainable and Long-Term growth of the company

3

Stores roll-out through FY 2016



Rapid store expansion from 1 to 329 stores in 18 years

4



Sa PUREGOLD Always Panalo!

Update on PGOLD – FY 2016



FY 2016 Results and Performance PUREGOLD

- Opened 26 new PGOLD stores; 2 S&R Warehouse and 8 S&R New York Style Pizza (QSR) in FY 2016; closed 4 PGOLD stores
- Operating 329 stores in FY 2016; with consolidated NSA of more than 486,700 sqm
- Consolidated net sales expanded by 15.9% in FY 2016; Puregold stores sales accounted for about 80.8% of consolidated net sales
- Gross profit grew by 12.4% in FY 2016; with gross profit margin posted 16.5%
- Operating income increased by 13.3% in FY 2016; with operating margin at 7.2%
- Consolidated Net income grew by 10.5% in FY 2016; consolidated net profit margin at 4.9% PGOLD only net margin is at 4.4% while S&R net margin is 9.4%.

Operating Performance – FY 2016



PUREGOLD

Hypermarket, supermarket, extra



S&R
Membership Shopping

Format

Revenue contribution

Puregold
80.8%



S&R
19.2%

Gross profit (PHP million) & Margin (%)	13,830 (15.2%)	4,708 (21.7%)
Total traffic (million)	155	6.3
Average net ticket (PHP)	567	3,598
Net sales growth (%)	14.2%	14.7%
Traffic growth (%)	8.0%	14.2%
Average net ticket growth (%)	4.5%	0.4%
Same Store net sales growth (%)*	6.2%	4.4%
Same Store traffic growth (%)*	0.6%	2.4%
Same Store average net ticket growth (%)*	5.5%	2.0%

*Same Stores Growth for 2016 are based on stores opened as of end December 2014.

7

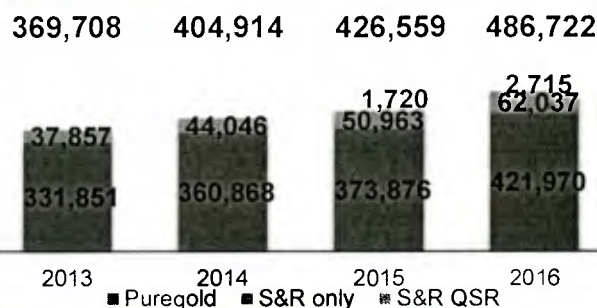
Operating Performance – FY 2016



Breakdown of Stores (per format)

Group	2012	2013	2014	2015	2016
Hypermarket	87	113	121	134	147
Supermarket	47	64	83	93	100
Extra	16	28	29	28	30
S&R	6	8	9	10	12
S&R QSR	2	2	6	16	23
NE & Budgetlane				17	17
TOTAL	158	215	248	298	329
Puregold Only	2012	2013	2014	2015	2016
Metro Manila	69	88	102	104	110
North Luzon	37	48	58	64	70
South Luzon	44	63	67	74	80
Visayas	0	1	1	6	9
Mindanao	0	5	5	7	8
TOTAL	150	205	233	255	277

Net Selling Area of Stores (in sqm)



Traffic and Ave Ticket Size

Traffic (in M)	Puregold	S&R
2013	119.5	3.9
2014	133.6	4.9
2015	143.6	5.5
2016	155	6.3

Ave Ticket (in Php)	Puregold	S&R
2013	511	3,798
2014	517	3,763
2015	543	3,584
2016	567	3,598

8

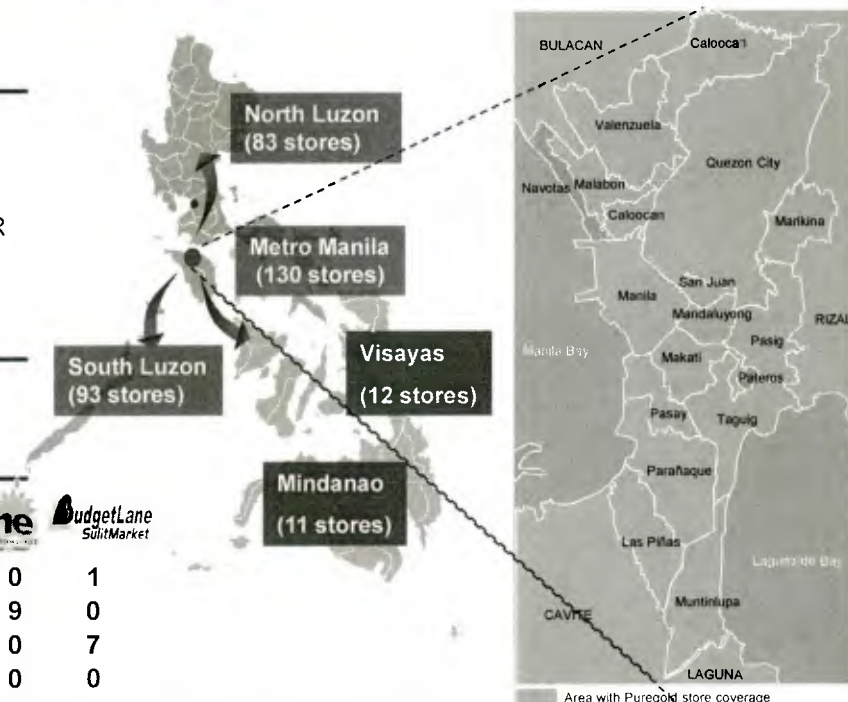
Store Portfolio – FY 2016



Key statistics FY 2016

Total no. of stores	• 329
No. of stores per format	• 147 hypermarkets; 100 supermarkets; 30 extras • 12 S&Rs & 23 S&R QSR • 17 NE Bodega & Budgetlane Stores
Consolidated net selling area	• about 486,700 square meters

Geographic coverage



	PUREGOLD	S&R	S&R QSR	ne	BudgetLane SultMarket
Metro Manila	110	5	14	0	1
North Luzon	70	1	3	9	0
South Luzon	80	2	4	0	7
Visayas	9	2	1	0	0
Mindanao	8	2	1	0	0
	277	12	23	9	8

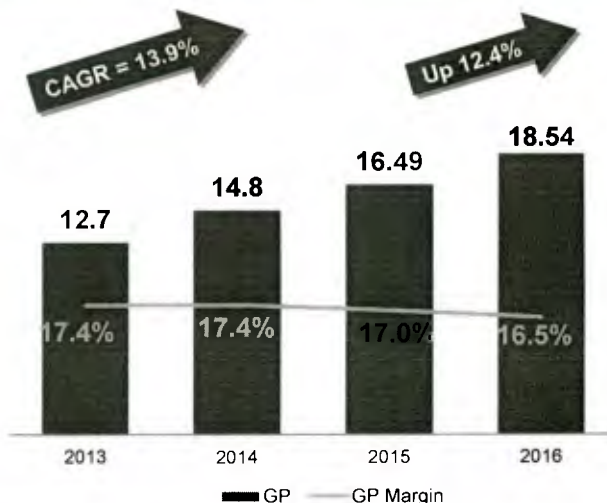
Financial Performance – FY 2016



Net sales (in Php billions)



Gross profit & Margin (in PHP billions)

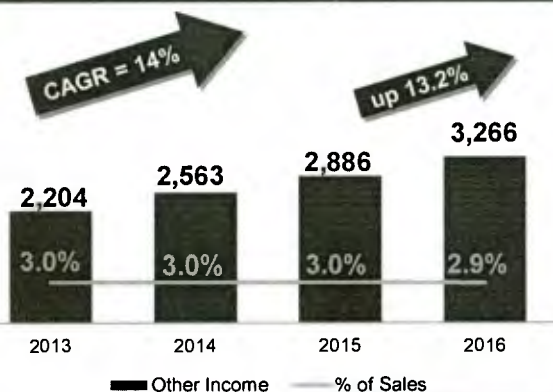


- Continuing strong revenue growth driven by the 277 Puregold stores and the 12 S&R stores
- Increasing scale of operations resulted to continuing support from suppliers in terms of discount and rebates
- Acquisitions and strong election related spending supported continuing growth in revenues

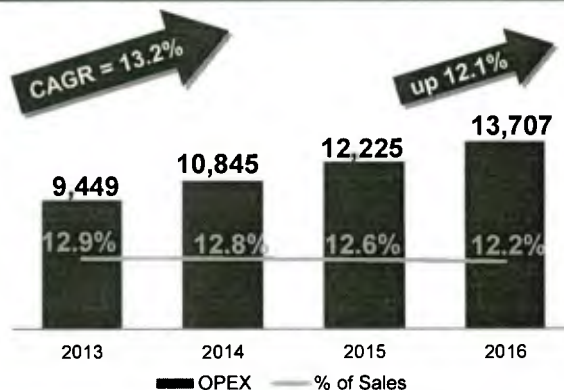
Financial Performance – FY 2016



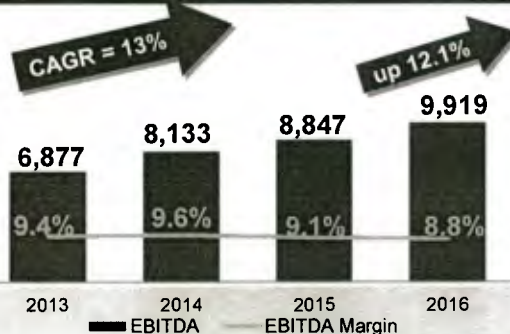
Other Operating Income (in PHP millions)



Operating Expenses (in PHP millions)



EBITDA & Margin (in Php millions)

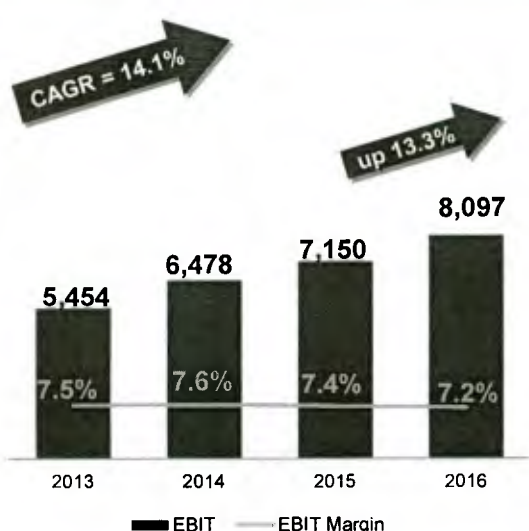


11

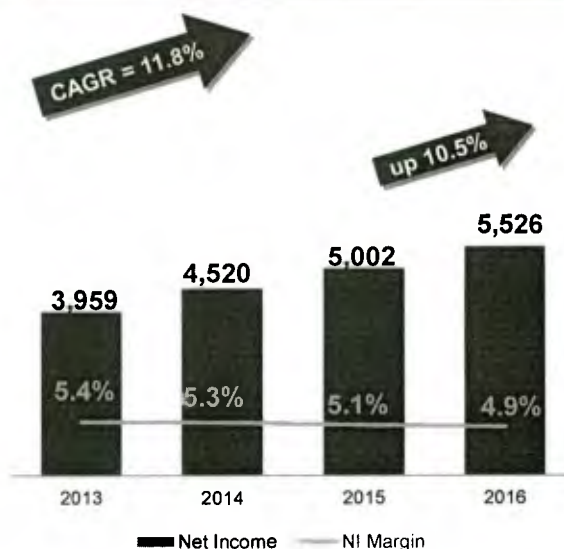
Financial Performance – FY 2016



Operating Income/EBIT and Margins (in PHP millions)



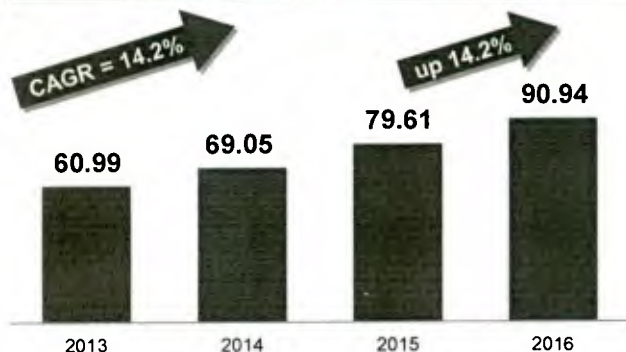
Net Income & Margins (in PHP millions)



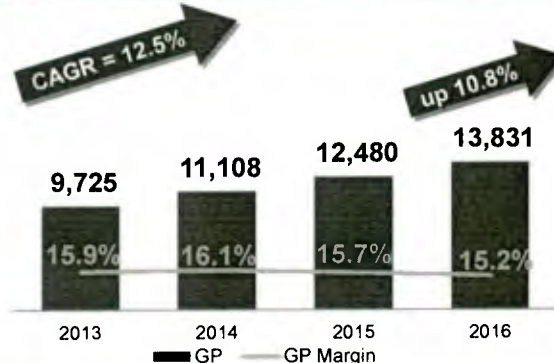
12

Financial Performance – Puregold Only

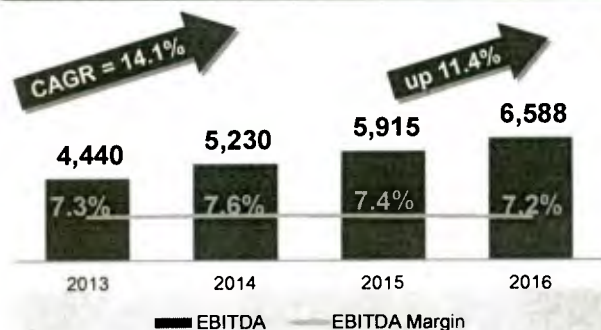
Revenues (in PHP Billions)



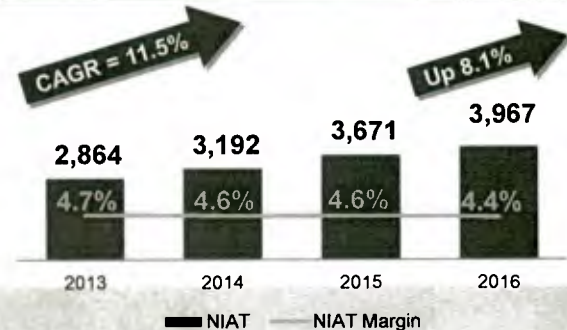
Gross Profit & Margins (in PHP millions)



EBITDA and Margin (in PHP millions)



Net Profit & Margins (in PHP millions)

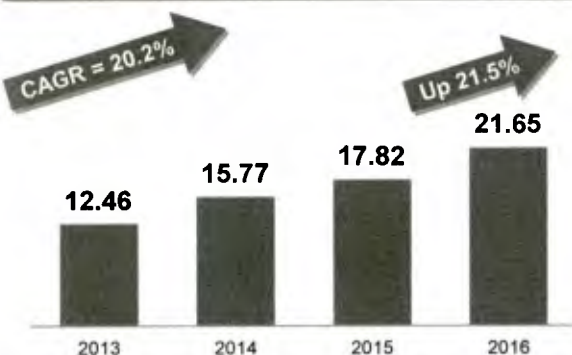


13

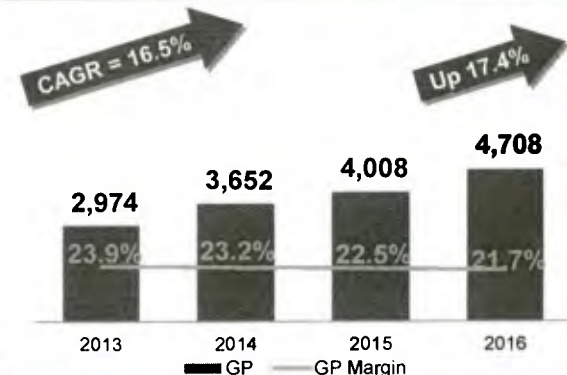
Financial Performance – S&R Only



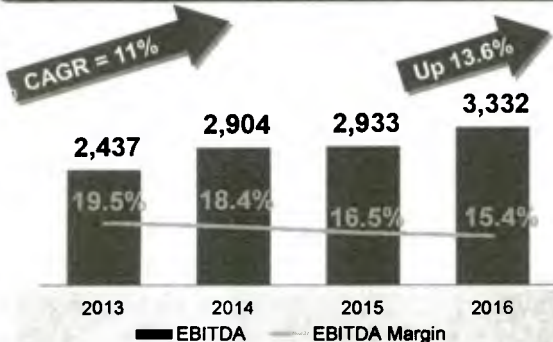
Revenues (in PHP Billions)



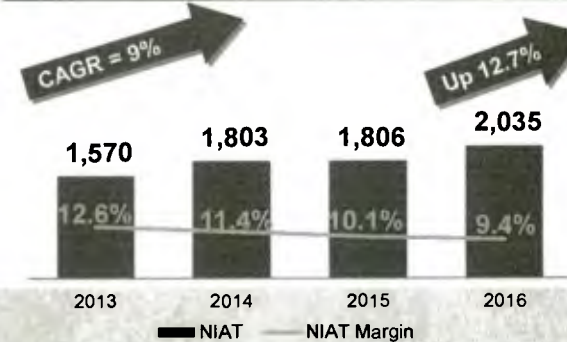
Gross Profit & Margins (in PHP millions)



EBITDA and Margin (in PHP millions)



Net Profit & Margins (in PHP millions)



14

Financial Performance – FY 2016



Working capital days impacted by S&R importations and Puregold rapid store expansions and acquisitions

	2013	2014	2015	2016	
Trade Receivables Days	4.1	5.3	5.7	6.0	
Inventory Days	48.2	53.2	54.3	56.9	New Puregold Store roll out and new S&R Stores to be opened in 2016
Trade Payables Days	36.9	35	27.7	20.9	Similar payments terms to suppliers to avail of continued discounts

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)

15

CAPEX Guidance for FY 2017



- CAPEX Budget of Php 2.5 billion in 2017
 - Php 1 billion for 25 new Puregold Stores
 - Php 1.2 billion for 2 S&R stores
 - Php 150 million for 10 S&R QSR
 - Php 150 million for 25 Lawsons Stores
- To be funded by internally generated cash and short term untapped bank credit lines if necessary.

16

- Consolidated net sales targeted to grow by 8 to 10% driven by the following:
 - Net sales growth from organic Puregold and S&R stores
 - Positive SSSG for Puregold (2 to 3%) and S&R (2 to 3%)
 - Opening of 25 new Puregold stores; 2 S&R stores
 - Full year operations of NE Bodega & Budgetlane Supermarket
- Sustain PGOLD only gross and net profit margins
- Pursue acquisitions and expand into new geographic locations

Q & A

Thank you!