

**CNPF posts a strong finish in 2021;  
Revenues up 13%, Earnings climb 20%**

- FY revenues at a robust Php 54.7B, registering a growth of 13% due to strong OEM exports and resilient demand seen for the Branded Business
- Unaudited net income increased by 20%, backed by consistent topline performance and favorable income tax rates
- 1Q22 revenue growth at high single-digit driven by double-digit growth in Branded revenues

**Century Pacific Food, Inc. (PSE:CNPF)**, one of the Philippines' leading branded food and beverage companies, posts a strong finish in 2021, registering another year of strong growth in spite of an extraordinary performance back in 2020.

CNPF continued to accelerate in the fourth quarter, registering double-digit growth for both topline and bottomline. Sales increased by 18% in 4Q21, while bottomline grew by 14%.

Overall, 2021 saw unaudited consolidated revenues continue to reach highs with sales landing at Php 54.7B, clocking in a growth of 13% versus the year before.

The Company's back-to-back performance was primarily driven by the robust sales of CNPF's Tuna and Coconut OEM exports business and the strong performance of the Branded segment, composed of Marine, Meat, Milk and other emerging businesses, despite the high base from the year before.

OEM Exports increased by 29% year-on-year, which CNPF attributes to the global economic reopening and higher demand for healthier products. The Company's Branded segment, on the other hand, hit Php 42.8B revenues and registered a double-digit growth of 10%, notwithstanding the extraordinary results the segment posted in 2020 due pandemic-related spikes in demand.

As expected, gross margin dipped by 1.4 percentage points due to the general rise in input prices globally. With operating expenses flattish, earnings before interest, taxes and depreciation (EBITDA) grew by 10%, resulting in an EBITDA margin of 13%.

Overall, CNPF's unaudited net income registered at P4.7B, increasing by 20% versus last year on the back of a robust topline performance and favorable income tax rates.

CNPF maintained a healthy balance sheet at the end of 2021 and demonstrated healthy cash generation for the year. Net gearing was at 0.1x, and net interest-bearing debt to EBITDA stood at 0.4x. Operating cashflows amounted to Php 3.7B.

In a statement, Chad Manapat, CNPF's Chief Finance Officer, said, "Demand for consumer staples remained resilient in 2021. Consumers are feeling the strain from this prolonged pandemic, leading them to prioritize spending and predisposing them to gravitate towards essentials and value for money brands. As a company focused on providing affordable food options, Century was able to cater to their needs, which in turn led to market share gains for our brands."

Manapat continued, “Amidst a challenging macroeconomic environment, we are pleased to keep our strong growth momentum in 2021. Apart from the healthy operational performance, the Company has likewise benefitted from favorable tax rates due to the implementation of the Corporate Recovery and Tax Incentives for Enterprises Act, allowing us to reinvest in growth and sustainability programs.”

The year saw CNPF invest in adjacent categories, launching a string of innovations to build new growth avenues for the business and further diversify its portfolio.

Early in the year, the Company scaled up its plant-based alternatives brand, ‘unMEAT’, by introducing it in retail channels. This was soon followed by the international rollout of the brand in key markets such as the United States, United Arab Emirates, Singapore, and China. It also entered the Pet Food category, a nascent yet fast-growing segment, with the launch of its own branded line of products, ‘Goodest’. Furthermore, it expanded its Milk portfolio by introducing another new brand, ‘Choco Hero’, its most affordable product to date, to play in the choco malt segment.

CNPF also increased the capacity of its Coconut OEM business by 50%, a move to meet the growing demand for coconut products worldwide, effectively generating more than 500 quality manufacturing jobs in the Mindanao region.

On the M&A front, the Company announced in December the acquisition of the ‘Ligo’, a heritage brand known for its high quality marine products. The deal is expected to close within the first half of the year.

2021 marks CNPF’s second year of plastic neutrality. At present, all of its brands utilizing flexible packaging are now certified plastic neutral. Investing in more sustainable solutions, the Company completed the commissioning of a 5.2 megawatt Solar Photovoltaic plant in June, powering its largest manufacturing hub in the country. Moreover, its Coconut division, together with GCash and HOPE, launched the coconut tree-planting program to plant and donate 1 million trees to smallholder farmers, accelerating its journey towards carbon neutrality.

Executive Chairman Christopher Po said, “We’ve been graced with two consecutive years of extraordinary performance, receiving our fair share of silver linings along the way. Despite operating in a hectic and stressful environment, the company has demonstrated resilience largely due to the essentials and staples nature of our portfolio.

Entering 2022, CNPF started off the year at a favorable pace. The Company saw first quarter revenue growth at high single-digit, fueled by the Branded segment which grew double-digit year-on-year.

Po continued, “2022 is shaping up to be another challenging year with pandemic disruptions and geopolitical events resulting in a high-inflation environment. We continued to see strong revenue growth in the first quarter but significant uncertainty lies ahead. We will continue to play the long game and invest in the business. At the same time, our team has plans in place to mitigate the new risks that emerged and still aim to deliver decent business results.”