COVER SHEET

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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)

(632) 8522-8801 to 04

(Company Telephone Number)

1 2	**3 1**	**SEC FORM 17-C**	**0 5**	**1 0**
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	April 26, 2022
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 – 2,881,637,615 Treasury Shares – 22,576,471
Indicate the item numbers reported therein	Other Matters/Event

Other Event:

Puregold Price Club Inc. [PGOLD] Results of Operations for Full Year 2021

Based on unaudited figures, for the year ended December 31, 2021, the Group earned a consolidated net income of P8,180 million at 5.0% net margin and an increase of 1.4% from P8,067 million at 4.8% net margin in 2020. This was principally driven by the continuous management effort to improve gross margins, sustained strategic cost and expense management as well as the effect of the reduced corporate income tax with the implementation of the CREATE Law.

Net Sales

For the year ended December 31, 2021, the Group posted a consolidated net sales of P164,125 million for a decrease of P4,507 million or 2.7% compared to P168,632 million in 2020. The decrease in net sales was primarily driven by a decline in customer's visits particularly for the Puregold stores, with the government implementing health protocols in 2021 and people cautious of contracting the virus. Also, base sales was higher than usual in 2020 specially in the first quarter, with people buying in panic, due to the looming lockdown brought about by the pandemic.

Gross Profit

For the year ended December 31, 2021, the Group realized an increase of 3.2% in consolidated gross profit from P29,156 million in 2020 at 17.3% margin to P30,083 million at 18.3% margin in 2021, driven by strong and continuing suppliers' support through trade discounts in the form of rebates and conditional discounts granted during the year.

Other Operating Income

Other operating income slightly increased by P55 million or 1.7% from P3,155 million in 2020 to P3,210 million in 2021. With the lockdown restrictions starting to loosen up, some tenants resumed operations which resulted to increase in rent income.

Operating Expenses

Operating expenses increased by P1,397 million or 7.4% from P18,953 million in December 31, 2020 to P20,350 million in 2021. This was mainly driven by the increase in operating expenses of Kareila both from newly opened stores and old stores. In addition, operating expenses in prior period were partly lower driven by lockdown period in the first half of 2020.

Other Expense – net

Other expenses net of other income amounted to P2,290 million and P1,925 million in December 31, 2021 and 2020, respectively. The increase was primarily due to interest expense on corporate notes issued by the Parent Company in the last quarter of 2020.

Net Income

For the year ended December 31, 2021, the Group earned a consolidated net income of P8,180 million at 5.0% net margin and an increase of 1.4% from P8,067 million at 4.8% net margin in 2020. Despite the decline in revenues, this was principally driven by the continuous management effort to improve gross margins, sustained strategic cost and expense management as well as the effect of the reduced corporate income tax with the implementation of the CREATE Law.

Current Assets

As at December 31, 2021 and 2020, total current assets amounted to P65,931 million or 47.3% of total assets and P59,388 million or 45.1% of total assets, respectively, for an increase of P6,543 million or 11.0% as at December 31, 2021.

Cash and cash equivalents as at December 31, 2021 amounted to P41,312 million or 29.6% of total assets and increased by P8,588 million or 26.2% compared to previous year-end balance. The account increase was attributable mainly to cash generated from operations. This was partially offset by payment for cash dividend and capital expenditures for 2021 new organic stores.

Merchandise inventory amounted to P21,559 million or 15.5% of total assets at the end of 2021 and P20,918 million or 15.9% of total assets in 2020. Total inventory increased by P641 million or 3.1% principally due to increase in Puregold and S&R stores stocking requirements for existing and new operating stores.

Noncurrent Assets

As at December 31, 2021 and 2020, total noncurrent assets amounted to P73,503 million or 52.7% of total assets and P72,205 million or 54.9% of total assets, respectively, for an increase of P1,298 million or 1.8% as at December 31, 2021.

Current Liabilities

As at December 31, 2021 and 2020, total current liabilities amounted to P17,185 million or 12.3% of total assets and P17,222 million or 13.1% of total assets, respectively, for a decrease of P37 million or 0.2% as at December 31, 2021.

Accounts payable and accrued expenses amounted to P14,423 million and P14,342 million as at December 31, 2021 and 2020, respectively, and increased by P81 million or 0.6% as of December 2020.

Noncurrent Liabilities

As at December 31, 2021 and 2020, total noncurrent liabilities amounted to P46,773 million or 33.5% of total assets and P45,869 million or 34.9% of total assets, respectively, for an increase of P904 million or 2.0% as at December 31, 2021.

Long-term debt – net of current maturities and debt issue costs amounted to P11,650 million and P11,755 million as at December 31, 2021 and 2020, respectively, for a decrease of P105 million. In 2020, the Group issued a P12 billion long-term notes payable to various banks with interest rates ranging from 4.00% to 4.51% and terms of 7 and 10 years.

Equity

As at December 31, 2021 and 2020, total equity amounted to P75,476 million and P68,502 million, respectively, for an increase of P6,974 million or 10.2%.

Capital stock amounted to P2,904 million as at December 31, 2021 and 2020.

Additional paid in capital amounted to P25,362 million as at December 31, 2021 and 2020.

Retained earnings amounted to P47,171 million and P40,426 million as at December 31, 2021 and 2020, respectively, or an increase of P6,745 million or 16.7% due to income made during the year, net of dividend payments

Cash Flows

Cash flows from operating activities

Net cash provided by operating activities amounted to P15,181 million, P14,703 million and P15,073 million for the years ended December 31, 2021, 2020 and 2019, respectively. This was mainly due to increase in operating income driven by aggressive store expansion.

Cash flows used in investing activities

Net cash used in investing activities amounted to P1,539 million, P5,776 million and P3,773 million for the years ended December 31, 2021, 2020 and 2019, respectively. Capital expenditures for acquisitions of equipment, furniture & fixtures, lands, construction of buildings and improvements on leased assets amounted to P3,682 million in 2021 and P3,208 million in 2020.

Cash flows from (used in) financing activities

Net cash used in financing activities amounted to P5,055 million for the year ended December 31, 2021, pertaining to lease payments and dividend payable. Net cash provided by financing activities amounted to P6,694 million in 2020 while net cash used amounted P4,904 million for the year ended December 31, 2019.

The Company's Audited Financial Statements will be submitted once available.

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.

CANDY H. DACANAY - DATUON
Assistant Corporate Secretary & Compliance Officer