COVER SHEET

A199813754
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)

12	31	SEC FORM 17-C	08	18
Month	Day	(Form Type)	Month	Day

(Secondary License Type, If Applicable)

Dept. Requiring this Doc

Amended Articles Number/Section

Total Amount of Borrowing

Total No. of Stockholders

Domestic

Foreign

SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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	March 29, 2021
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 – 2,869,681,406 Treasury Shares – 19,981,471
Indicate the item numbers reported therein	Other Matters/Event

Other Event:

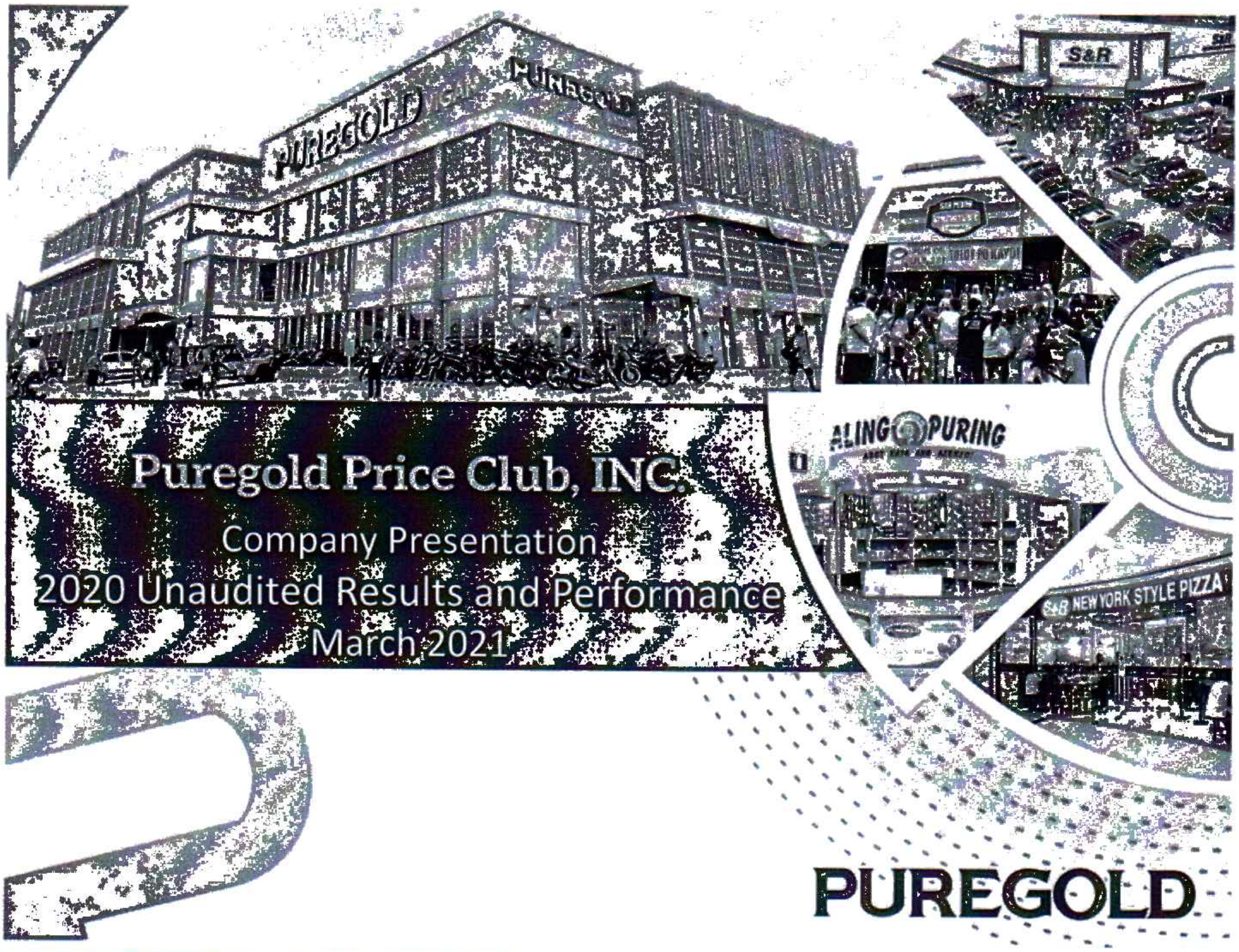
Please see attached Materials for Analysts' Briefing dated March 29, 2021, 3:00PM Manila Time.

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. March 29, 2021

ATTY. CANDY H. DACANAY-DATUON
Assistant Corporate Secretary



Puregold Price Club, INC.

Company Presentation
2020 Unaudited Results and Performance
March 2021

PUREGOLD

Disclaimer

PUREGOLD 20 Always Panalo Years

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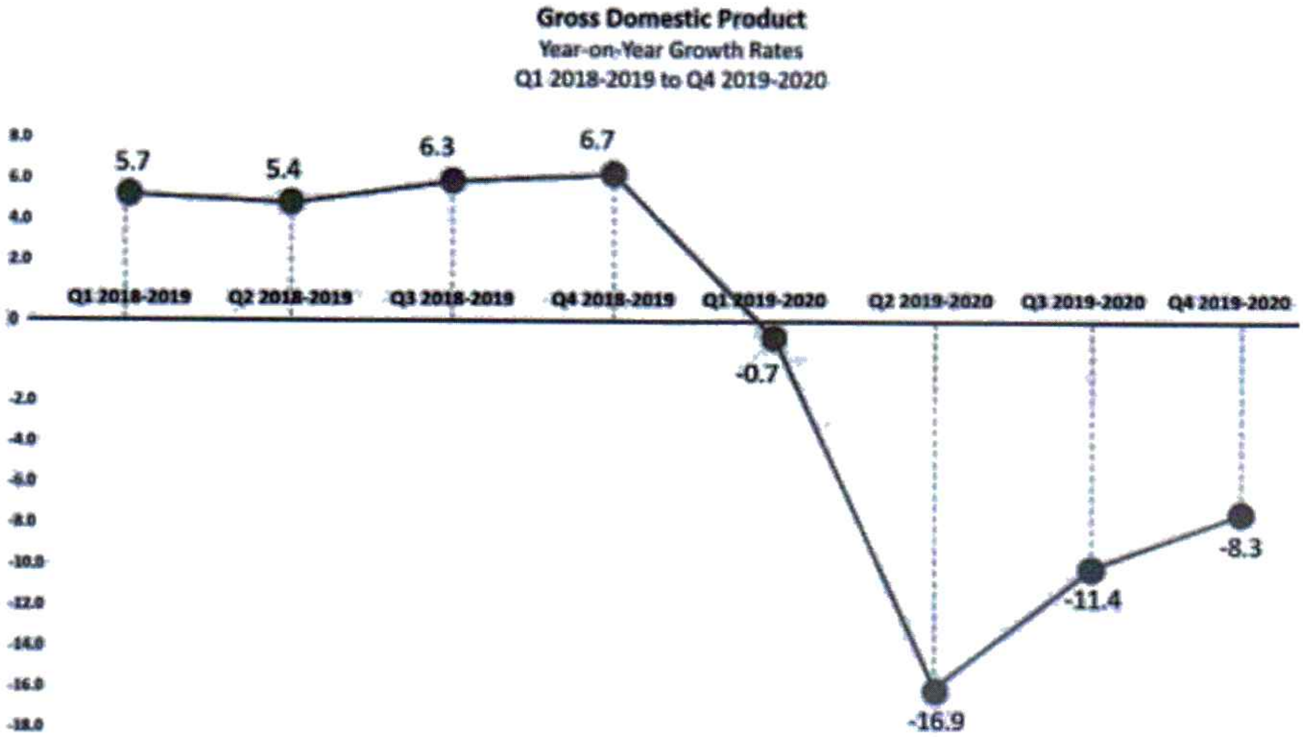
Head Office Address
2nd floor, Tabacalera Building, 900 Romualdez Street, Paco, Manila, 1007 Philippines

Macroeconomic Updates



source: PSA

Shopper Trends

- Decline in Frequency of store visits
  - Local government restrictions/quarantine
- Increase in spending per trip is not enough to offset big frequency drop
- Shorter browsing time per store visit
- Re-prioritization of spending
  - Focusing on essential needs
  - Health (vitamins)
  - Home-cooking
  - Sanitation
- Online Shopping and Digital Payments

Update on Sari-sari stores customers

Sari-sari stores challenged to stay afloat:

- Less capital due to lower sales
  - Needs to prioritize assortment
- Lower sales due to less foot traffic in general
  - No Work / No School
  - Limited Income of shoppers during ECQ
  - Limited operating hours
- Sourcing Issues
  - Out of stock products and no delivery/delayed delivery
  - Long lines in Supermarket
  - Imposed buying limits (anti-hoarding) by government
  - Seniors not given quarantine pass (LGU level)
- Lack of income drive more customers asking for "credit"

Puregold Enterprise

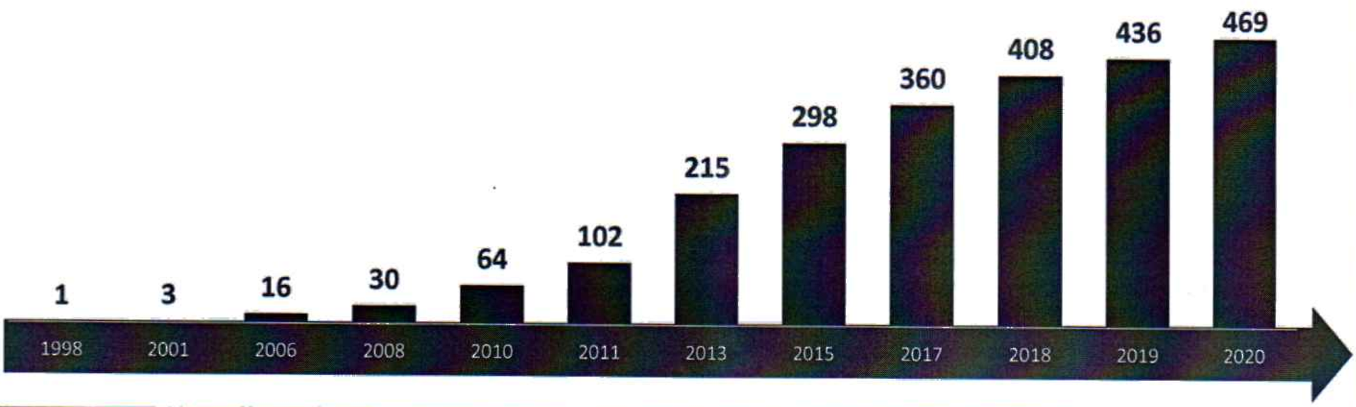
Puregold

- 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

S&R

- Membership shopping model
- Catering to the upper income customers
- Class A & B and upper C segment
- Imported and large size SKUs

Store roll-out through FY 2020



First store
- Opened in Mandaluyong City, Metro Manila

First format introduction

PUREGOLD PRICE CLUB INC.

Expansion
- Launched loyalty program in 2001; renamed as *Tindahan ni Aling Puring* in 2004
- Between 2002 and 2006, launched an average of 3 new stores every year and expanded operations in North and South Luzon

Brand recognition
- Reader's Digest Asia's "Most Trusted Brands"

New format introduction - 2008

PUREGOLD SUPERMARKET

Market leadership
- The 2nd largest hypermarket and supermarket retailer in the Philippines in terms of net sales

New format introduction - 2010

PUREGOLD Extra

Rapid expansion via organic new Puregold stores roll-out and acquisitions
- 2011 - Opened 38 new Puregold stores
- 2012 – Opened 31 new Puregold stores; Acquired Parco supermarkets with 19 stores and S&R warehouse membership shopping club with 6 stores

S&R

Continuing new stores roll-out via organic geographic expansion and acquisitions
- Acquired Company E with 15 stores in 2013
- NE Bodega 9 stores and Budgetlane 8 stores acquisitions in 2015
- B&W Supermarket acquisition in 2017

Rapid store expansion from 1 to 469 stores in 22 years

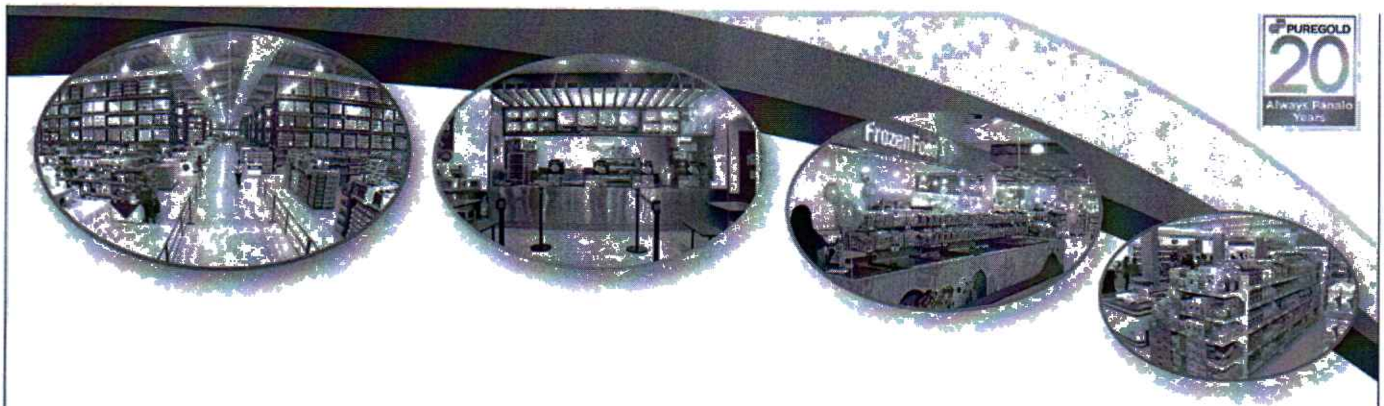
5 Pillars of Growth

1. Protect our Supply Chain
   - Revised inventory targets for emerging categories, food preparation and health/sanitation
   - Increased inventory levels since most companies had supply chain disruptions during lockdown and raw materials/packaging material sourcing
   - Develop local suppliers to improve supply in provincial areas

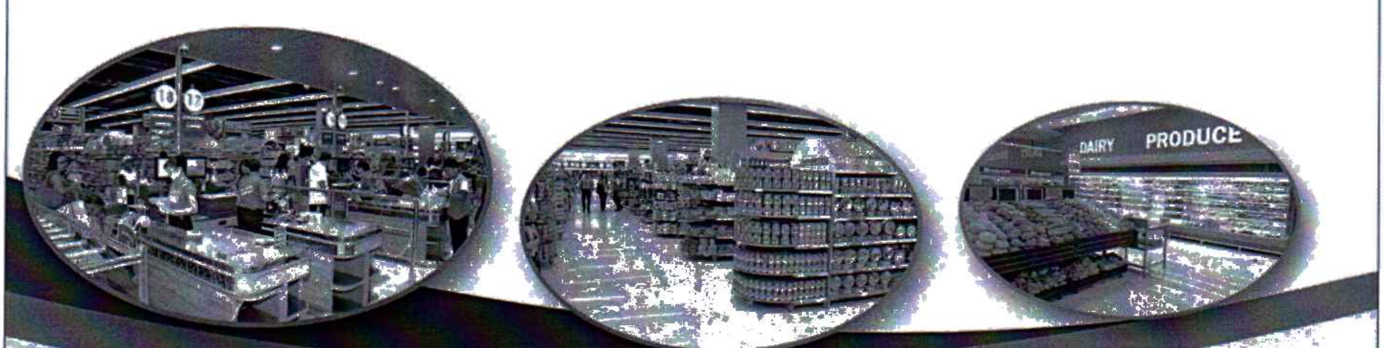
2. Improve Logistics end-to-end
   - Strengthen and open additional cross-dock facilities for Puregold
   - Build new and bigger distribution center for S&R
   - Build additional capacity for store to shopper delivery

5 Pillars of Growth

3. New Channel Development & Digital Marketing Activities
   - Reactivate coverage of sari-sari stores
   - Opening up of new accounts
   - E-commerce investments
4. Margin Improvement
   - House Brands
   - Streamlining of current operations thru Digitization
   - Front margin pricing strategy
   - Marketing activation = more supplier support
5. Store Expansion
   - 30 new Puregold stores
   - 2 S&R Warehouse Clubs



Update on Puregold – FY 2020

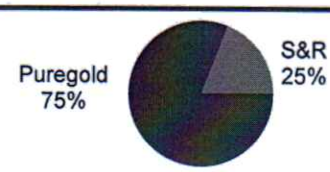


Unaudited FY 2020 Results and Performance

- Consolidated net sales beat forecast; grew by 9.2% versus 5% in FY 2020;
- Gross profit grew by 12.4% in FY 2020; with gross profit margin posted 17.4%
- Operating income increased by 17.3% in FY 2020; with operating margin at 7.9%
- Consolidated Net income increased by 18.9% in FY 2020; consolidated net profit margin at 4.8% (PGOLD net margin is at 3.7% while S&R net margin is 9%.)

- Opened 30 new PGOLD stores; 2 S&R Warehouse and 8 S&R QSR in FY 2020; closed 7 PGOLD stores
- Operating 469 stores in FY 2020; with consolidated NSA of around 587,000 sqm

Operating Performance – FY 2020

	PUREGOLD	S&R Membership Shopping The world class shopping experience
Format	Hypermarket, supermarket, extra	Membership shopping
Revenue contribution		
Gross profit (PHP million) & Margin (%)	**18,528 (14.9%)**	**10,628 (23.8%)**
Total traffic (million)	128	10.2
Average net ticket (PHP)	969	4,667
Net sales growth (%)	**4.9%**	**26.8%**
Traffic growth (%)	-29.0%	14.4%
Average net ticket growth (%)	47.7%	10.8%
Same Store net sales growth (%)*	**2.4%**	**8.7%**
Same Store traffic growth (%)*	-31.5%	-1.5%
Same Store average net ticket growth (%)*	49.4%	10.4%

*Same Stores Growth for 2020 are based on stores opened as of end December 2018.

Operating Performance – FY 2020

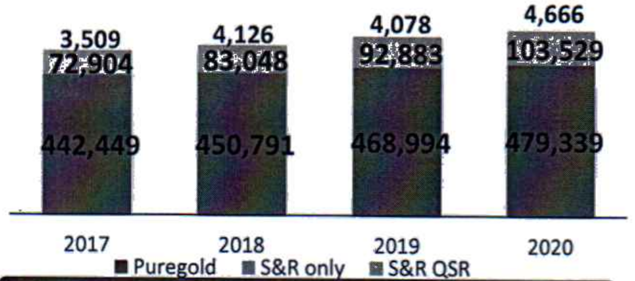
Breakdown of Stores (per format)

Group	2018	2019	2020
Hypermarket	208	230	244
Supermarket	104	103	100
Extra	42	47	59
S&R	16	18	20
S&R QSR	39	38	46
NE & Budgetlane	0	0	0
TOTAL	**409**	**436**	**469**

Puregold Only	2018	2019	2020
Metro Manila	125	130	137
North Luzon	93	100	107
South Luzon	101	106	113
Visayas	25	33	35
Mindanao	10	11	11
TOTAL	**354**	**380**	**403**

*NE Bodega and Budgetlane Stores are converted to Puregold Stores in 2018

Net Selling Area of Stores (in sqm)



Traffic and Ave Ticket Size

Traffic (in M)	PGOLD	S&R
2018	178	8.2
2019	180	8.9
2020	128	10.2

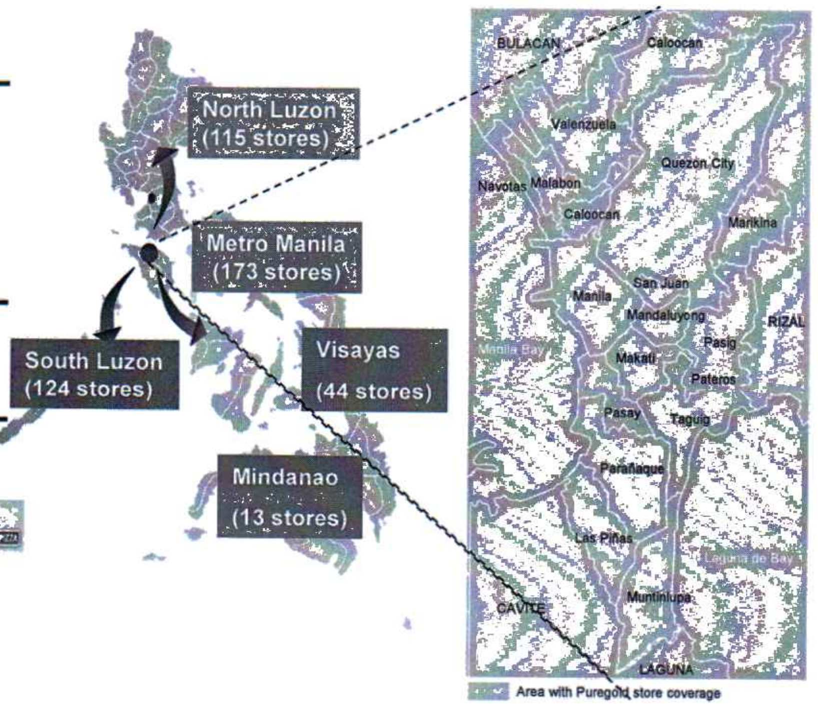
Ave Ticket (in Php)	PGOLD	S&R
2018	612	3,959
2019	656	4,212
2020	969	4,667

Store Portfolio – FY 2020

Key statistics FY 2020

Total no. of stores	• 469
No. of stores per format	• 244 hypermarkets; 100 supermarkets; 59 extras • 20 S&Rs • 46 S&R QSR
Consolidated net selling area	• about 5873,000 square meters

Geographic coverage

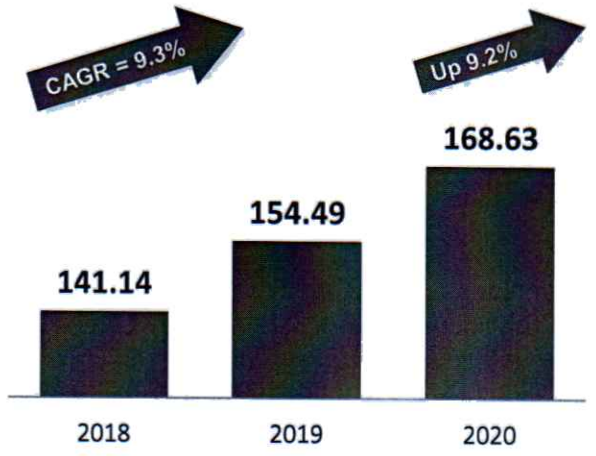


	PUREGOLD	S&R	
Metro Manila	137	10	26
North Luzon	107	3	5
South Luzon	113	3	8
Visayas	35	2	7
Mindanao	11	2	0
	403	20	46

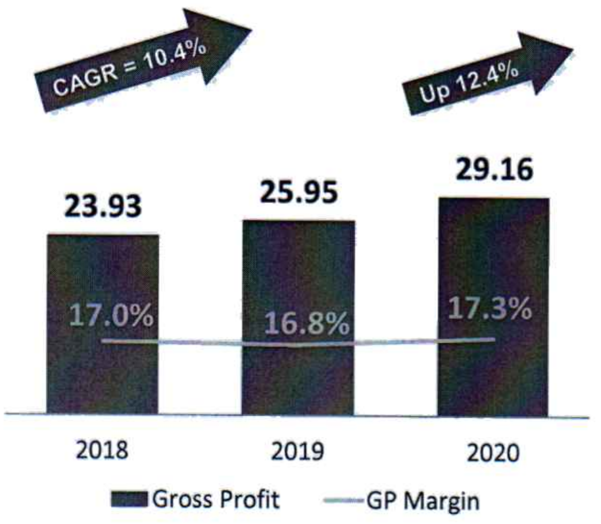
*NE Bodega and Budgetlane Stores are converted to Puregold Stores in 2018

Financial Performance – FY 2020

Net sales (in Php billions)



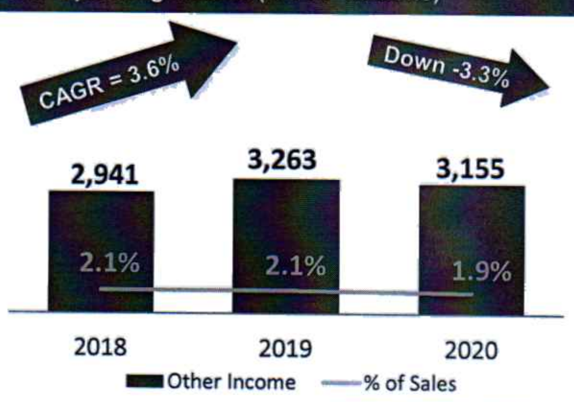
Gross profit & Margin (in PHP billions)



- Continuing strong revenue growth driven by the 403 Puregold stores and the 20 S&R stores in 2020
- Improved Gross Margins resulting from strong S&R sales and margins uplift
- Wide Filipino target consumers supported growth in revenues despite Covid-19 pandemic

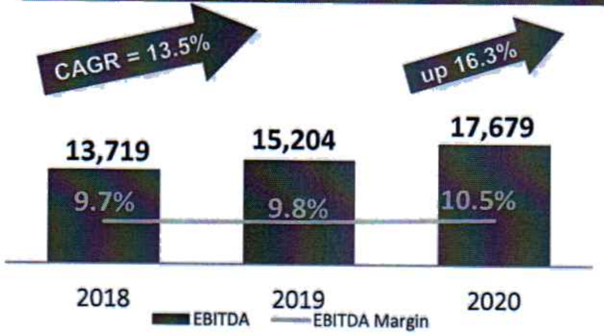
Financial Performance – FY 2020

Other Operating Income (in PHP millions)



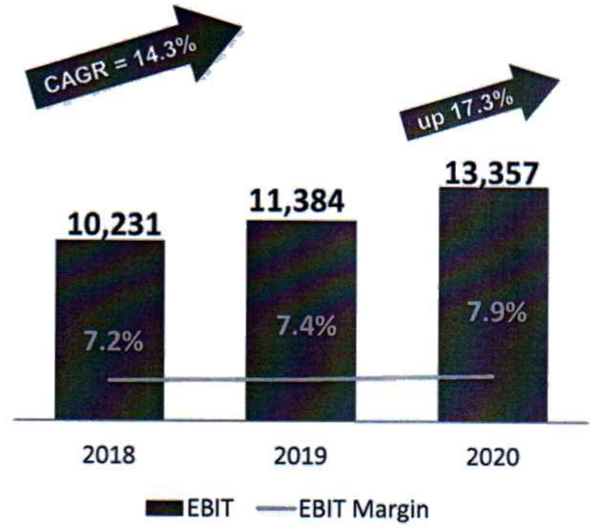
Operating Expenses (in PHP millions)

EBITDA & Margin (in Php millions)

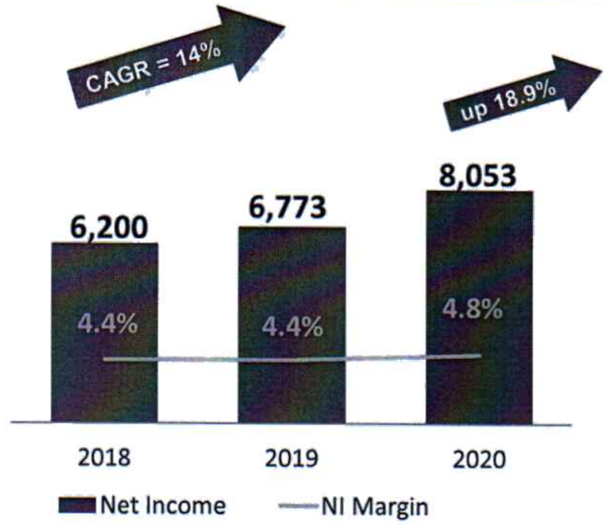


Financial Performance – FY 2020

Operating Income/EBIT and Margins (in PHP millions)

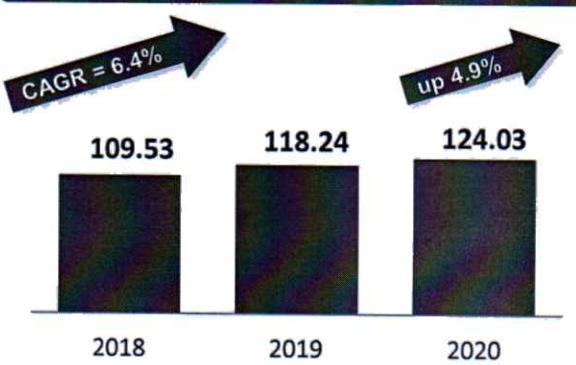


Net Income & Margins (in PHP millions)

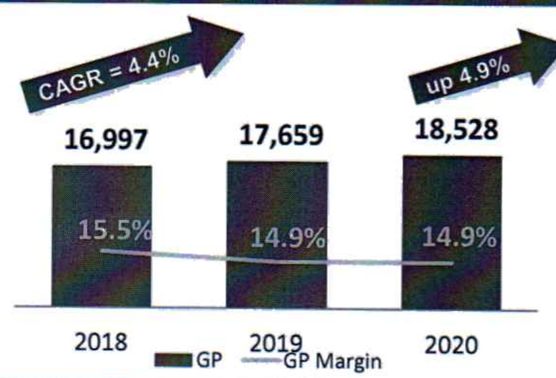


Financial Performance – Puregold Only

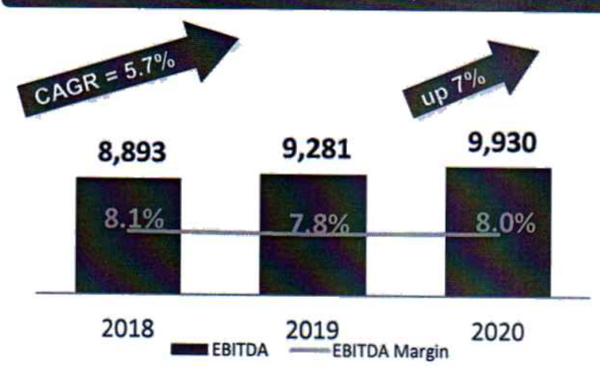
Revenues (in PHP Billions)



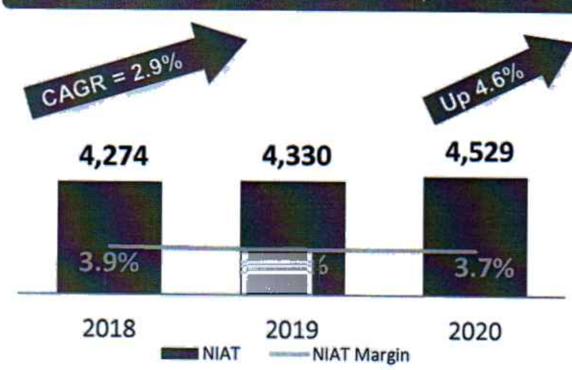
Gross Profit & Margins (in PHP millions)



EBITDA and Margin (in PHP millions)

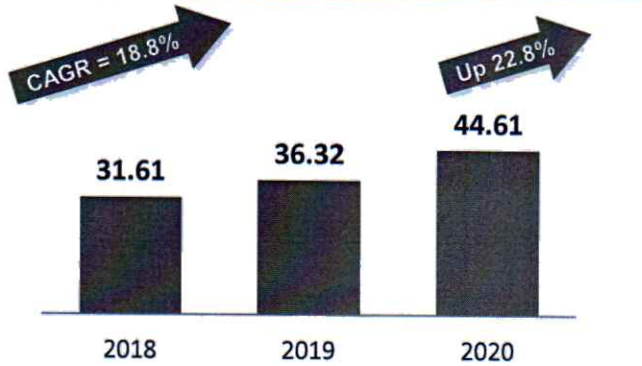


Net Profit & Margins (in PHP millions)

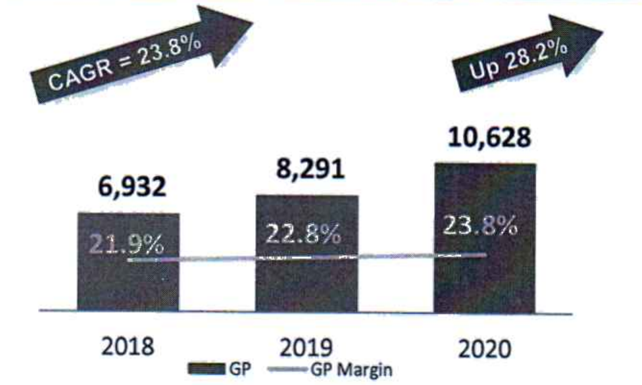


Financial Performance – S&R Only

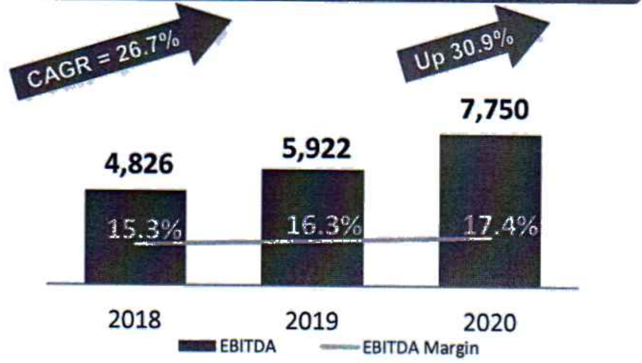
Revenues (in PHP Billions)



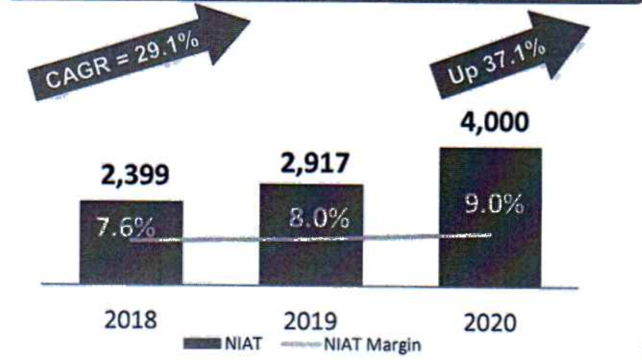
Gross Profit & Margins (in PHP millions)



EBITDA and Margin (in PHP millions)



Net Profit & Margins (in PHP millions)



Financial Performance – FY 2020

Working capital days due to S&R importations and Puregold rapid store expansions and acquisitions

	2018	2019	2020
Trade Receivables Days	7.6	6.6	4.0
Inventory Days	58.0	55.4	52.6
Trade Payables Days	23.9	22.9	21.5

New Puregold Store roll out and new S&R Stores to be opened in 2020

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)

5 Pillars of Growth in 2021

1. Protect our Supply Chain
   - Revised inventory targets for emerging categories, food preparation and health/sanitation
   - Increased inventory levels since most companies had supply chain disruptions during lockdown and raw materials/packaging material sourcing
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   - House Brands
   - Streamlining of current operations thru Digitization
   - Front margin pricing strategy
   - Marketing activation = more supplier support

5. Store Expansion
   - 30 to 40 new Puregold stores
   - 2 S&R Warehouse Clubs

CAPEX Guidance for FY 2021

- CAPEX Budget of Php 4.1 to 4.7 billion in 2020
  - Php 1.7 to 2.3 billion for 30 to 40 new Puregold Stores
  - Php 1.6 billion for 2 S&R stores
  - Php 200 million for 10 S&R QSR
  - Php 600 million Maintenance Capex

Q & A

Thank you!