



CENTURY PACIFIC FOOD, INC.

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PHILIPPINE STOCK EXCHANGE, INC.

PSE Tower, 28th Street cor. 5th Avenue

Bonifacio Global City, Taguig City

Attention: **MS. JANET A. ENCARNACION**

Head, Disclosure Department

RE: **PRESS RELEASE** – Century Pacific FY 2019 net income increases by 11%; Company continues supply of products amidst COVID-19 threat

Please be informed that Century Pacific Food Inc (CNPF) is issuing the attached press release entitled “Century Pacific FY 2019 net income increases by 11%; Company continues supply of products amidst COVID-19 threat”

Very Truly Yours,

GIOVANNA M. VERA

Head - Investor Relations



CENTURY PACIFIC FOOD, INC.



Century Pacific FY 2019 net income increases by 11%; Company also continues supply of products amidst COVID-19 threat

Century Pacific Food Inc. (CNPFI) releases its full-year 2019 results, ending the year with net income of Php3.1 billion - an increase of 11% versus the year before.

2019 consolidated revenues grew by 7%, to Php40.6 billion, driven primarily by double-digit growth in its branded business.

The branded business, comprised of the Marine, Meat and Milk business units, saw sales increase by 12% year-on-year, hitting Php31.2 billion in topline and accounting for 77% of overall revenues.

In contrast, the commodity-linked Tuna and Coconut OEM business, whose revenues accounted for the balance of 23%, saw sales fall by 6% year-on-year on the back of lower commodity prices.

Favorable commodity price trends led to improved profitability for the Company overall, with consolidated gross profit growing faster than sales - by 20% year-on-year. This translated to a 250-basis point rise in overall gross profit margin to 24%.

The improvement in gross profit likewise allowed the Company to invest more heavily in brands, new product development, and innovations, leading to an increase in operating expense of 13%.

As of end-2019, CNPFI maintained its healthy balance sheet and improved its financial flexibility. Net gearing stood at 0.2x, while net interest-bearing debt to EBITDA was at 0.7x. The Company's return on equity likewise remained steady at 18%.

Amidst the ongoing threat from COVID-19 and the Enhanced Community Quarantine throughout Luzon, the Company has also assured the public of continued supply of its products amidst the heightened demand.

"In these challenging times, we recognize the critical role we play in ensuring enough of our products are available to those who need them the most. Thanks to the support of the Department of Trade & Industry and the Inter Agency Task Force, we are able to maintain a smooth flow of goods and operate with enough capacity, despite the use of a skeleton workforce," said Chief Finance Officer Oscar Pobre.

He added, “We will continue working closely with the government to ensure unhampered operations of our Company and our supply chain partners. We also remain in close touch with partner local government units for the supply and donation of various food products. Finally, the health, safety, and financial protection of our employees remain paramount and we continue to provide them with care and financial aid.”

CNPF recently announced it will be providing one million food packs to Filipinos amid the COVID-19 outbreak. The food packs will be distributed nationwide, targeting the communities that are severely impacted.

Further, the Company has earmarked financial support to employees, communities, and various institutions in an effort to join the nation in its fight against COVID-19.

About CNPF

Century Pacific Food, Inc. (PSE: CNPF) is one of the Philippines' largest branded food and beverage companies. It is primarily engaged in the manufacturing, marketing, and distribution of processed marine, meat, milk, and coconut products. With an established track record in brand-building spanning more than 40 years, it has developed a roster of household names which include Century Tuna, Argentina, 555, Angel, and Birch Tree. These brands of the Company hold market leading positions locally and are growing their presence abroad. Further, the Company also operates as one of the Philippines' leading providers of private label tuna and coconut products for export overseas.



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