



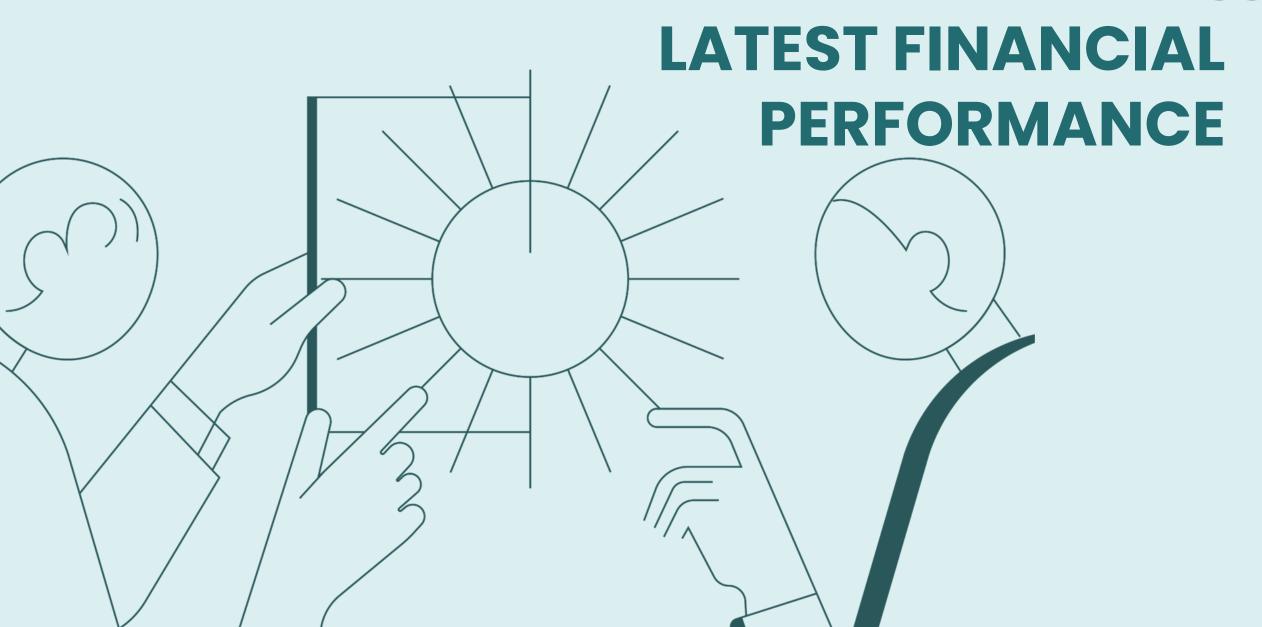
Building on LEGACY for a BETTER Tomorrow

CPFI FY22 RESULTS PRESENTATION APRIL 2023









FY 2022 FINANCIAL RESULTS HIGHLIGHTS



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|---|-----|----|---|---|
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BRANDED REVENUE

GROSS MARGIN

NET INCOME

FY
Growth yearon-year

+14%

+16%

-20

bps

+6%

4Q Growth yearon-year

+12%

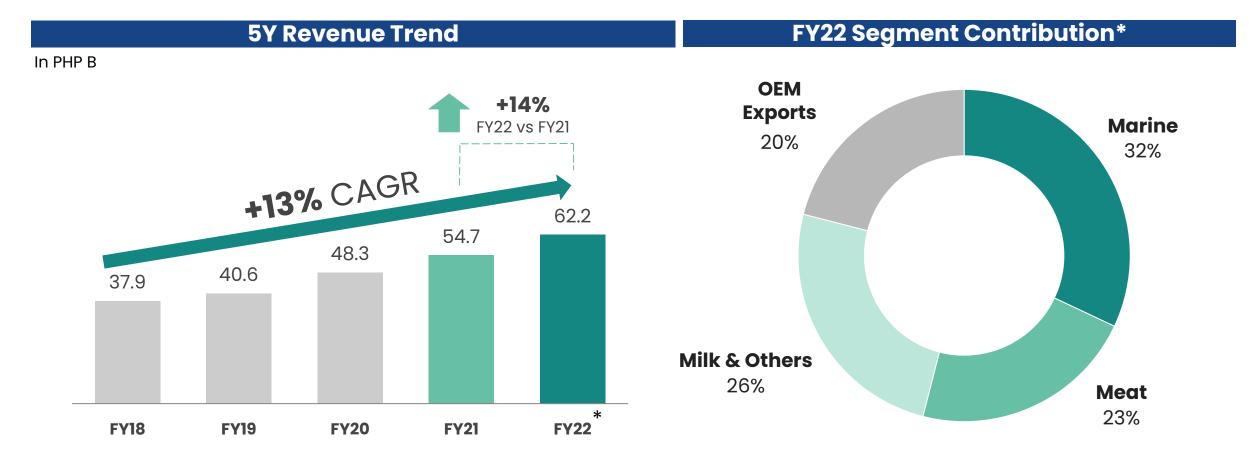
+15%

-130 bps

+5%

DELIVERS CONSISTENT GROWTH OVER THE YEARS THROUGH ITS DIVERSIFIED PORTFOLIO

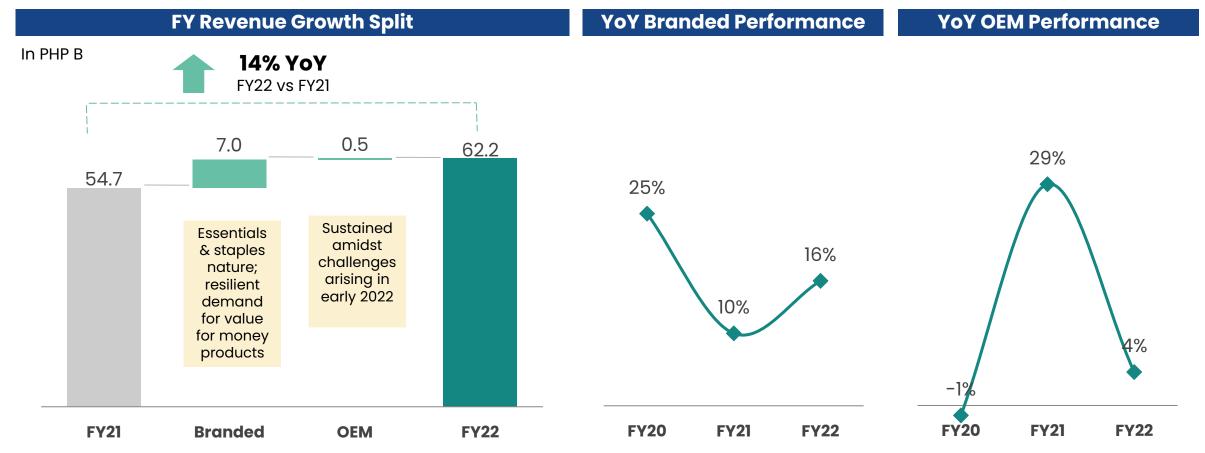




Consistent performance can be attributed to CNPF's strategy of continuously strengthening its core business, Branded Marine and Meat and investing in emerging Branded businesses such as Milk.

BRANDED DRIVES REVENUE GROWTH AS OEM SUSTAINS ITS TOPLINE FOLLOWING A HIGH BASE

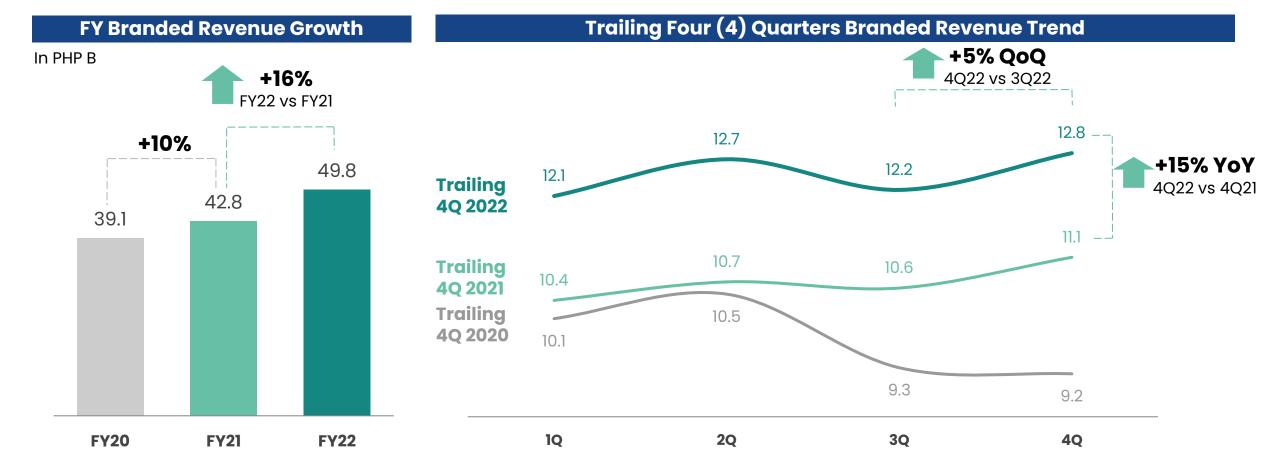




- Branded segment continues to deliver given resilient demand for consumer staples and value for money goods despite inflationary pressure a testament to its all-weather business model.
- **OEM Exports** sustained its topline amidst a **challenged export environment** brought about by supply chain pressures and global geopolitical tensions

BRANDED EXHIBITS CONTINUOUS GROWTH MOMENTUM ON THE BACK OF RESILIENT DEMAND





Resilient branded revenues amounting to P49.8B driven by:

- the essentials and staples nature of our portfolio and
- consumers prioritizing trusted, value-for-money brands and products.

MAINTAINS DOMINANT MARKET LEADERSHIP GAINS SHARE IN MEAT AND MILK

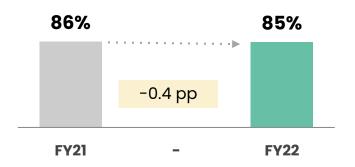


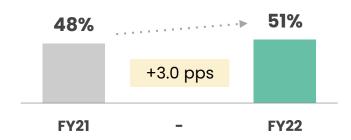
Market Share Trends

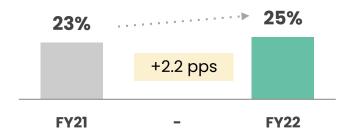












Market share positions reflect consumers' preference for well-known and trusted brands.

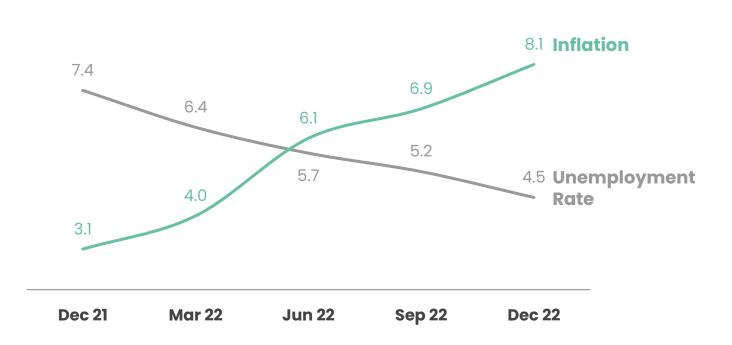
Source: Kantar, Nielsen 7

PHILIPPINE REOPENING DRIVES DOMESTIC DEMAND; INFLATION LEADS CONSUMERS TO PRIORITIZE SPENDING











Value-for-Money

Choose more affordable and accessible brands and products



Trusted Brands

Allocate spend for proven brands that deliver good value and address their needs well



Health & Wellness

Long-term trend of prioritizing healthier products

The economy has rebounded from the pandemic, but majority of Filipino consumers are still economizing. While they have more means to spend, they choose value for money goods and trusted brands.

Source: Refinitiv

ALL-WEATHER MULTI-BRAND PORTFOLIO STRATEGY THAT CUTS ACROSS DIFFERENT PRICE TIERS



Relevant value proposition amidst varying market conditions

KEY SEGMENTS

Value for Money

Mass Market

Affordable Premium

Marine















Meat & **Plant-Based**















Milk, Coconut, & **Others**















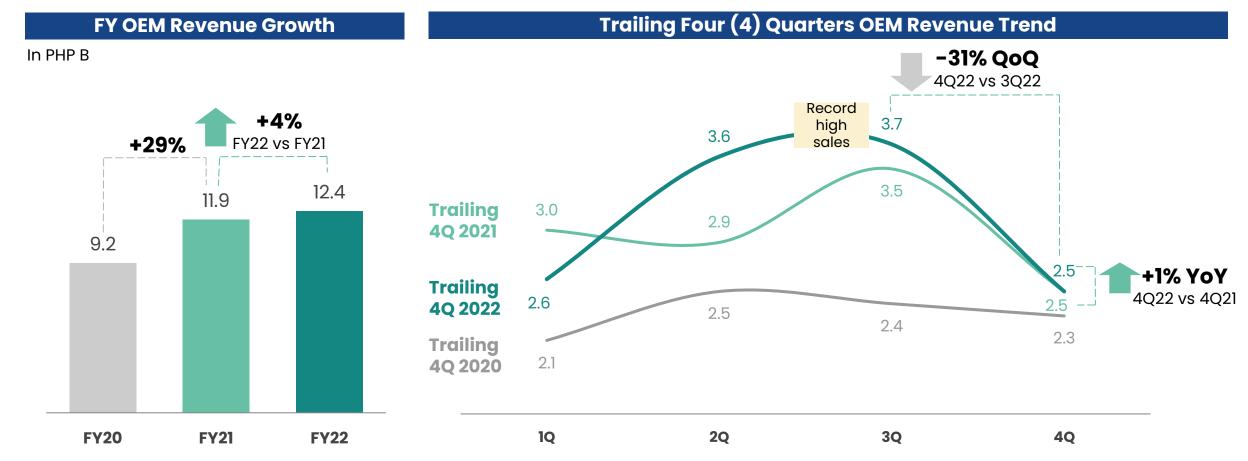






OEM POSTS GROWTH IN 2022 DESPITE A CHALLENGING ENVIRONMENT

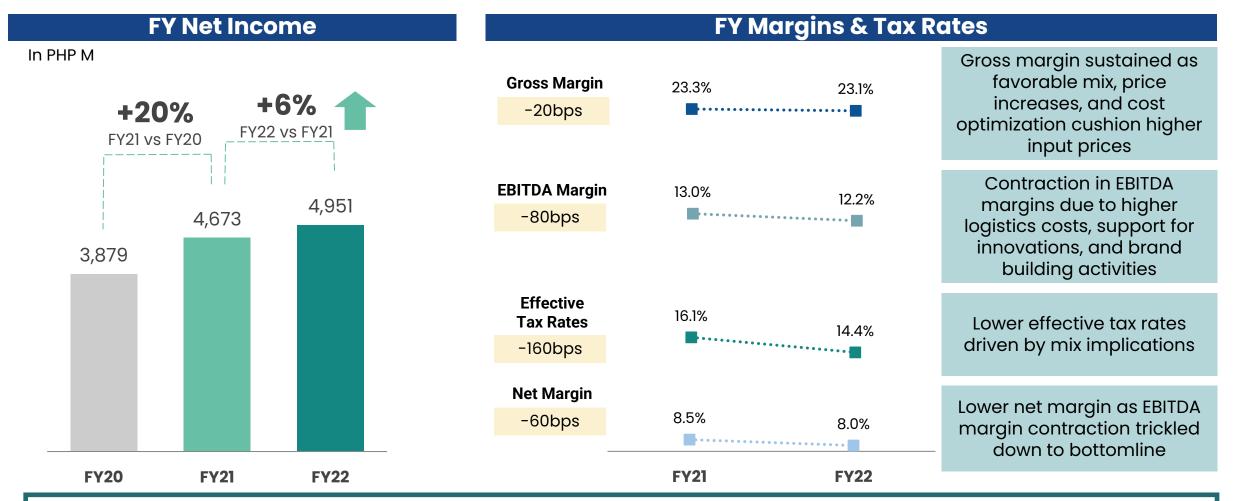




OEM revenues at P12.4B, posting growth coming from a **high base in 2021** despite a **challenged landscape**, buoyed by improving freight rates and favorable movements in forex.

GROWTH IN BOTTOMLINE AMIDST INFLATIONARY PRESSURES

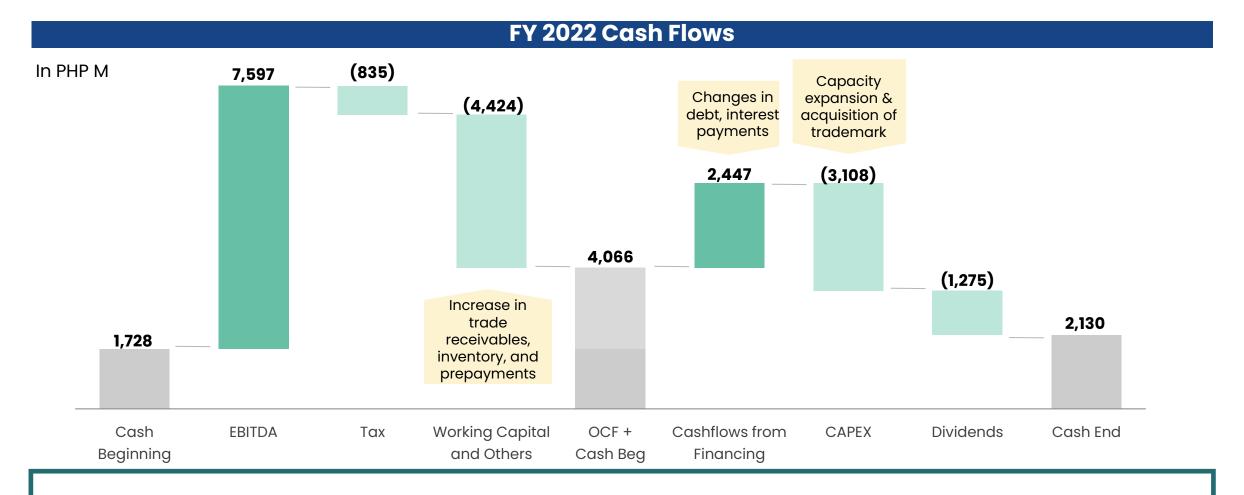




Despite a high base for the past 2 years, inflationary pressures, and ongoing global supply chain challenges, net income continued to grow driven by a resilient topline, sustained gross margins, and cost optimization measures.

HEALTHY CASHFLOW SHAPED BY SUPPLY SECURITY AND INVESTMENTS IN LONG-TERM GROWTH





- Secured inventory in light of uncertain global supply conditions
- Operating cash flows reinvested in capacity expansion & inorganic growth opportunities

CNPF FY22 KEY TAKEAWAYS



All-weather business model underpins resilient performance

Double-digit topline growth driven by Branded business Delivers profitable growth in the face of inflationary pressures





STEADFAST IN OUR STRATEGIC GROWTH PILLARS





STRENGTHENING THE CORE BOTH ORGANICALLY AND INORGANICALLY



Brand-Building Campaigns

SUPERBODS stay strong to love strong

- Invested in equity building with Century Tuna Superbods
- Century Tuna Superbods inspires consumers to embrace a healthy lifestyle, embracing inclusivity

Ligo Acquisition





Aligned with our mission of providing affordable nutrition to our consumers



Effectively doubles CNPF's market share, making us a strong challenger in Sardines

- A bolt-on acquisition, with CNPF leveraging its scale and capabilities to create more value for the brand
- Acquisition is accretive, especially as synergies materialize

MAKING OUR PORTOFLIO HEALTHIER THROUGH RELEVANT INNOVATIONS



Entering White Spaces in Milk: Birch Tree Advance

25%Dec 2022 **2%**Jan 2016







- Continuous innovation to fuel long-term growth and market share gains
- Democratizing nutritional meal replacements for the elderly

More For Less: Fortified Value for Money Brands with Zinc for Immunity













Added more nutritional value to our value for money range so our value-seeking consumers can get more for less

FUTURE-PROOFING THE BUSINESS BY UNLOCKING MARKET OPPORTUNITIES



Build CNPF's Emerging Businesses to Deliver Long-term Growth

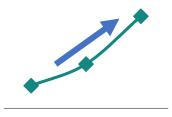


FY21 FY22 FY23E

Increased market development communications and distribution of Coco Mama







FY21 FY22 FY23E

New Plant-based Products with unMEAT Breakfast Line, Shelf Stable Luncheon Meat, and Fish-Free Tuna











FY21 FY22 FY23E

Innovating and building route-tomarket capabilities for Pet Food





 Growing these by develop the market, launching relevant innovations, generating awareness and trial, and increasing the brands' footprint where it matters

EMBRACING MORE RESPONSIBLE AND SUSTAINABLE BUSINESS PRACTICES



Balancing the Needs of Stakeholders & Thinking Win-Win

Planted & donated 1M coconut trees to smallholder farmers in Mindanao







Engaged in Tuna sustainability efforts, keeping tuna stock healthy and at sustainable levels



Skipjack Tuna Stock Abundance

Stocks are not overfished.

Fishing Mortality
Stocks are not in danger of being overfished.

Added renewables to our energy mix



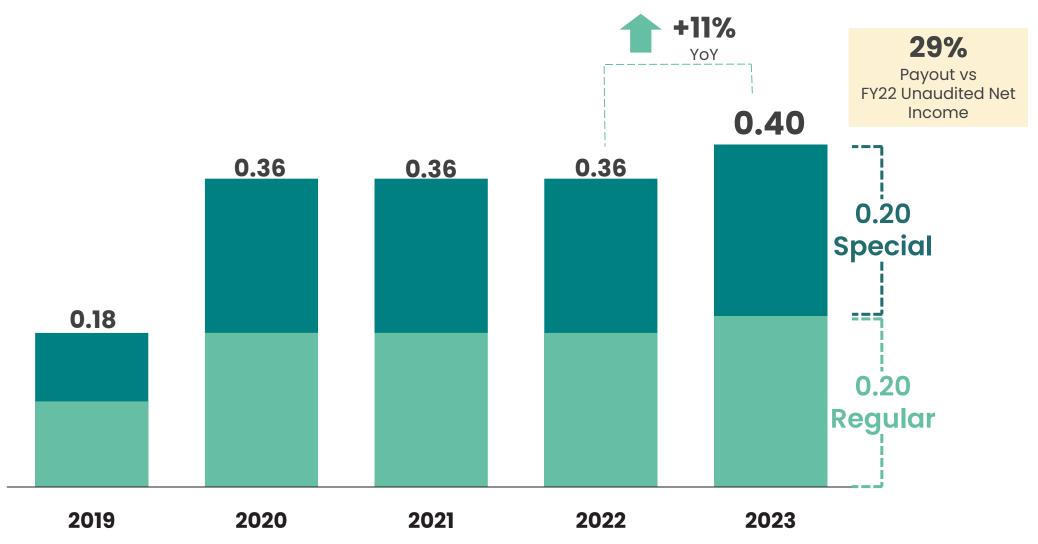
Delivered 10M Protein Servings in 2022 and launched the Zero Hunger Alliance with Gawad Kalinga





2023 DIVIDENDS AT PHP 0.40/SHARE





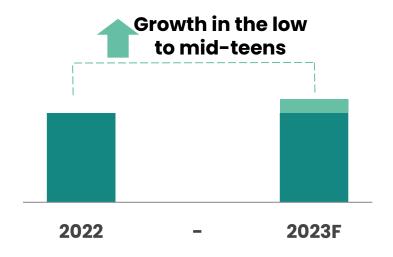
2023 PRELIMINARY OUTLOOK



2023 Outlook

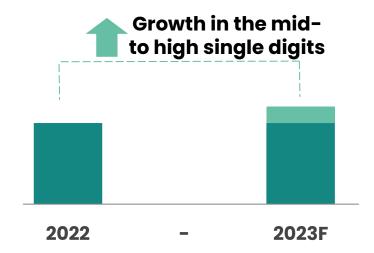
2023 Growth Drivers

Topline



- Low to mid-teens topline growth on the back of resilient demand
- Combination of volume and price growth
- Growth skewed towards the latter part of the year

Bottomline



- Higher input costs flowing through from last year
- Price increases and cost optimization measures implemented cushion impact
- Margins to bottom in Q1 and improve from there

LONG-TERM STRATEGY



Performance Positioning



- Delivering low double-digit to mid-teens growth during good times, and **outperforming our** growth targets during bad times
- Our branded portfolio has proven resilient amidst various macroeconomic situations





Building on LEGACY for a BETTER Tomorrow

CNPF FY22 RESULTS PRESENTATION APRIL 2023







ANNEX







FY 2022 SUMMARIZED P&L



| In PHP Mill | FY 2021 | FY 2022 | Change YoY |
|--------------------|---------|---------|-------------------|
| Net Revenues | 54,710 | 62,241 | 14% |
| Cost of Sales | 41,958 | 47,881 | 14% |
| Gross Profit | 12,752 | 14,360 | 13% |
| Operating Expenses | 7,064 | 8,694 | 23% |
| Operating Income | 5,865 | 6,097 | 4% |
| EBITDA | 7,136 | 7,597 | 6% |
| Financing Cost | 297 | 310 | 5% |
| Income before Tax | 5,568 | 5,786 | 4% |
| Income Tax | 895 | 835 | -7% |
| NET INCOME | 4,673 | 4,951 | 6% |
| EARNINGS PER SHARE | 1.32 | 1.40 | 6% |
| Margins (%) | | | |
| Gross Profit | 23.3% | 23.1% | -0.2 pps |
| Operating Expenses | 12.9% | 14.0% | +1.1 pps |
| Operating Income | 10.7% | 9.8% | -0.9 pps |
| EBITDA | 13.0% | 12.2% | -0.8 pps |
| Net Income | 8.5% | 8.0% | -0.6 pps |

- Revenues grew double-digit
- Branded up 16% as demand remains resilient, driven by essentials and staples nature of portfolio
- OEM 4% higher YTD as logistics issues begin to ease
- EBITDA growth tracking below topline performance due to higher logistics costs, support for innovations, and brand building activities
- Profits to be reinvested in capacity expansion programs and sustainability initiatives
- Earnings growth at +6% due to robust operational performance and lower taxes

FY 2022 SUMMARIZED BALANCE SHEET



| In PHP Mill | FY 2021 | FY 2022 |
|-----------------------|---------|---------|
| Cash | 1,728 | 2,130 |
| Receivables | 7,906 | 8,758 |
| Inventory | 14,112 | 17,766 |
| Current Assets | 26,486 | 31,615 |
| PPE | 8,574 | 8,794 |
| Non-Current Assets | 14,394 | 16,415 |
| TOTAL ASSETS | 40,880 | 48,030 |

- Lengthening of cash conversion cycle to 113 days versus 96 days as of end 2021
- Increase in PPE driven by capacity expansion and maintenance

| In PHP Mill | FY 2021 | FY 2022 |
|-----------------------------|---------|---------|
| Trade and Other Payables | 9,105 | 9,742 |
| Notes Payable - Current | 2,810 | 4,631— |
| Long-Term Loan | 1,982 | 3,191 |
| TOTAL LIABILITIES | 15,992 | 19,299 |
| Retained Earnings | 16,346 | 20,184 |
| TOTAL EQUITY | 24,888 | 28,731 |
| BVPS (PHP/share) | 7.03 | 8.11 |

- Interest-bearing loans totaling PHP7.8 billion all peso-denominated
- FY 2022 consolidated **net income** of PHP5.0 billion

FY 2022 SUMMARIZED CASH FLOW

28



| In PHP Mill | FY 2021 | FY 2022 |
|--------------------------------------|---------|----------|
| Profit before Tax | 5,568 | 5,786 |
| Depreciation & Amortization | 1,272 | 1,500 |
| Working Capital Change | (2,572) | (4,591)- |
| Income Tax | (903) | (835) |
| Others | 351 | 477 |
| OPERATING CASH FLOWS | 3,715 | 2,338- |
| Capital Expenditures and Acquisition | (2,783) | (3,110) |
| INVESTING CASH FLOWS | (2,722) | (3,108) |
| Interest Paid | (181) | (310) |
| Change in Debt | 1,258 | 3,030 |
| Dividends | (1,275) | (1,275) |
| FINANCING CASH FLOWS | (494) | 1,172 |
| NET CHANGE IN CASH | 499 | 402 |
| CASH, ENDING | 1,728 | 2,130 |
| FREE CASH FLOW | 1,547 | 947 |

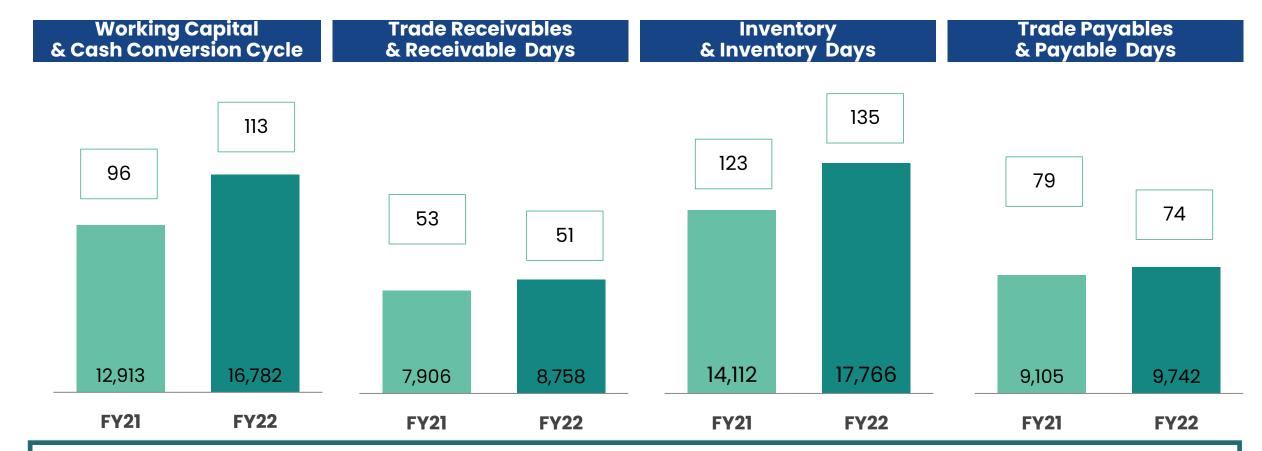
 Increase in working capital due to higher receivables, inventories, and prepayments

 Strong cash generation supported by healthy profitability

 Capital expenditures primarily for capacity expansion and maintenance, as well as for the Ligo acquisition

INVENTORY BUILDUP DRIVING CCC





- Cash conversion cycle lengthens to 113 days due to **increase in inventories**
- Strict monitoring of receivables amidst current economic conditions resulting in maintained receivable days despite increasing receivables
- Inventory levels augmented in preparation for projected demand for early 1Q23

FINANCIAL RATIOS

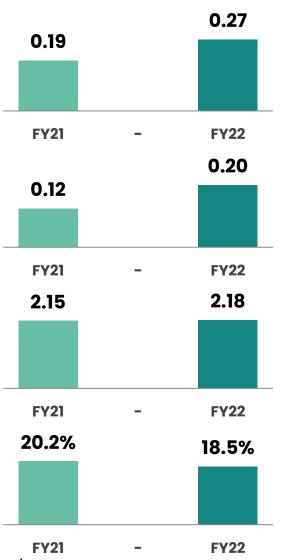




Net Gearing (x)

Current Ratio (x)

Return on Equity



- Increase in gearing ratios due to increase in debt, but comfortable level maintained
- Increase in net gearing ratios due to increase in debt and lower cash, but comfortable level maintained

 Slight increase in current ratio due to higher inventory

• Attractive return ratios with ROE close to 20%

*Based on preliminary unaudited financial statements Notes: Gedring Ratio = (Interest-Bearing Liabilities) / Equity

Net Gearing = (Interest Bearing Liabilities Less Cash) / Equity

Return on Equity uses trailing 12 months' earnings and average equity





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Any reference herein to "the Company" shall mean, collectively, Century Pacific Food, Inc. and its subsidiaries.

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