**Century Pacific Sustains Growth Performance in 1H24**

 **Sales Up by 13% Due to Continued OEM Recovery and Branded Resilience**

**Net Income Improves by 14% Year-on-Year**

* 1H24 Consolidated revenues grew by 13% year-on-year (YoY), fueled by the strong recovery of OEM exports. OEM exports posted a growth of 42% versus the same period last year.
* The Branded business continued to deliver growth, increasing by 7% YoY in the first half of 2024 amid a soft consumer environment.
* 1H24 Net Income rose by 14% on the back of favorable trends in commodity costs.
* CNPF reiterates low double-digit growth outlook for both top and bottomline for FY24.

**Century Pacific Food, Inc. (PSE:CNPF)**, one of the leading food and beverage companies in the Philippines, released its unaudited results for the first half of 2024. Consolidated revenues for the six-month period amounted to Php 37.7 billion, posting a growth rate of 13% year-on-year. The increase was primarily fueled by the continued recovery of CNPF’s OEM Exports Segment and the sustained growth performance of the Branded Segment. The Company saw earnings improve by 14% from the same period last year as commodity costs eased.

The bulk of CNPF’s revenues comes from the Branded business, which is composed of Marine, Meat, and Milk & Other Segments, catering predominantly to the domestic market. Meanwhile, CNPF’s commodity-linked OEM Exports segment, which includes both Tuna and Coconut exports, comprises approximately a fifth of the Group’s business.

During the second quarter of 2024, CNPF’s consolidated sales rose by 10% year-on-year. On a sequential basis, the business improved by 8% from the first quarter, with both Branded and OEM Exports registering quarter-on-quarter growth of 7% and 10% respectively.

OEM Export sales jumped by 36% versus 2Q23, bringing the segment’s six-month growth rate to 42% YoY. Coming from a soft 2023, the segment rebounded in 1H24 on the back of improving commodity costs and favorable forex. Following a high base, Branded delivered a 5% growth rate during the three-month period amid a strained consumer environment, laddering up to a 7% YoY increase in 1H24 sales versus the same period last year.

Chad Manapat, CNPF Chief Finance Officer said, “Our first half journey was no walk in the park, but we are encouraged by the company’s volume-led growth performance. We pulled through because of our diversified, all-weather business model. The OEM exports segment outperformed, while the Branded business delivered sustained growth in the midst of persistent inflationary pressures. We endeavor to keep this momentum throughout the year as we reinvest margin gains to further stimulate demand and give more value to our consumers. This strongly aligns with our mission to provide affordable nutrition for all.”

CNFPF’s gross margins for the first six months of the year expanded by 210 basis points to 26.1%. Gains were plowed back into operating expenses to support demand-generating activities. Thus, earnings before interest, taxes, depreciation, and amortization margins were largely sustained versus the same period last year at 14.3%. This flowed through to the profit margin, which remained at 9.6%.

During the period, CNPF launched the Century Tuna Superbods 2024: Best You Ever campaign, a hallmark campaign promoting health, fitness, and inclusivity for all. The company also released new campaigns and promotions to double-down on value for money offerings such as 555 Tuna and Birch Tree Fortified.

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Manapat shared, “We are grateful to conclude the first half of the year with a healthy performance despite the uphill climb. While we see headwinds up ahead, our company continues to aim for low-double-digit growth in both sales and profits for FY24. As entrepreneurs, we have a bias for growth and plan to invest resources accordingly, while giving our stakeholders a healthy return on investment.”

Early in July, CNPF declared a special dividend amounting to Php 0.48 per share, effectively doubling the dividends declared in 2024. In February this year, CNPF declared dividends amounting to Php 0.48 per share, composed of a regular and special cash dividend of Php 0.24 and Php 0.24, respectively.