



**CENTURY PACIFIC FOOD, INC.**

**CNPF**  
**CORPORATE PRESENTATION**  
**NOVEMBER 2019**

**CNPF**  **IR**

**PHILIPPINE-  
FOCUSED**

**CONSUMER  
STAPLES**

**BRANDED  
FOOD &  
BEVERAGES**

**MANUFACTURING  
& DISTRIBUTION  
EXPERTISE**

# Company Overview

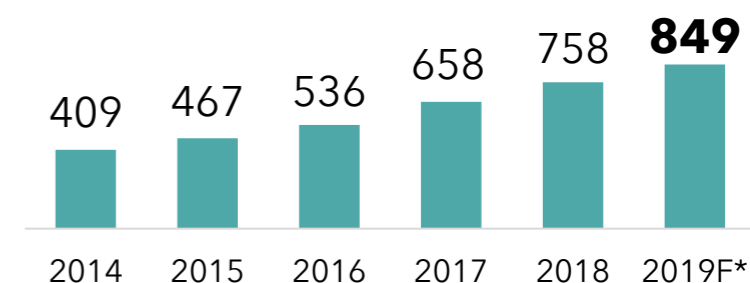


## SNAPSHOT

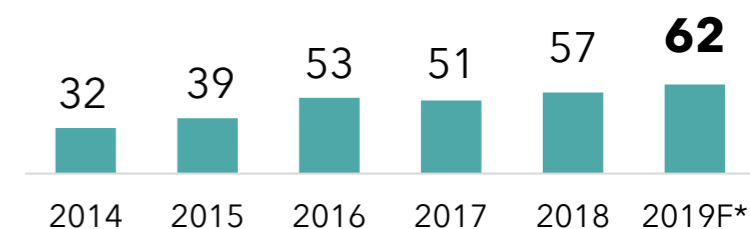
- **Century Pacific Food, Inc.** is one of the largest branded food companies in the Philippines. It is primarily engaged in the manufacturing, marketing, and distribution of processed marine, meat, milk, and coconut products.
- The Company's own brands hold market-leading positions locally and are growing 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.
- Vision: To be a sustainable and responsible global company of entrepreneurs that nourishes and delights its customers with healthier food and beverages through manufacturing excellence, nutrition expertise, trusted brands and passionate people.
- **Production Facilities:** 6 manufacturing facilities across the Philippines strategically located adjacent to supply sources (Tuna and Coconut in General Santos City, Meat in Laguna City, Dairy in Taguig City, and Sardines in Cavite and Zamboanga City)
- **Key Management:** Christopher T. Po - Executive Chairman, Teodoro T. Po - President & CEO, Gregory H. Banzon - Executive Vice President & COO, Edwin C. Africa - Senior Vice President & General Manager, Oscar A. Pobre - Vice President & CFO

## FULL-YEAR FINANCIALS

### Revenues (In USD Mill)

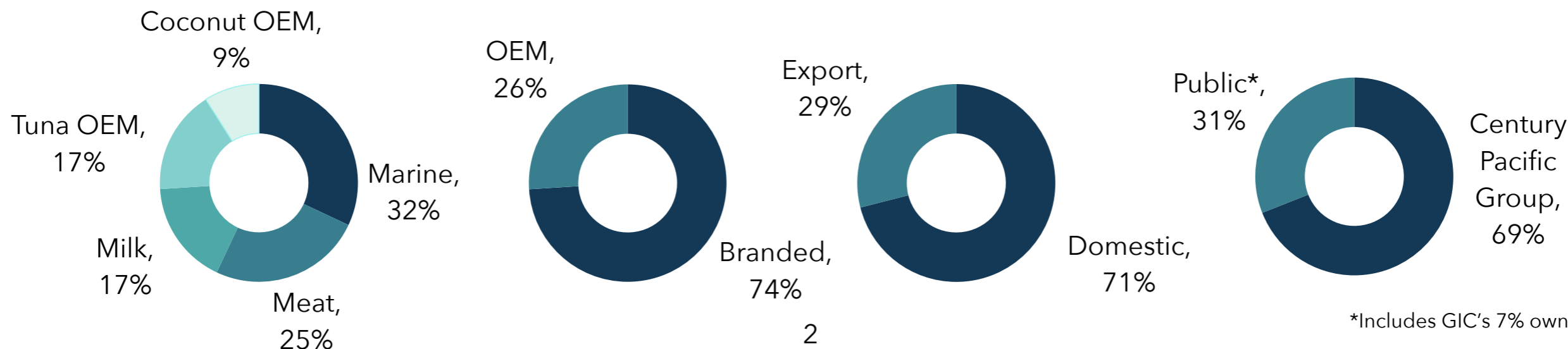


### Net Income (In USD Mill)



\*Consensus of active brokers

## 2018 REVENUE BREAKDOWN



\*Includes GIC's 7% ownership

# The Big Picture

CNPF is well-positioned to take advantage of rising consumer demand



## MAJORITY STILL LOW TO MIDDLE CLASS IN THE PHILIPPINES

Distribution of Families and Income

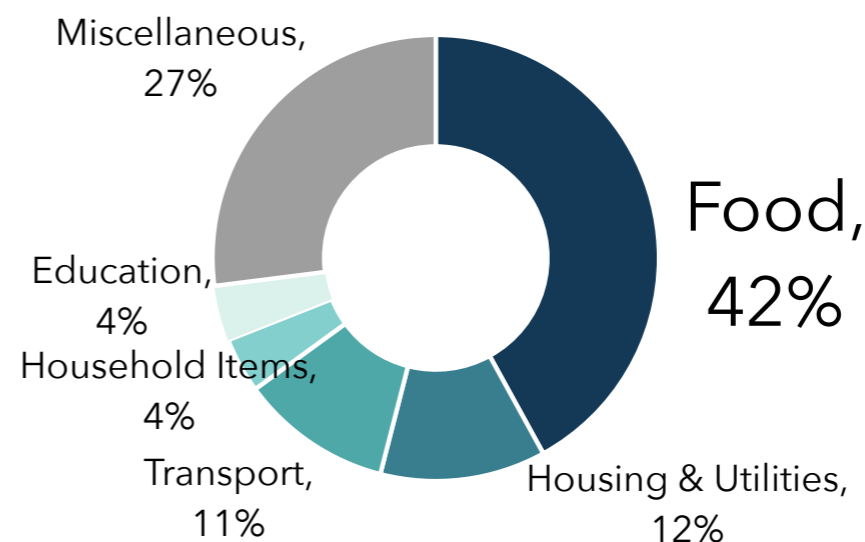
SE CLASS	% Share of Families	% Share of Income	Annual Income in PHP	Annual Income in USD
AB	1	9	1,857,000	36,880
C	9	26	603,000	11,976
D	60	56	191,000	3,793
E	30	9	62,000	1,231
<b>Total</b>	<b>100</b>	<b>100</b>	<b>206,000</b>	<b>4,091</b>

Represents a typical Filipino family size of 3 to 5 pax

Source: BPI Securities Social Weather System Survey, 2016

## FOOD ACCOUNTING FOR BULK OF FAMILY EXPENDITURE

Breakdown of Family Expenditures



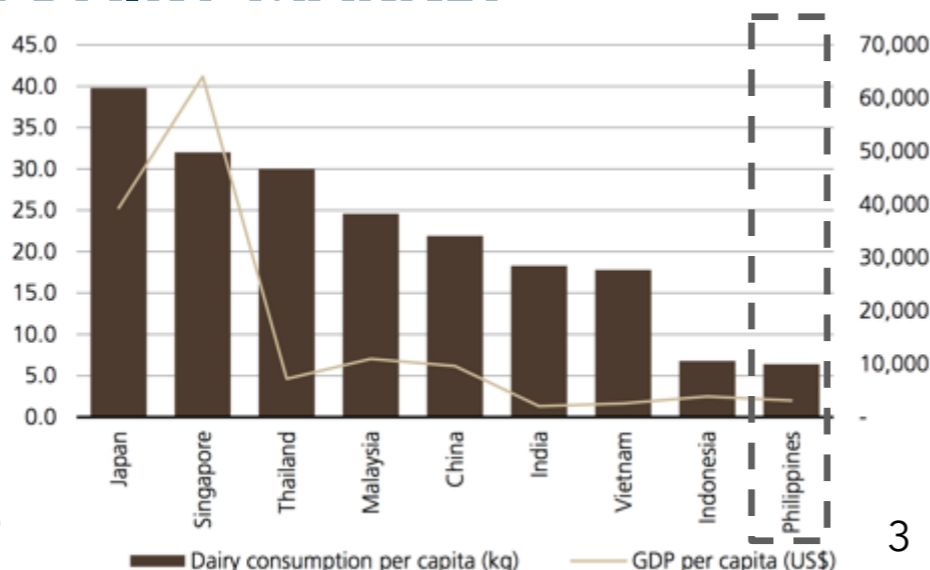
Percentage going to food much larger for lower income families

Source: Philippine Statistics Authority Family Income and Expenditure Survey, 2016

## OPPORTUNITIES IN THE PHILIPPINE DAIRY MARKET

Dairy Annual Consumption per Capita in 2018

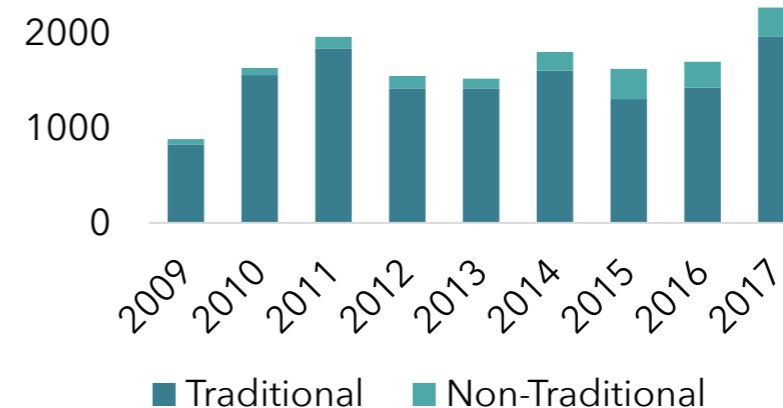
High potential for consumption to grow



Source: Euromonitor, UBS

## GLOBAL DEMAND FOR PHILIPPINE COCONUT EXPORTS

Philippine Coconut Export Value (In FOB USD Mill)



Riding the wave of global health and wellness

Source: PCA, PSA, UCAP

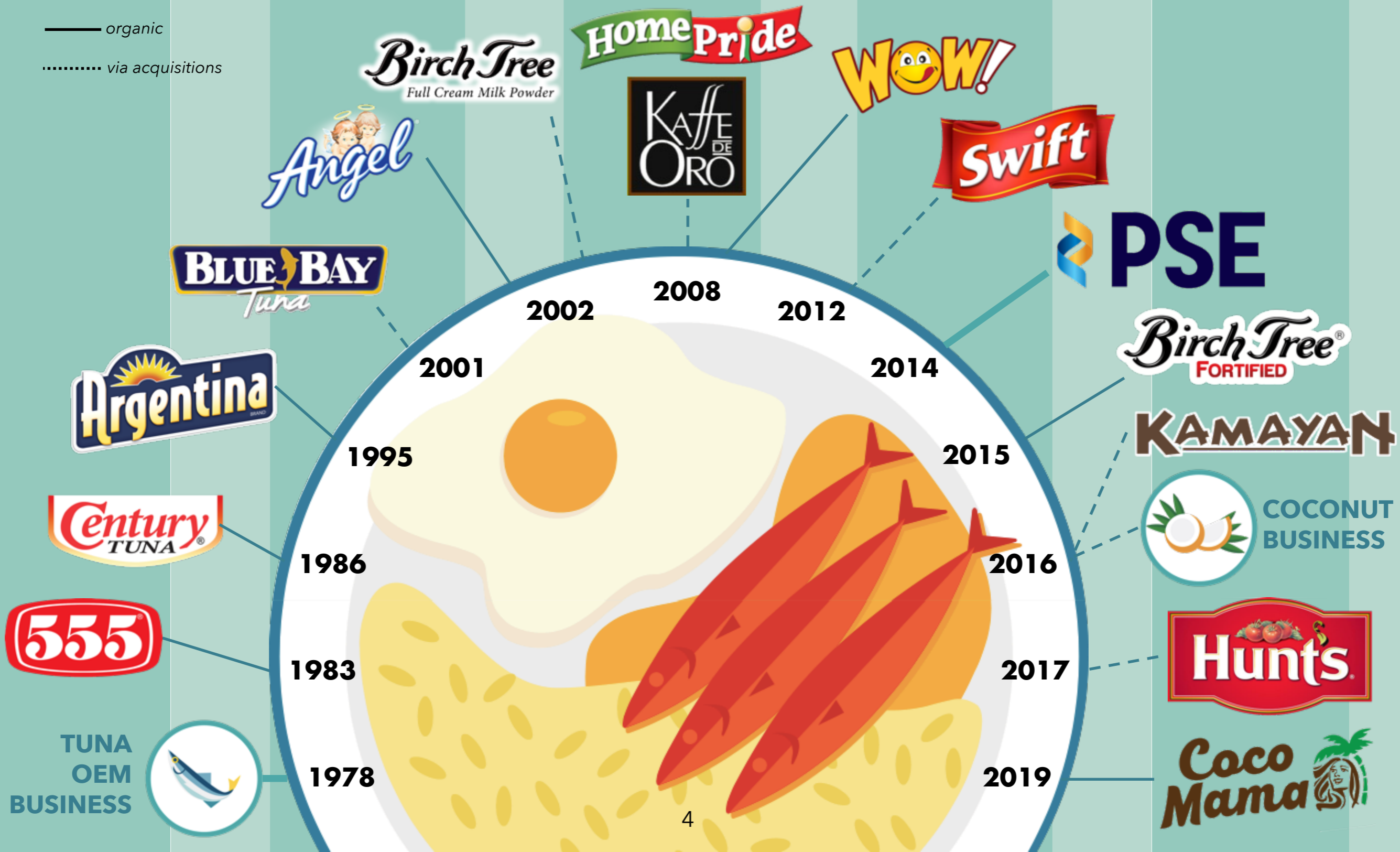
# Company Milestones

Proven track record in brand building



—— organic

..... via acquisitions



# Company Milestones

## Recognized for excellence



**Marketing Company of the Year**  
**Agora Awards**  
2011



**Century Tuna and Argentina**  
**Reader's Digest Trusted Brands**  
2011-2013, 2015-2016



**Asia's Marketing**  
**Company of the Year**  
**Asia Marketing Federation**  
2016



**Philippines' Best Managed**  
**Small Cap Company**  
**Asia Money**  
2016



**Philippines' Best**  
**Mid Cap Company**  
**Finance Asia**  
2017-2018



**1000 High-Growth**  
**Companies Asia Pacific**  
**Financial Times**  
2018



**Outstanding Achievement**  
**in Export Marketing**  
**Agora Awards**  
2018



**Family Business Award**  
**Country & ASEAN Winner**  
**ASEAN Business Awards**  
2018



**Best in Sector**  
**Consumer Staples Finalist**  
**IR Magazine Awards**  
**South East Asia**  
2018



**Asian Export Awardee**  
**Processed Food**  
**Large Corporate Category**  
**The Asian Export Awards**  
2018



**Century Tuna**  
**Brand of the Year**  
**Philippine Seafood Category**  
**World Branding Awards**  
2019



**Best in Country**  
**Philippines Finalist**  
**IR Magazine Awards**  
**South East Asia**  
2019



# INVESTMENT HIGHLIGHTS



# Investment Highlights



- 1 Market Leadership**
  - Dominates the canned fish and canned meat categories locally\* with a growing presence in milk
  - Company's brands are the brands of choice for Filipino consumers
- 2 Multiple Brands and Products**
  - A broad product portfolio catering to different tastes and needs to capture a larger share of consumers' wallet and stomach
  - Diversification of risk and input price exposures
- 3 Strong Focus on Marketing and Innovation**
  - Innovative marketing campaigns to create must-have and aspirational brands
  - Strong R&D process to launch products and improve profitability
- 4 Extensive Market Penetration and Distribution**
  - Products available in 881,000 points of sale locally\*
  - A growing network of food service and international accounts
- 5 Trusted Partner for International Customers**
  - Long-standing relationships with large international private label customers, initially just for tuna but now also for various coconut products
  - One of the Philippines' largest exporter of tuna and various coconut products

\*Source: Nielsen

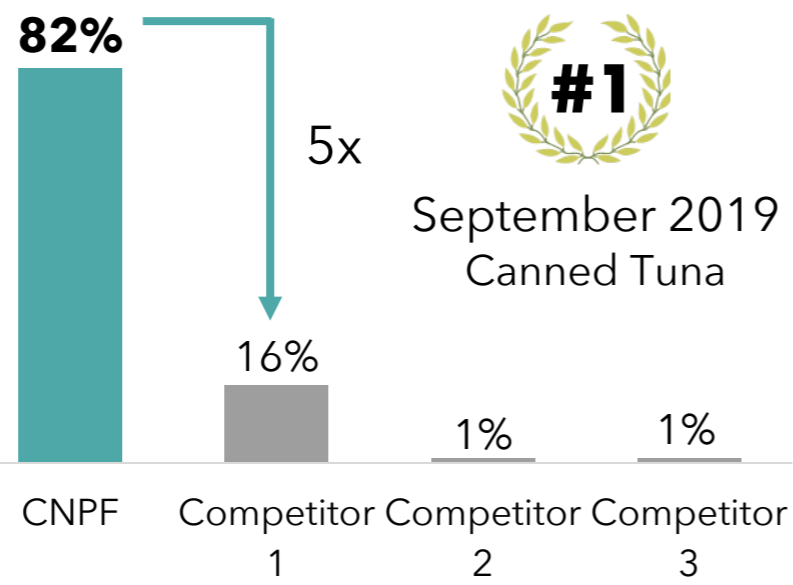
# 1

# Dominant Market Leadership in Ambient Food in the Philippines



## PRIMARY DRIVER OF CANNED TUNA CONSUMPTION DOMESTICALLY

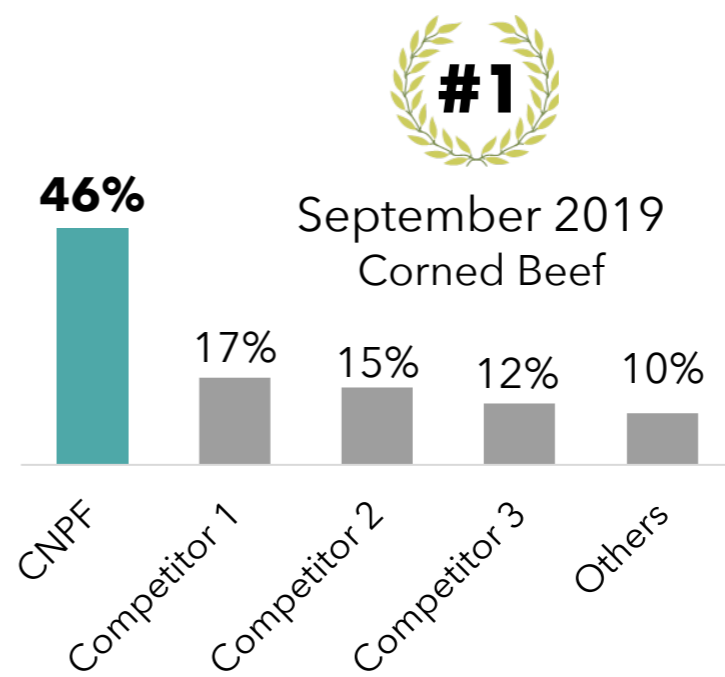
Flagship brand "Century Tuna" is now a champion for health and wellness



Source: Nielsen

## MARKET LEADER IN CORNED BEEF

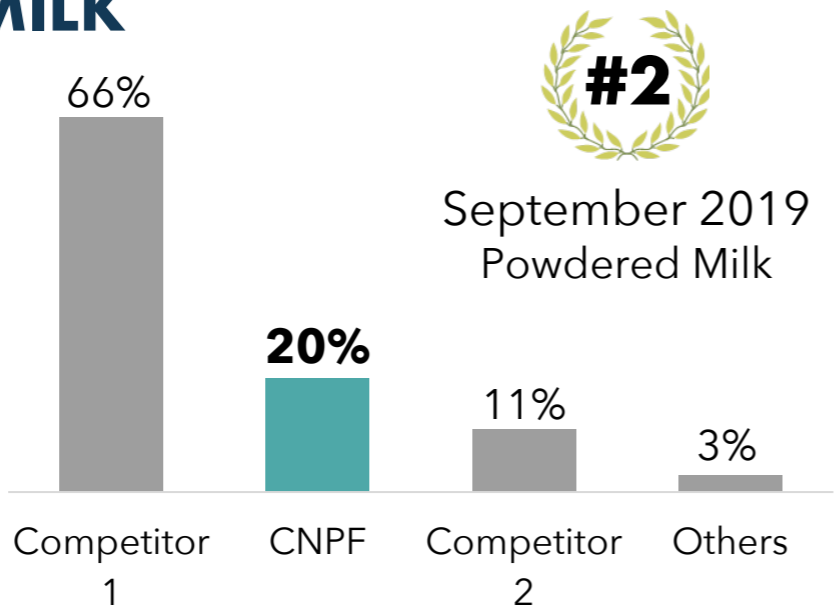
Flagship brand "Argentina" is still the go-to name in terms of affordable yet quality meat products



Source: Nielsen

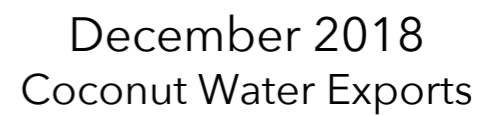
## MARKET SHARE GAINS IN POWDERED MILK

Heritage brand "Birch Tree" is utilized as a platform to expand and grow



Source: Nielsen

## AMONG THE LEADING EXPORTERS OF TUNA AND COCONUT OEM



Source: Bureau of Customs

# 2

# Multiple Brands and Products Catering to All Consumers

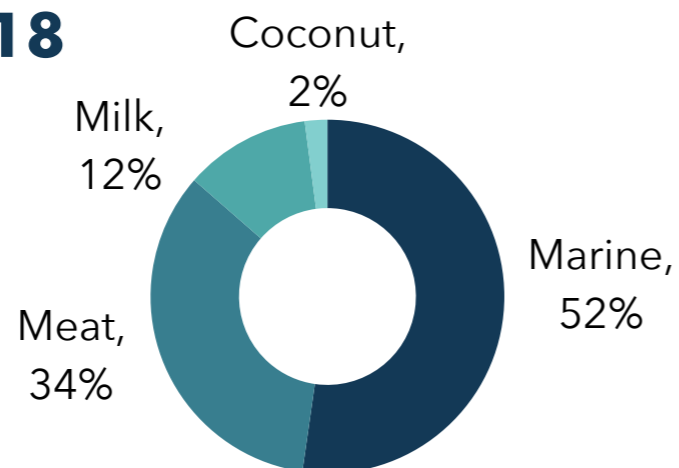


**Diverse product portfolio catering to a broad customer base and different customer tastes and needs**

Positioning	Value for Money	Mass Market	Affordable Premium
Marine	Lucky 7, FRESCA TUNA	555, BLUE BAY Tuna, KAMAYAN	Century TUNA, Century QUALITY
Meat	Lucky 7, WOW!	555, Shanghai Luncheon Meat, Argentina, Hunts, Swift	
Milk	Home Pride, KAFFE DE ORO	Angel, Birch Tree FORTIFIED	Birch Tree Full Cream Milk Powder

## COMPANY PORTFOLIO AS OF END 2018

**243 SKUs**



## SIGNIFICANT BENEFITS OF A MULTI-BRAND, MULTI-PRODUCT PORTFOLIO

- Catering to a broad customer base through multiple brands and capturing a larger share of the consumers' wallet and stomach through multiple segments and products
- Increased bargaining power with suppliers and distributors
- Diversification of risk and facilitate brand consolidation play

# 3

# Strong Focus on R&D-Driven Innovation and Marketing



## INNOVATIVE MARKETING CAMPAIGNS



## Enhancing brand recognition through active and targeted marketing and promotional campaigns

- Continuous launching of new products and improvements in profitability made possible through intensive R&D
- Promotions capitalize on healthier lifestyles
- Intuitive and appealing ad campaigns employ celebrity endorsers to create must-have and aspirational brands

# 4 Extensive Market Penetration and Distribution Network



**178k**

Total Philippine Outlets Serviced by CNPF

**881k**

Total Philippine Outlets CNPF Products are Available in

Source: Nielsen

Availability Equivalent to **76%** of All Points of Sale in the Philippines

**14**

Offshore Toll Manufacturers for CNPF Products

**62**

Countries CNPF Products are Available in

## GLOBAL SALES AND DISTRIBUTION NETWORK



## AVAILABILITY OF BRANDED PRODUCTS



# 5

# Trusted Partner for Customers Around the World



Works closely with long-standing international partners to produce private label products for sale in international markets

## TUNA OEM CERTIFICATIONS



## COCONUT OEM CERTIFICATIONS



## FORECASTED INDUSTRY GROWTH OF COCONUT PRODUCTS\*

Coconut Milk/Cream	Coconut Water	Desiccated Coconut	Virgin Coconut Oil
15-20%	12-20%	9%	8-12%

\*2019-2023

\*\*Source: Trade Press, UA&P

# Our Experienced and Dedicated Management Team



**Highly experienced professionals in their respective areas of expertise; governance mantra of recruiting the best home-grown or external talent**

## BOARD COMPOSITION



- 4 Committees\*
- Audit Committee
  - Board Risk Oversight Committee
  - Corporate Governance Committee
  - Related Party Transaction Committee

\*All chaired by an Independent Director

**CHRISTOPHER PO**  
Executive Chairman

- 9 years of experience as Management Consultant at McKinsey, Managing Director at Guggenheim Partners, and Corporate Planning Head at JG Summit

**TEODORO PO**  
President & CEO

- 27 years of experience in running various business units of Century Group; Designed, built, and managed several factories of the group

**GREGORY BANZON**  
EVP & COO

- 22 years of experience in various general management, marketing, and sales roles including VP - Marketing of Johnson & Johnson ASEAN, Country General Manager of Johnson & Johnson Indonesia, and General Manager at RFM

**OSCAR POBRE**  
VP & CFO

- 23 years managing the corporate finance, treasury, accounting, and controllership at Century Group of Companies
- 17 years of experience in finance functions at RFM, Cosmos, Dole, and Meralco

**EDWIN AFRICA**  
SVP - GM Meat

- 22 years of experience in general and brand management roles in the Philippines, Taiwan, Thailand, Singapore, Malaysia, and China
- Procter & Gamble from 1991 to 2001, Nippon Paint from 2001 to 2004, and Pepsico from 2005-2012

**CEZAR CRUZ**  
VP - GM Sardines

- 29 years of experience in various technical, operations, and business development roles at San Miguel and RFM
- President of the Sardine Association of the Philippines

**RONALD AGONCILLO**  
VP - GM Milk & Mixes

- 19 years of experience in various national sales management, engineering, and logistics roles at Unilever Philippines and Indonesia, 3M, Shell, Cadbury, and San Miguel

**TEDDY KHO**  
VP - GM Tuna OEM Exports

- 21 years of experience in various management, operations, and technical roles including President and General Manager of San Miguel Foods Vietnam and Plant Manager of San Miguel Hoecheong

**NOEL TEMPONGKO**  
VP - GM Coconut OEM Exports

- 27 years of experience in various general management roles in fast-moving consumer goods companies including San Miguel Yamamura Packaging Corp and The Purefoods-Hormel Company Inc.

**WILHELMINO NICOLASORA**  
VP - Domestic Sales

- 9 years of experience in sales management roles at Unilever Philippines, PepsiCo International, and Kimberly-Clark Philippines and Thailand

# Strategic Priorities



1

Reinforce current businesses and brands to deliver quality and value-for-money products that generate attractive returns through responsible sourcing and operational excellence

2

Strengthen the organization that attracts, nurtures, and retains passionate and high performing corporate entrepreneurs and teams who live balanced lives

3

Pioneer the development of healthier and tastier food and beverages that consumers love and trust through latest credible nutrition science and effective branding

4

Scale up the business across the globe by creating consumer and customer connections and experiences in a more profitable and sustainable way across the value chain



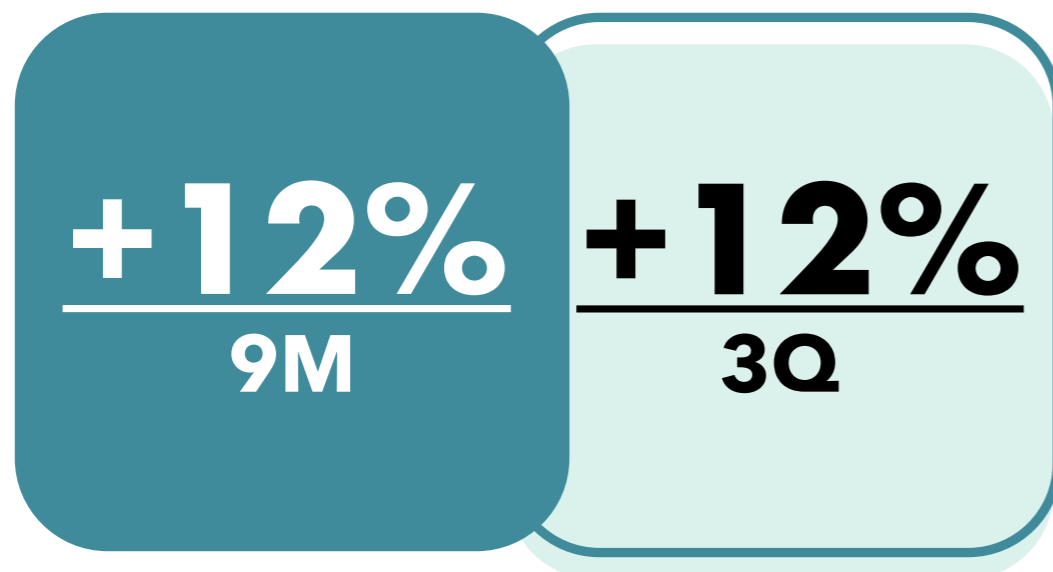
# LATEST FINANCIAL PERFORMANCE & OUTLOOK



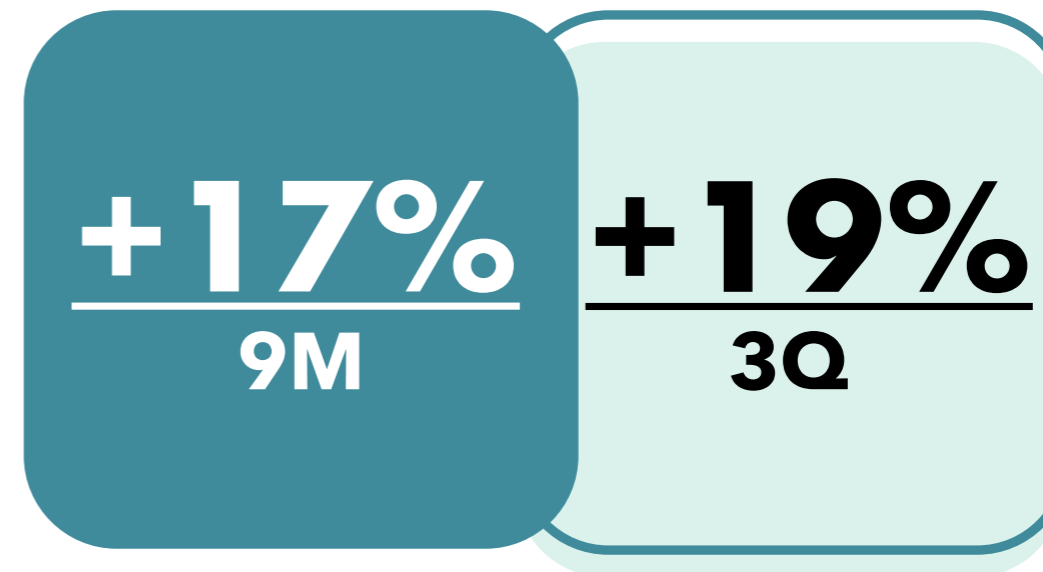
# Financial Results Highlights



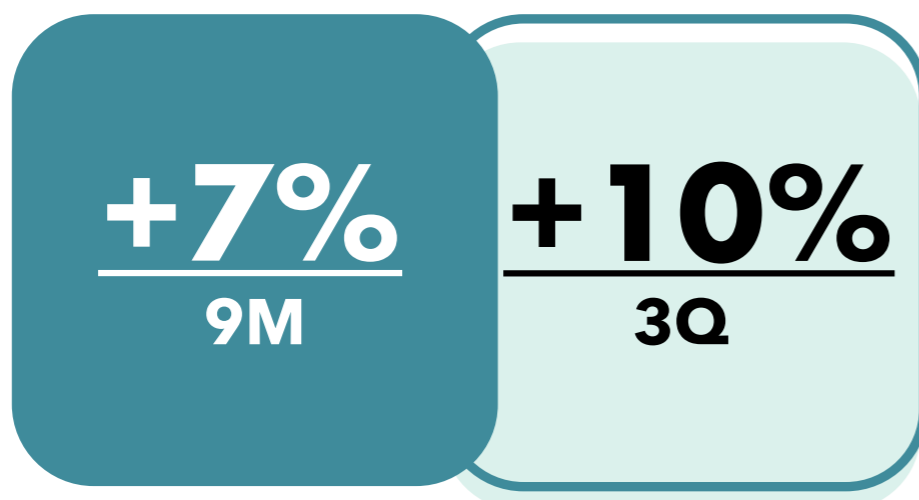
## BRANDED REVENUE GROWTH



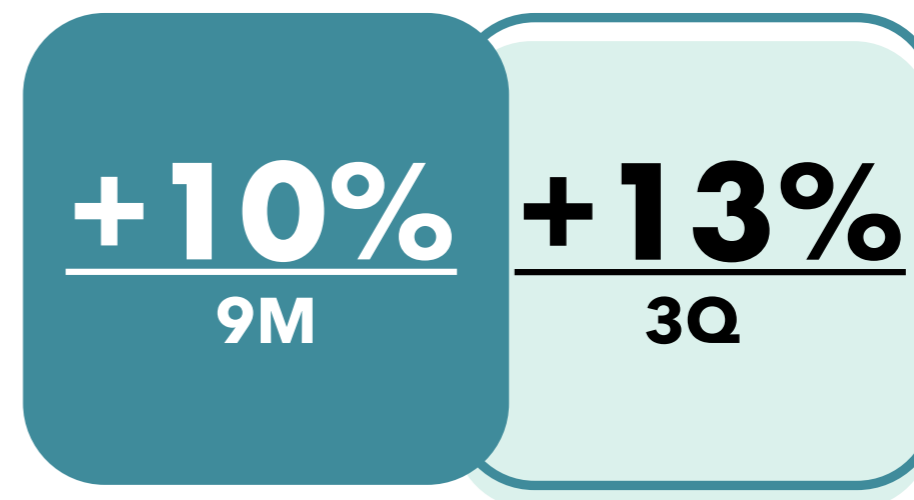
## EBITDA GROWTH



## TOTAL REVENUE GROWTH



## NET INCOME GROWTH



# 9M 2019 Summarized P&L



In PHP Mill	9M 2018	9M 2019	Change YoY
<b>Net Revenues</b>	<b>28,321</b>	<b>30,359</b>	<b>7%</b>
Cost of Sales	21,835	22,956	5%
<b>Gross Profit</b>	<b>6,486</b>	<b>7,403</b>	<b>14%</b>
Operating Expenses	3,668	3,845	5%
<b>Operating Income</b>	<b>3,157</b>	<b>3,644</b>	<b>15%</b>
<b>EBITDA</b>	<b>3,694</b>	<b>4,308</b>	<b>17%</b>
Financing Cost - Net	126	289	129%
<b>Income before Tax</b>	<b>3,031</b>	<b>3,355</b>	<b>11%</b>
Income Tax	662	747	13%
<b>Net Income</b>	<b>2,369</b>	<b>2,608</b>	<b>10%</b>
<b>Earnings per Share</b>	<b>0.67</b>	<b>0.74</b>	<b>10%</b>
<b>Margins (%)</b>			
Gross Profit	22.9%	24.4%	+1.5 pps
Operating Expenses	12.9%	12.7%	-0.2 pps
Operating Income	11.1%	12.0%	+0.9 pps
EBITDA	13.0%	14.2%	+1.2 pps
Net Income	8.4%	8.6%	+0.2 pps

- Revenue growth driven by increase in **BRANDED SALES VOLUMES**
- **LOWER COMMODITY PRICES** cause dip in OEM export sales, but boost overall profitability

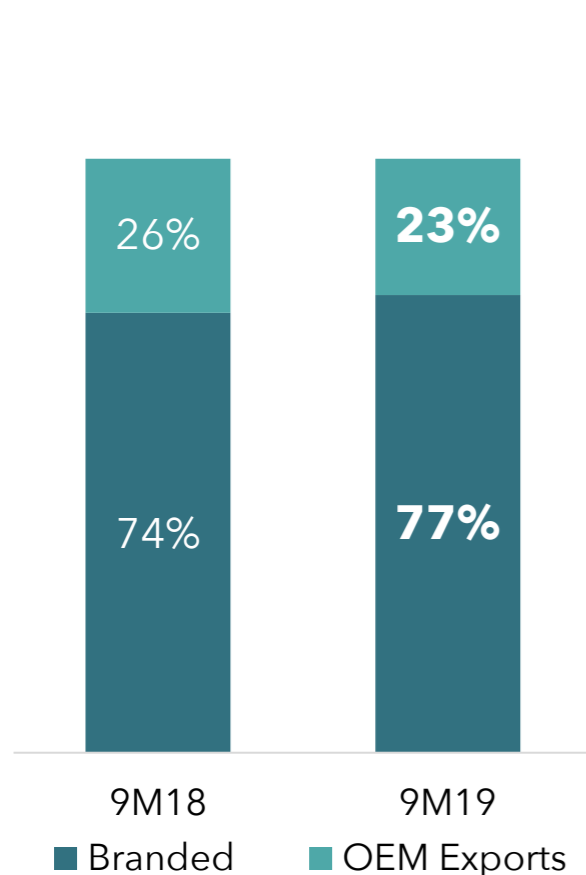
- Improvement in gross profit margin due to **FAVORABLE RAW MATERIAL PRICES AND SUBDUED INFLATION**
- Operating expense growth **NORMALIZES**
- Margin expansions **NET OF PRODUCT INVESTMENTS**

- Earnings momentum continues as **NET INCOME GROWTH REVERTS TO DOUBLE DIGITS AT +10%**

# Sustained Double-Digit Growth in Higher-Margin Branded; Dip in OEM Exports with Lower Pass-On Prices

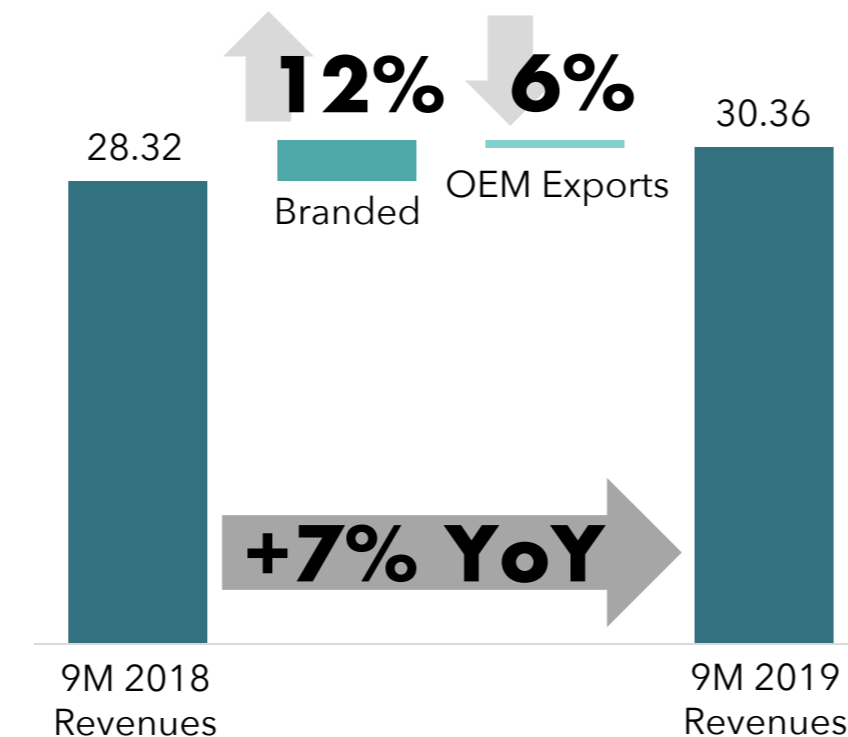


## Revenue Breakdown

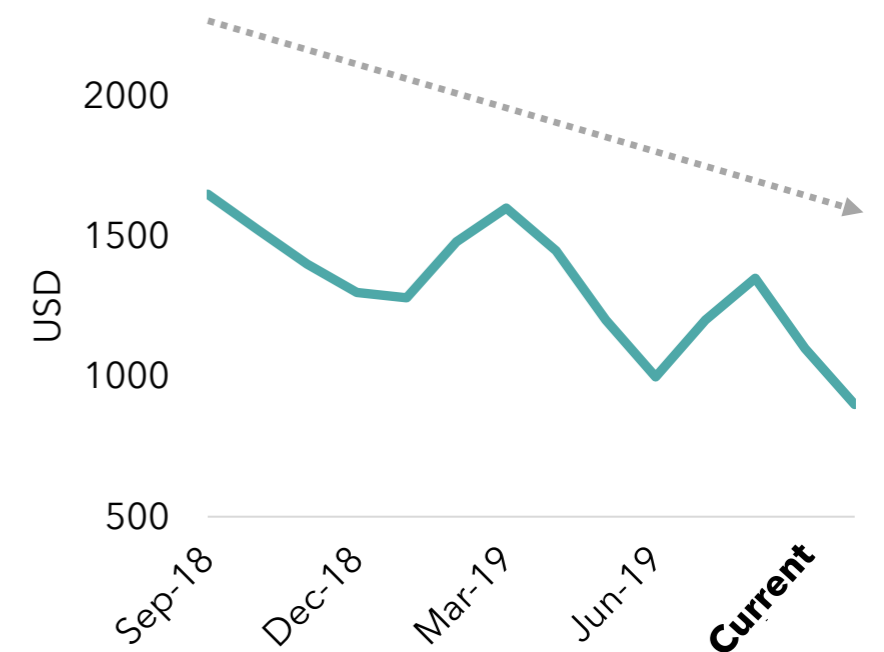


## 9M Revenue Growth Split

In PHP Bill



## Skipjack Tuna Price per Ton



Source: [http://investor.thaiunion.com/raw\\_material.html](http://investor.thaiunion.com/raw_material.html)

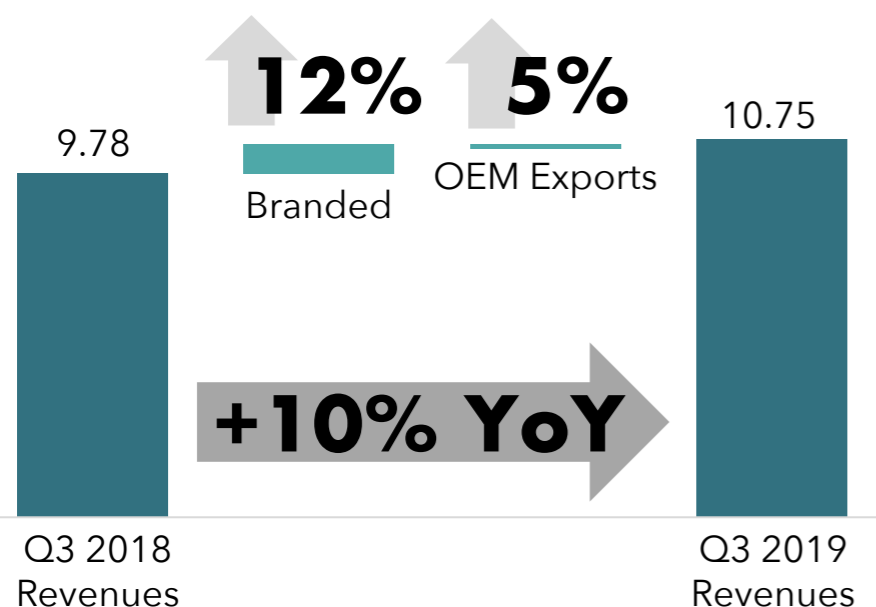
- **INCREASED SALES CONTRIBUTION** from higher-margin branded business
- **VOLUME-DRIVEN** revenue increase across all three branded units - Marine, Meat, and Milk
- **DECLINE IN PASS-ON RAW MATERIAL PRICES** bring OEM export sales lower year-on-year, but boost overall profitability of the company

# Upward Trend in Branded Sales Led by Market Dominance in the Core and Share Increase in Emerging



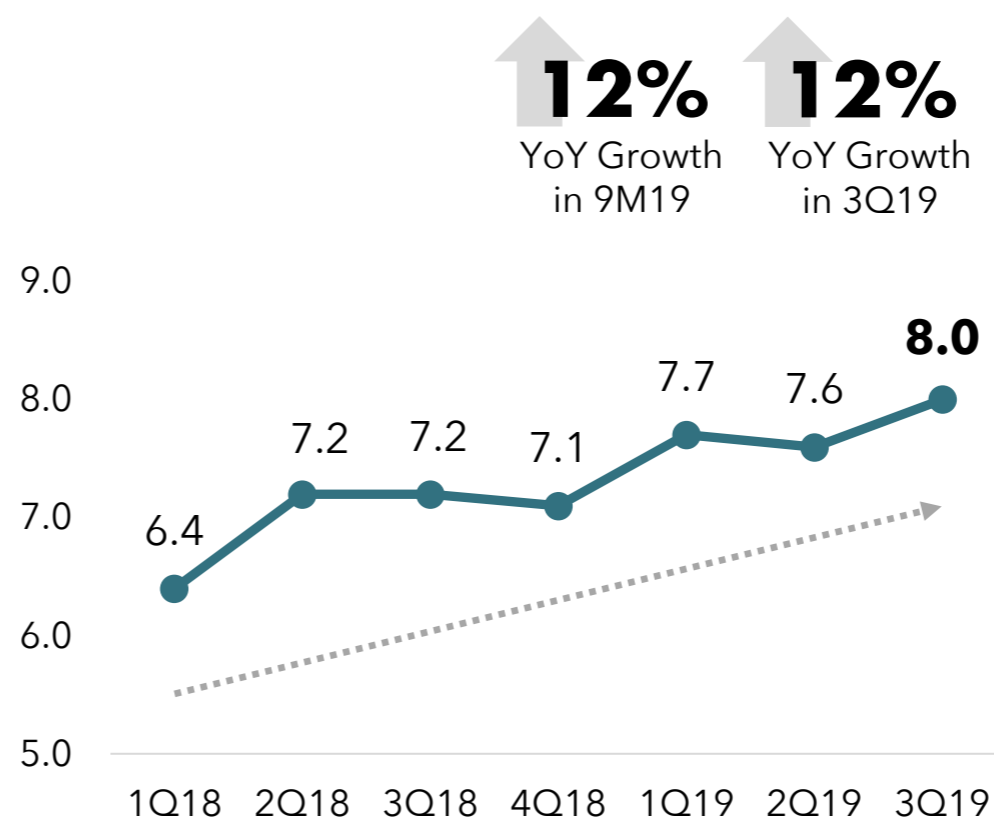
## Q3 Revenue Growth Split

In PHP Bill

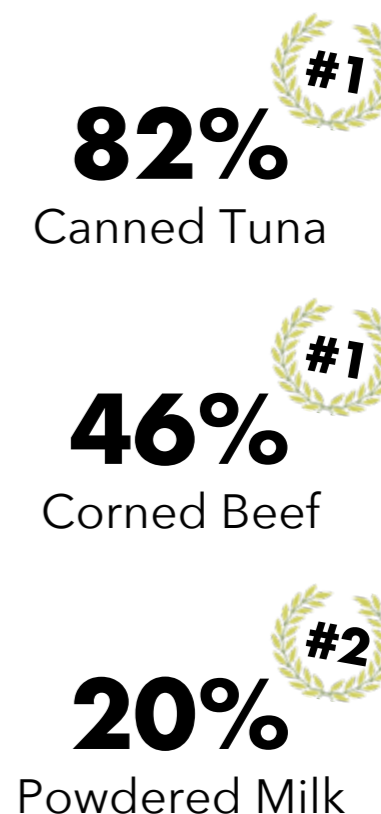


## Branded Quarterly Revenues

In PHP Bill



## Market Shares



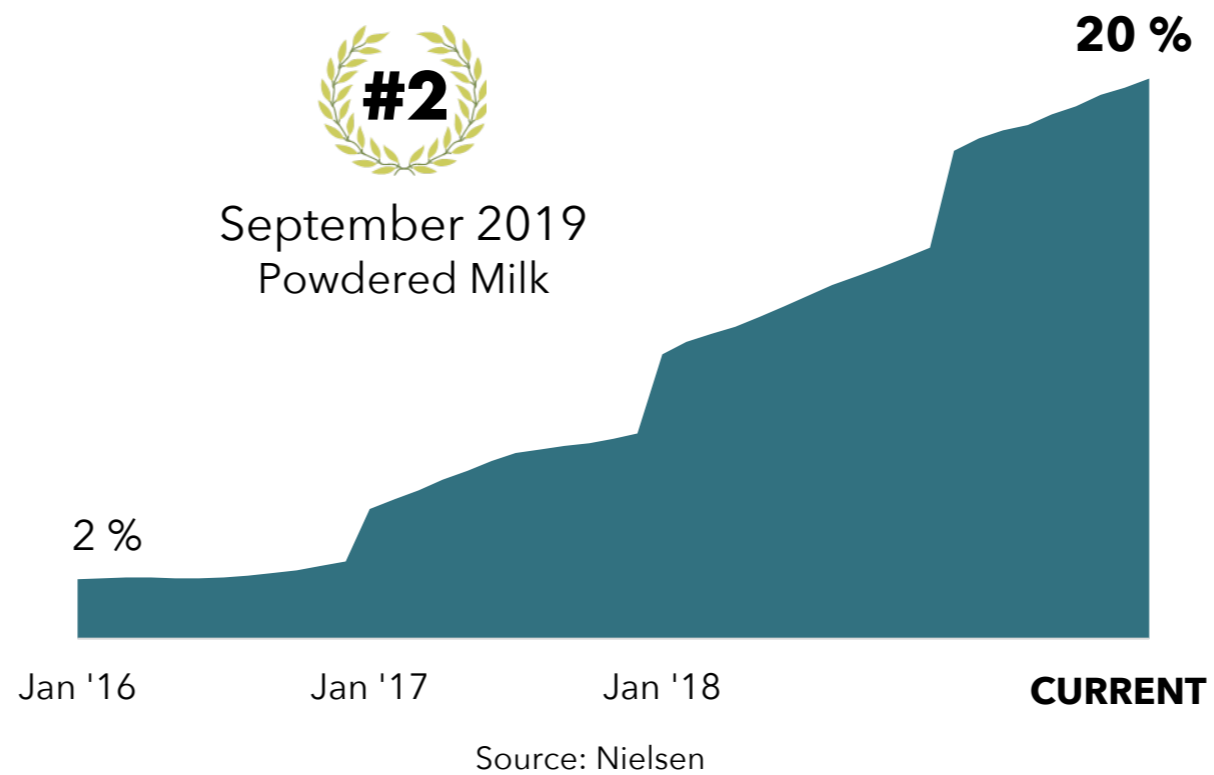
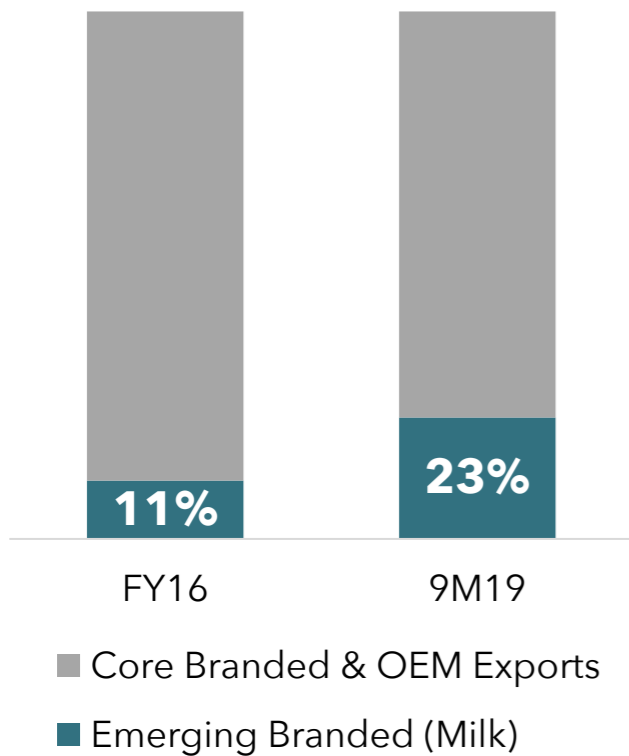
Source: Nielsen, September 2019

- Branded revenue growth in the third quarter **REVERTS BACK TO DOUBLE DIGITS**
- Build-up of **POSITIVE MOMENTUM** as sales reach quarterly record of PHP8.0 billion
- Benefitting from Philippines' improving consumer sentiment and rising incomes with products' **STRONG BRAND RECOGNITION AND EXTENSIVE DISTRIBUTION**

# Emerging Branded Milk Outperforms; Increases Contribution to Overall Business



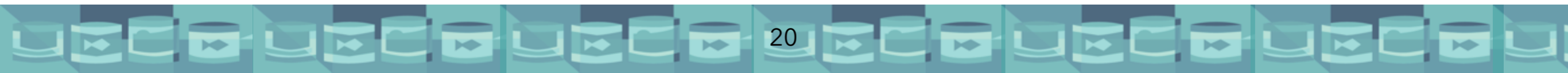
## Milk as a % of Total Sales | Powdered Milk Market Share Trend



FLAGSHIP powdered (drinking) milk product



- Milk emerging as a **THIRD BUSINESS LEG** for the branded business; revenue contribution **MORE THAN DOUBLED** since 2016
- Sales growth outperforms rest of business on the back of an **INCREASE IN MARKET SHARE**
- Positioning Birch Tree as a **STRONG CHALLENGER BRAND**



# Building a Brand Platform in a Large and High-Growth Category in the Philippines

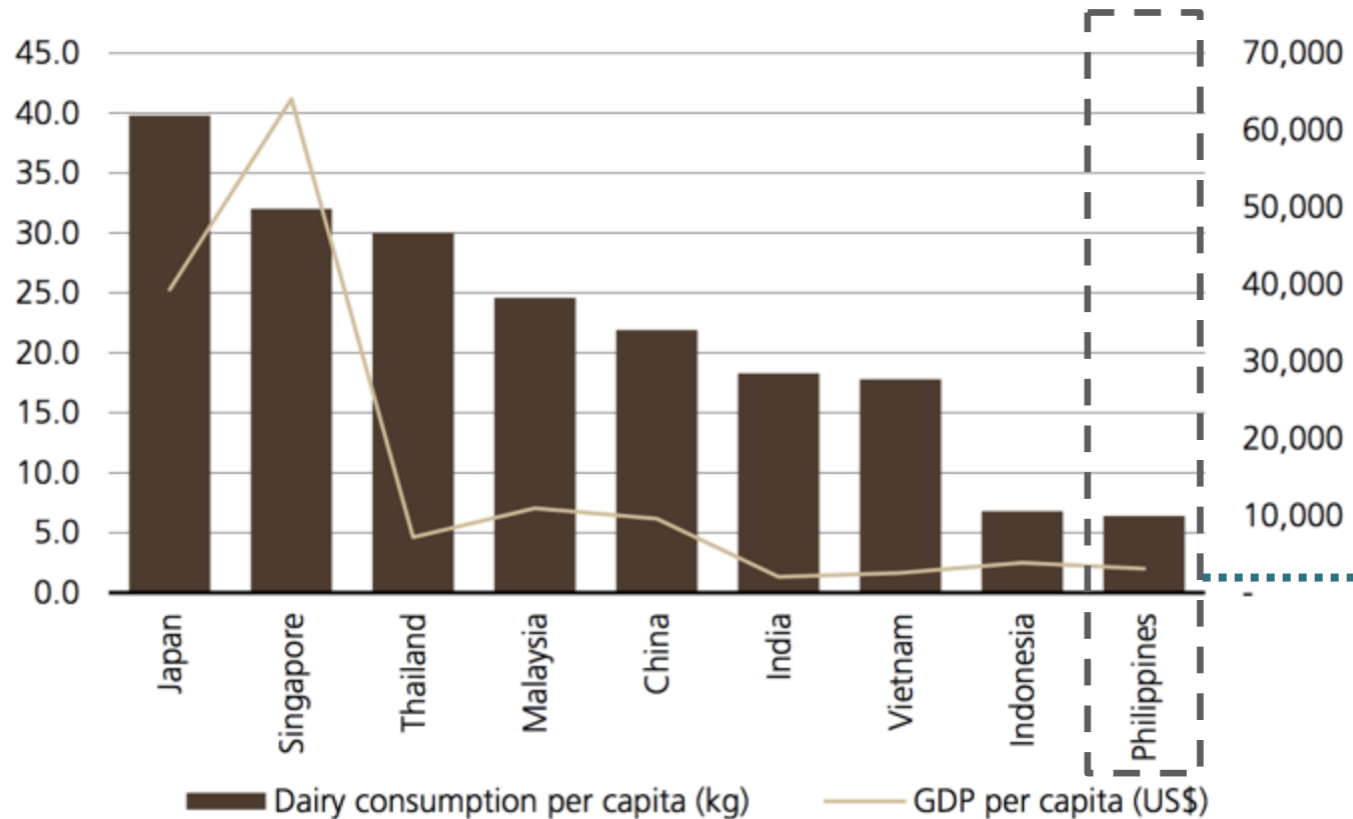


## New SKU

Utilizing Birch Tree as our BRAND PLATFORM

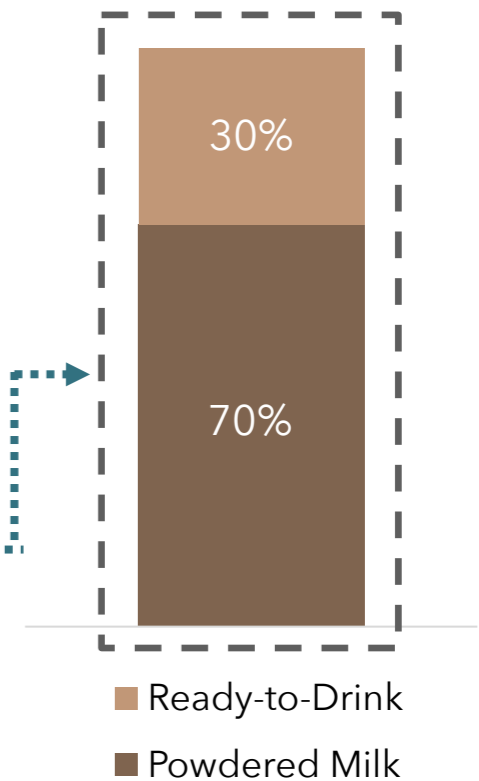


## Dairy Annual Consumption per Capita in 2018



Source: Euromonitor, UBS

## PH Dairy Market



Source: Nielsen

- Leveraging on the Birch Tree brand and the company's extensive distribution network to expand into **OTHER SUBCATEGORIES OF POWDERED MILK**
- Philippine dairy market remains **UNDERPENETRATED** with low per capita consumption relative to peers
- Category expected to grow **ALONGSIDE RISING PER CAPITA INCOMES**

# Investing in Future Platforms of Growth Via a Significant Lineup of Innovations in 2019



## New Product Developments

### 1 MEAT ARGENTINA CORNEDED CHICKEN



Positioned as a **HEALTHIER ALTERNATIVE** to traditional canned meat products

### 2 MILK BIRCH TREE FORTIFIED CHOCO



**FIRST FLAVOR EXTENSION** of Birch Tree Milk Powder, capitalizing on the goodwill and momentum of the brand

### 3 COCONUT COCO MAMA COCONUT CREAM



**ENTRY** into the domestic coconut market, addressing the need for **CONVENIENT BUT FRESH** coconut cream for cooking

### 4 MARINE 555 FRIED SARDINES (Relaunch)



Relaunch of a **PREMIUM YET AFFORDABLE** offering in sardines, innovating in a more traditional category

# Leveraging on Manufacturing, Marketing, and Distribution Know-How for First Branded Coco Product



## Coco Mama Coconut Cream

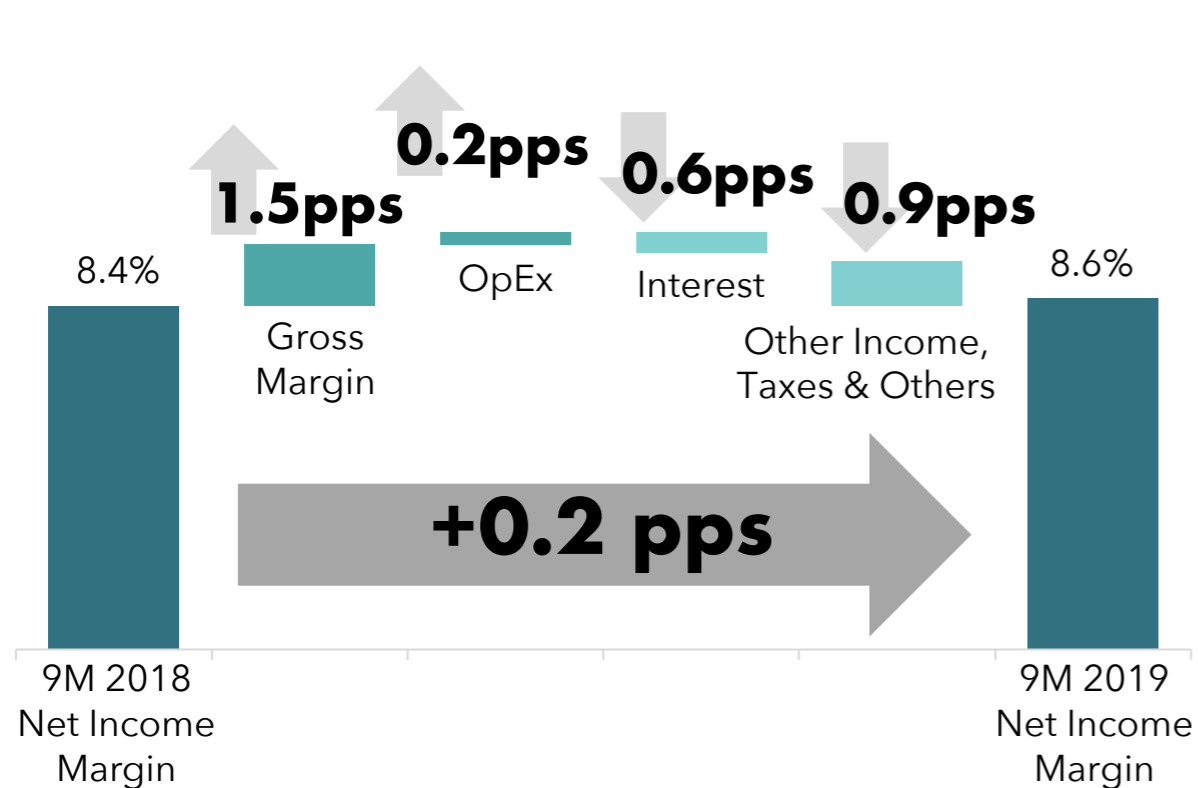


- Entry into the coconut milk/cream category- a **FREQUENTLY USED CULINARY INGREDIENT** in Philippine and Southeast Asian cultures
- Attempts **CONVERSION FROM FRESHLY SOURCED** coconuts, with primary selling point being convenience of the pack without sacrifice of product freshness and quality

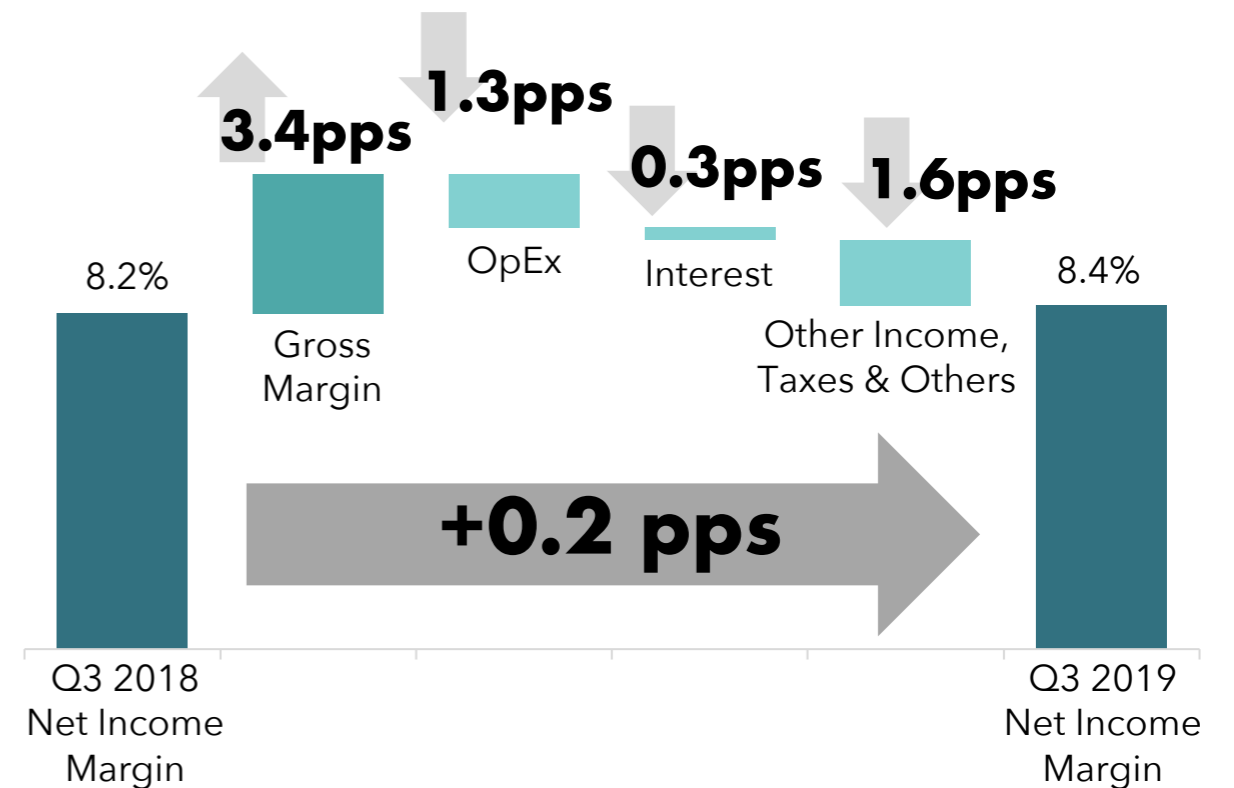
# Lower Input Costs and Subdued OpEx Lift Net Income Margin Versus Last Year



## 9M19 Net Income Margin Bridge



## 3Q19 Net Income Margin Bridge

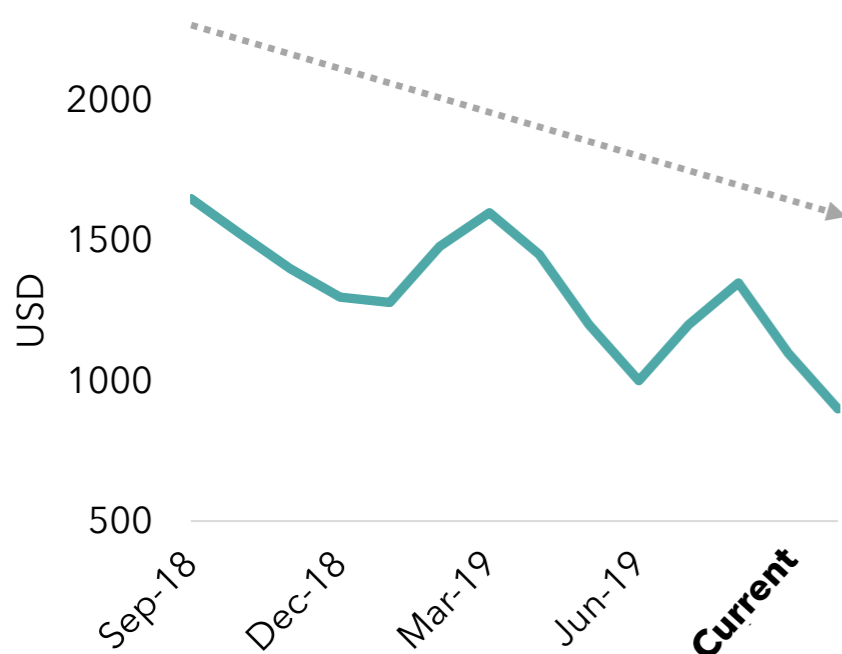


- **SOFTER TUNA PRICES** offset investments in new product innovations; nonetheless, net margins still expand leading to **DOUBLE-DIGIT EARNINGS GROWTH** in the third quarter and year-to-date

# Tuna Prices Remain Soft, While OpEx Growth Normalizes; Interest Expense Support Inventory Hedges



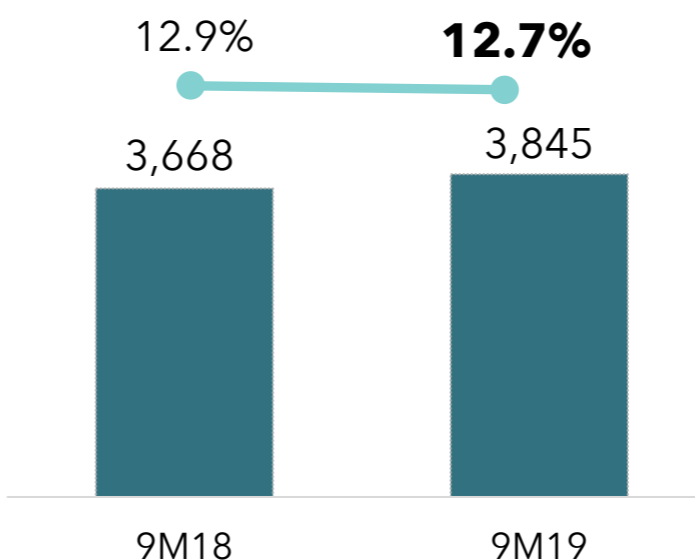
## Skipjack Tuna Price per Ton



Source: [http://investor.thaiunion.com/raw\\_material.html](http://investor.thaiunion.com/raw_material.html)

## Operating Expense

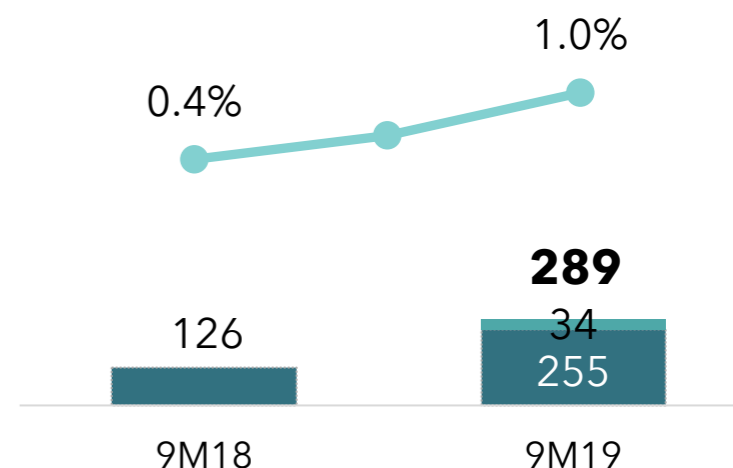
In PHP Mill



■ Operating Expense  
● Operating Expense as % of Sales

## Interest Expense

In PHP Mill



■ Impact of IFRS 16 ■ Interest Expense  
● Interest Expense as % of Sales

- Lower tuna prices, favorable FX, and subdued inflation remain drivers of **GROSS PROFIT MARGIN EXPANSION**, net of new product investments
- OpEx growth normalizes to positive year-on-year, though still **LOWER AS A % OF SALES** versus last year
- Higher interest cost driven by increase in debt to support **STRATEGIC INVENTORY POSITIONS**, as well as the impact of IFRS 16

# Higher Margins Year-on-Year Across Gross, Operating, and Net Income Levels

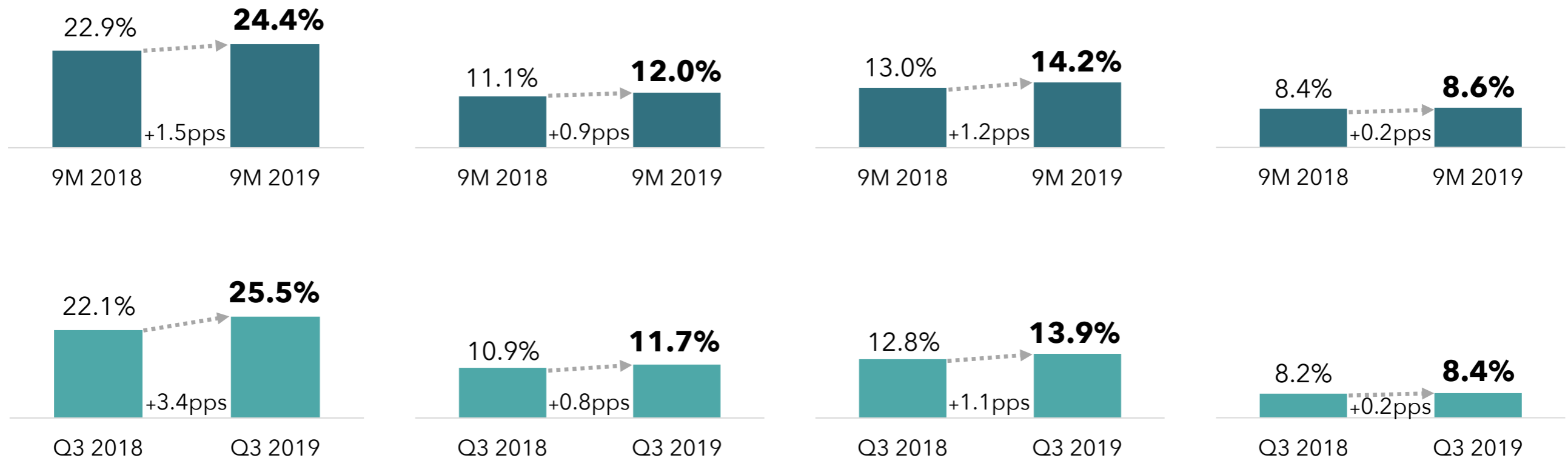


## Gross Margin

## Operating Margin

## EBITDA Margin

## Net Margin



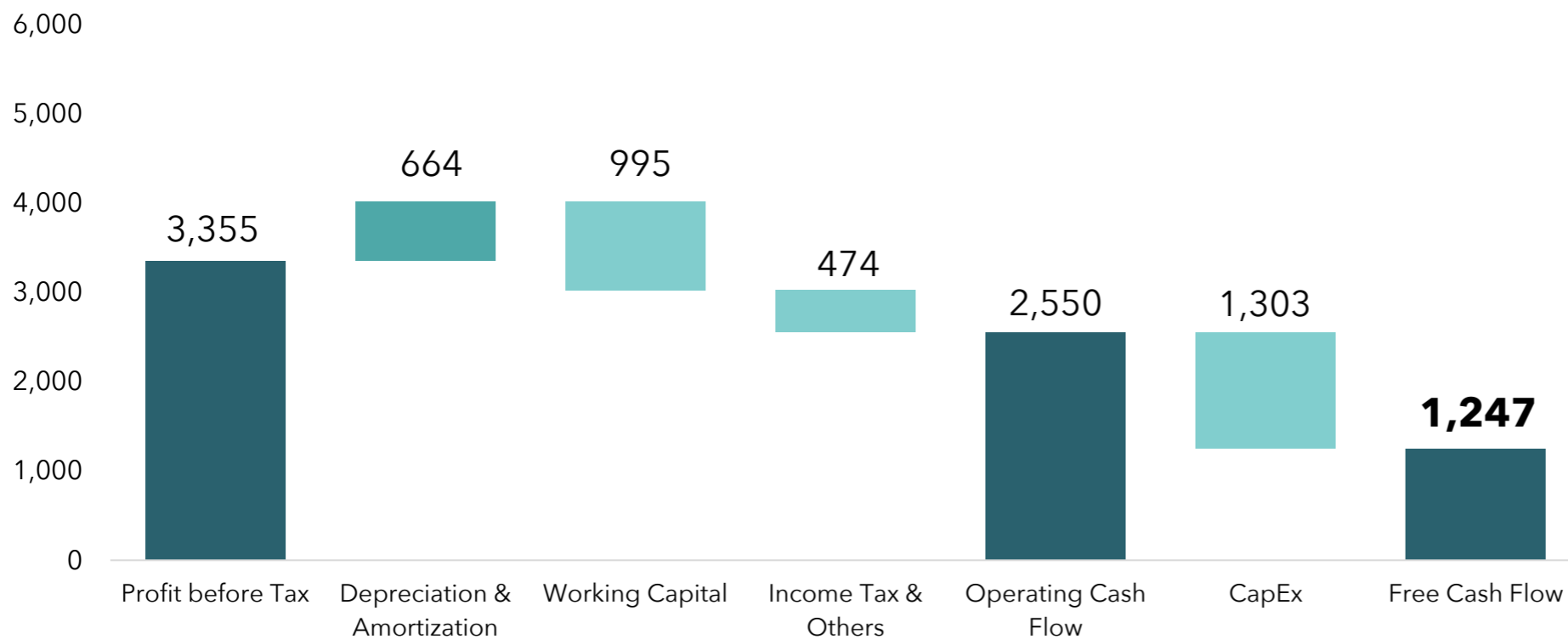
- **IMPROVEMENT IN EBITDA MARGIN** year-on-year and sequentially due to subdued input costs
- **STEADY NET INCOME MARGIN** as improvement in operating profitability is cushioned by temporary year-on-year spike in financing costs
- Profitability improvements across the board **NET OF NEW PRODUCT INVESTMENTS**

# Positive Operating and Free Cash Flows; Excess Cash Used for Debt Repayment in Q3



## Free Cash Flow Bridge

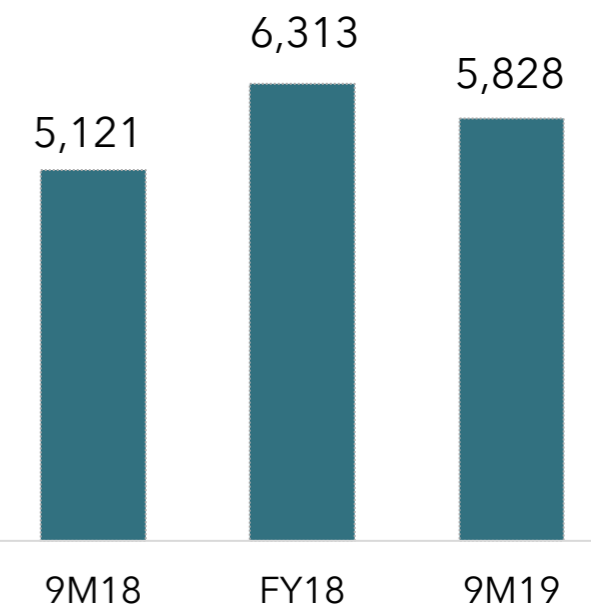
In PHP Mill



## Interest-Bearing Debt

In PHP Mill

↓ **8%**  
YTD in 9M19



- Operating cash flow generated in Q3 turned positive on the back of **IMPROVED WORKING CAPITAL LEVEL**; significant free cash flow generated for the period
- **PARTIAL REPAYMENT OF SHORT-TERM DEBT** to bring down interest expense

# 9M 2019 Summarized Cash Flow



In PHP Mill	9M 2018	9M 2019
Profit before Tax	3,031	3,355
Depreciation & Amortization	537	664
Working Capital Change	(3,438)	(995)
Income Tax	(662)	(747)
Others	131	273
<b>OPERATING CASH FLOWS</b>	<b>(401)</b>	<b>2,550</b>
Additions to PPE	(915)	(1,303)
<b>INVESTING CASH FLOWS</b>	<b>(915)</b>	<b>(1,301)</b>
Interest Paid	(126)	(289)
Change in Debt	1,413	(484)
<b>FINANCING CASH FLOWS</b>	<b>649</b>	<b>(1,411)</b>
<b>NET CHANGE IN CASH</b>	<b>(666)</b>	<b>(162)</b>
<b>CASH, ENDING</b>	<b>882</b>	<b>1,515</b>
<b>FREE CASH FLOW</b>	<b>(1,315)</b>	<b>1,247</b>

- Decline driven by **PRUDENT WORKING CAPITAL MANAGEMENT**

- Revert to **POSITIVE OPERATING CASH FLOW**

- Majority of CapEx spent for ongoing **AUTOMATION** and **EXPANSION OF FACILITIES AND PRODUCTION LINES**

- Higher interest cost due to **INCREASE IN DEBT** and **IMPACT OF IFRS 16**

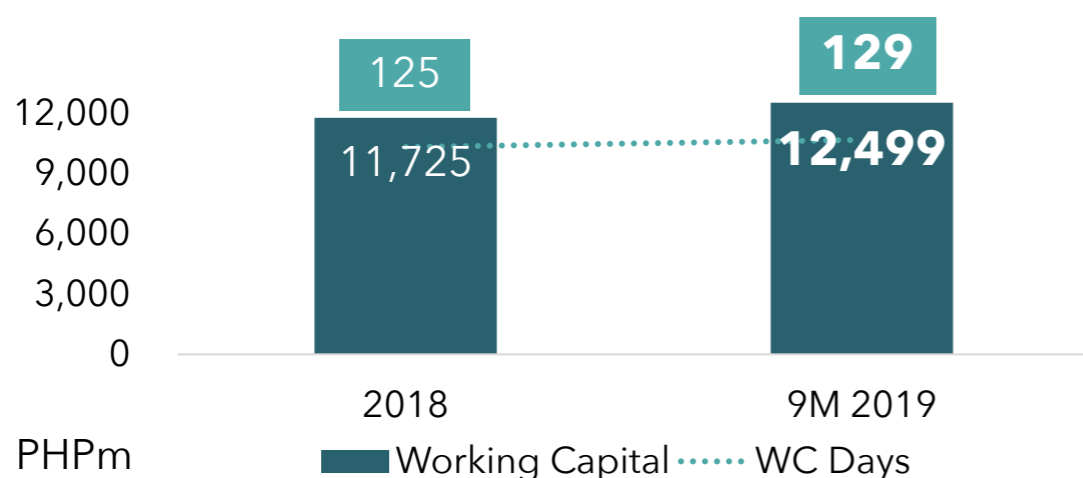
- Decrease in PHP-denominated debt year-to-date due to **REPAYMENTS IN Q3**

# Working Capital Details

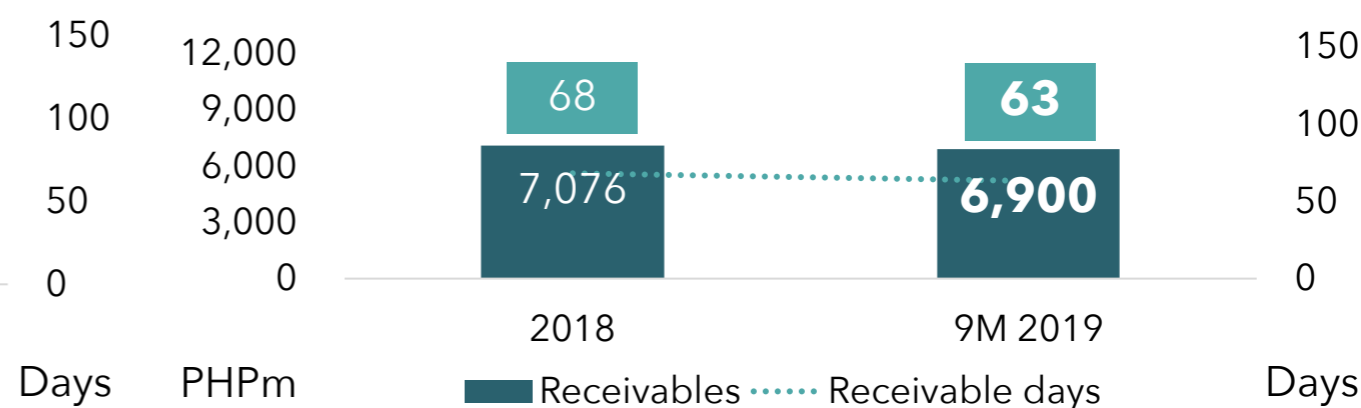


- **STRETCH IN INVENTORY DAYS** to 157 brings cash conversion cycle slightly longer to 129
- Higher **RAW MATERIAL INVENTORY** reflects hedging strategies in tuna and expanding milk business
- Longer inventory days **CUSHIONED** by shorter receivable days of 63 and longer payable days of 91

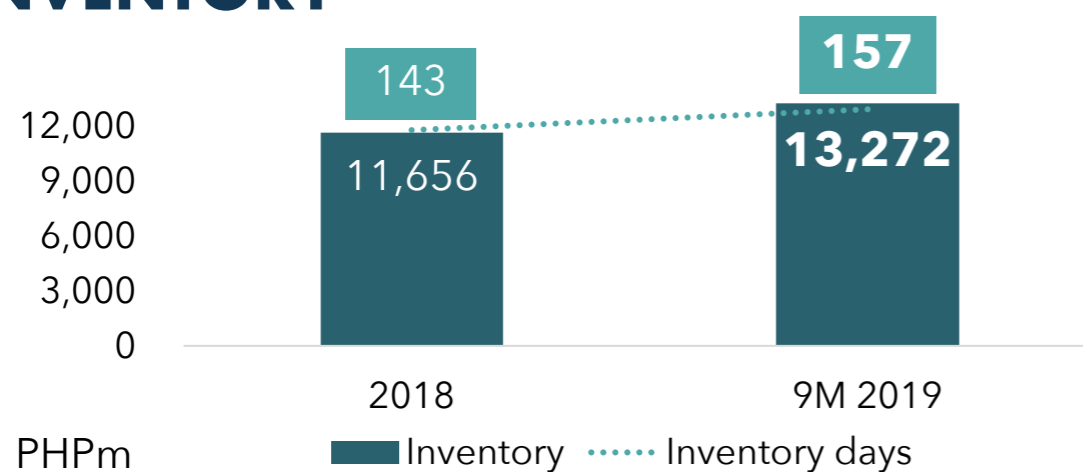
## WORKING CAPITAL



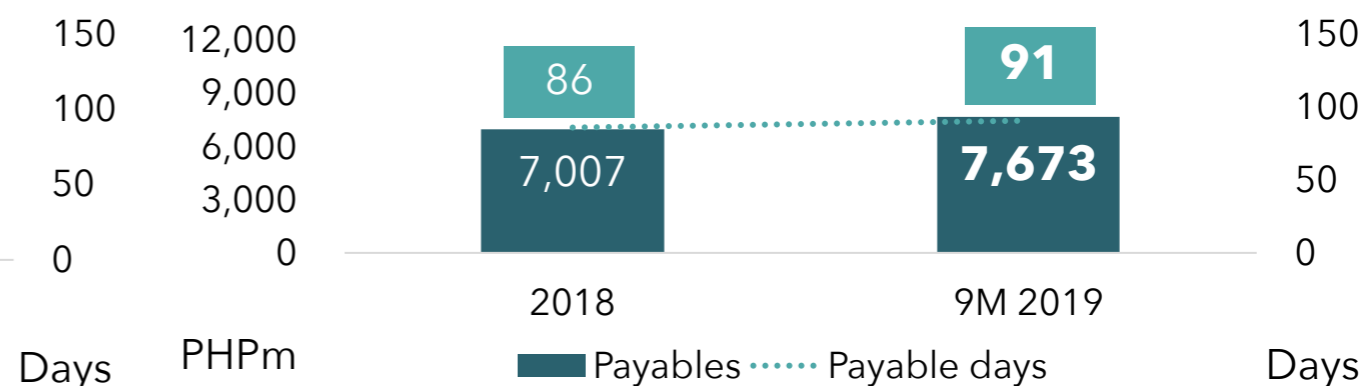
## RECEIVABLES



## INVENTORY



## PAYABLES



\*Period-end figures were used to compute for working capital components.

# 9M 2019 Summarized Balance Sheet



In PHP Mill	2018	9M 2019	In PHP Mill	2018	9M 2019
Cash	1,676	1,515	Trade and Other Payables	7,007	7,673
Receivables	7,076	6,900	Notes Payable - Current	3,210	2,734
Inventory	11,656	13,272	Long-Term Loan	3,103	3,095
<b>Current Assets</b>	<b>21,042</b>	<b>22,620</b>	<b>TOTAL LIABILITIES</b>	<b>13,613</b>	<b>14,479</b>
PPE	5,458	6,717	Retained Earnings	8,164	10,134
<b>Non-Current Assets</b>	<b>9,296</b>	<b>10,538</b>	<b>TOTAL EQUITY</b>	<b>16,725</b>	<b>18,678</b>
<b>TOTAL ASSETS</b>	<b>30,337</b>	<b>33,157</b>	<b>BVPS (PHP/share)</b>	<b>4.72</b>	<b>5.27</b>

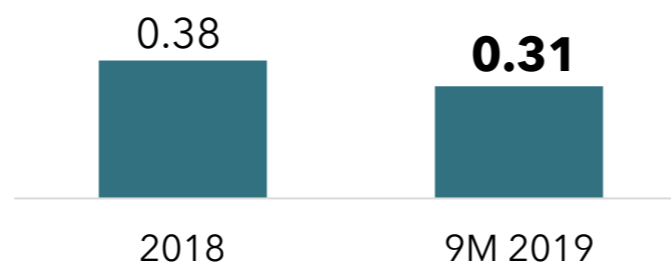
- Slightly longer **CASH CONVERSION CYCLE** of 129 days versus 125 days as of end-2018
- Uptick in **INVENTORY** due to growing volumes and stretch in inventory days

- Loans totaling PHP5.8 billion **ALL PESO-DENOMINATED**
- 9M 2019 consolidated **NET INCOME** of PHP2.6 billion

# Financial Ratios

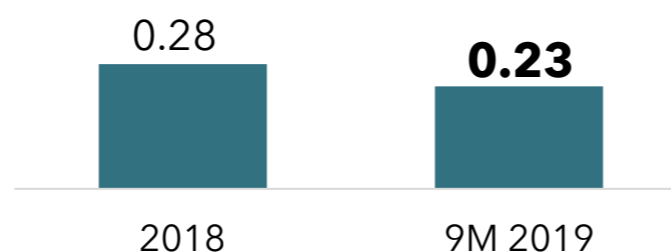


## Gearing (x)



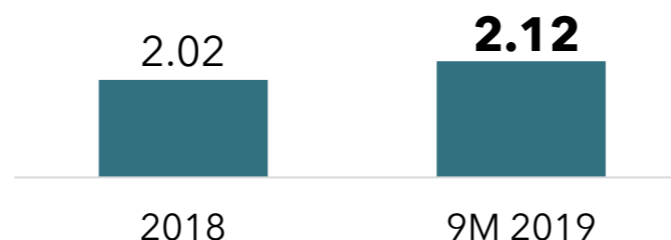
- **COMFORTABLE LEVEL** of gearing ratios maintained

## Net Gearing (x)



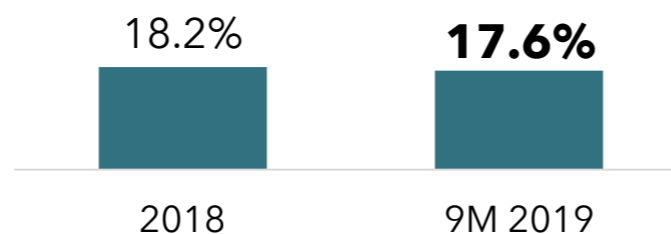
- **DECREASE IN PESO-DENOMINATED DEBT** in Q3 2019 led to lower leverage ratios

## Current Ratio (x)



- Slight improvement in current ratio implies **HEALTHY LIQUIDITY**

## Return on Equity



- **ATTRACTIVE RETURN RATIOS** with ROE in the high teens

# Aiming for Sustained Double-Digit Growth for Top and Bottom Line



## 2019 Guidance and Outlook

### TOP LINE

- Low double-digit revenue growth
- Top line to remain anchored by branded business
- Milk to continue outperformance and maintain strong challenger position

### BOTTOM LINE

- Low double-digit profit growth
- Stable outlook for raw material prices and interest rates towards year end
- Incremental profit gains from favorable tuna input costs to support investments in new products

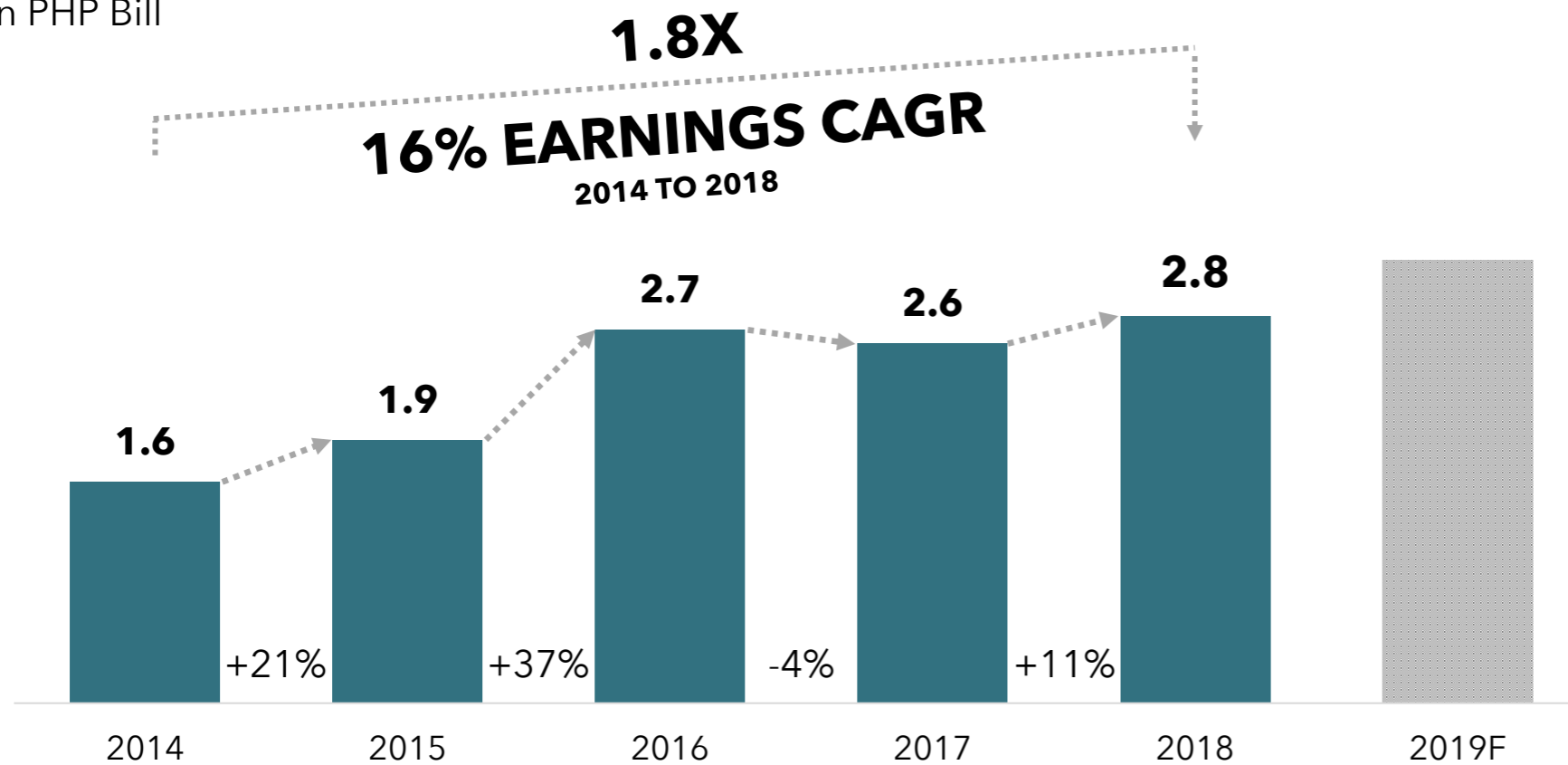
# Pursuing a Sustainable Business and Long-Term Growth



## Earnings CAGR still IN LINE WITH LONG-TERM TARGET

### Net Income

In PHP Bill



**1.6X TO 2.0X**  
----- OR -----  
**10% TO 15% CAGR**  
2014 TO 2019 TARGET

**Aspire to DOUBLE NET INCOME over 5 YEARS**



# STOCK & INVESTOR RELATIONS HIGHLIGHTS



# Stock Highlights



## MARKET CAPITALIZATION

**\$0.8B**

December 2015

**\$1.1B**

November 2019

## AVERAGE DAILY VALUE TRADED

**\$0.2M**

2015

**\$0.3M**

Last Three Months

## STOCK PRICE PERFORMANCE

(BLOOMBERG TICKER: CNPF PM)

PHP/SHARE



	<b>CNPF</b>	<b>Philippine Consumer Average</b>
PER	<b>17.1x</b>	26.1x
PBV	<b>2.8x</b>	3.7x
ROE	<b>17.8%</b>	13.9%
Operating Margin*	<b>10.7%</b>	10.0%
Net Income Margin*	<b>8.1%</b>	6.7%

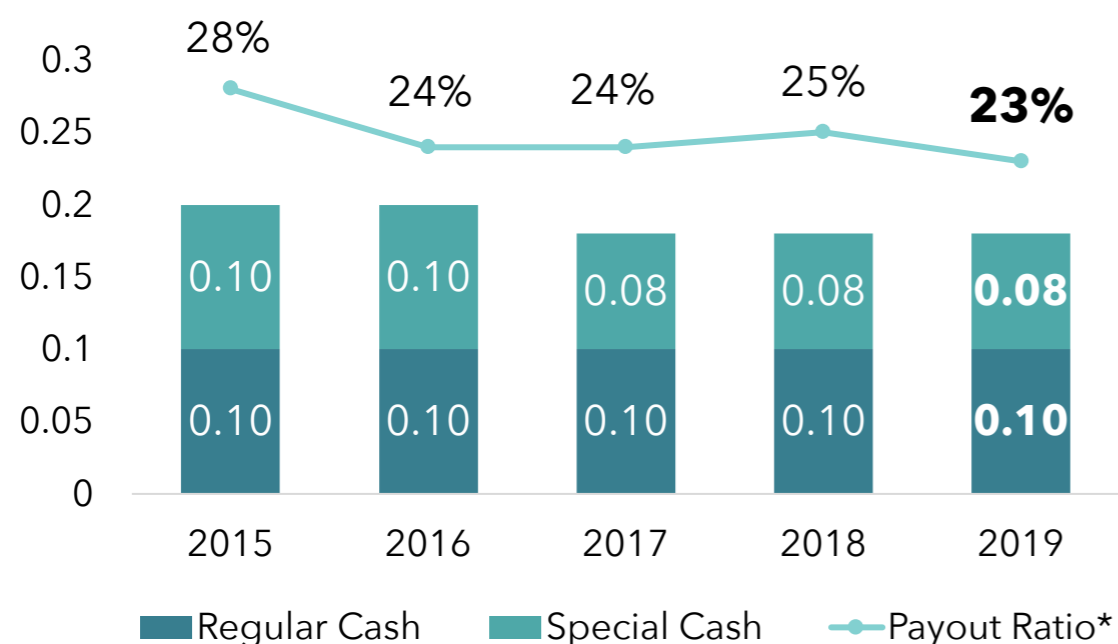
Source: BPI Securities 2019 Estimates as of 27 November 2019

\*Bloomberg, trailing 12 months

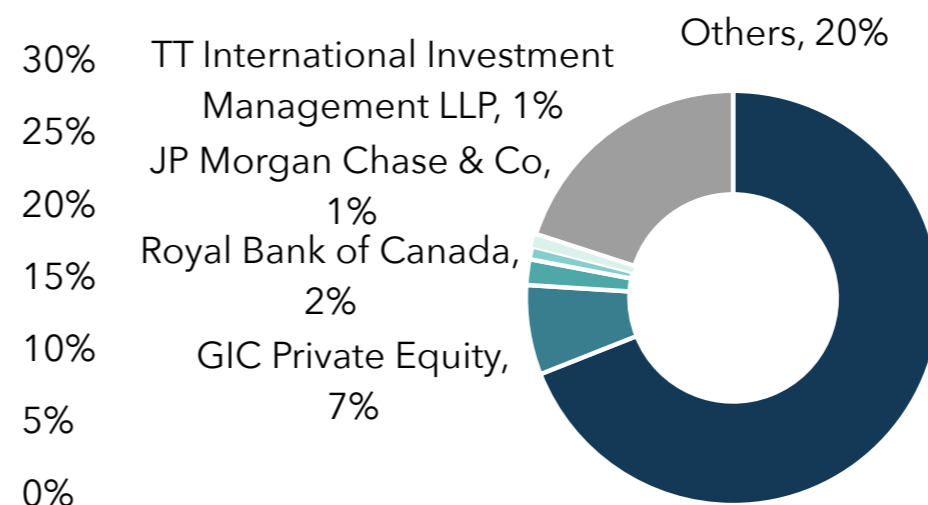
# Stock Highlights



## DIVIDEND HISTORY



## SHAREHOLDERS



**Century Pacific Group, Inc. (CPGI), 69%**

- Wholly owned by the Philippines' Po family
- Majority shareholder of PIZZA PM and ALCO PM

Free Float Level: 31%  
Foreign Ownership Limit: 100%

Source: Bloomberg, November 2019

	Declaration Date	Record Date	Payment Date
2015	June 30	July 30	August 25
2016	June 15	July 15	August 10
2017	June 30	July 28	August 23
2018	July 3	July 17	August 8
<b>2019</b>	<b>July 1</b>	<b>July 31</b>	<b>August 16</b>
50% Stock Dividend	3 June 2016	15 July 2016	10 August 2016

\*Of previous year's net income

# Investor Relations Highlights



<b>Current Price</b>	PHP15.38
<b>52-Week Range</b>	PHP13.30 -16.54
<b>YTD Average Turnover</b>	USD0.3 Million
<b>Market Capitalization</b>	PHP54.48 Billion USD1.07 Billion
<b>Free Float</b>	31%
<b>YTD Absolute Performance</b>	+1.7%
<b>YTD Relative to Index</b>	-3.2%
<b>YTD Relative to Sector</b>	+2.8%
<b>3-Month Absolute Performance</b>	+9.4%
<b>3-Month Relative to Index</b>	+8.2%
<b>3-Month Relative to Sector</b>	+18.9%

## SELL-SIDE ACTIVE COVERAGE\*\*

Institution	Analyst	Latest Call
BDO Nomura	Diane Go	BUY
BPI Jefferies	Miguel Sevidal	BUY
CLSA	Joyce Ramos	BUY
COL Financial	Justin Cheng	BUY
Credit Suisse	Hazel Tanedo	OUTPERFORM
Macquarie	Karisa Magpayo	OUTPERFORM
RCBC	Fiorenzo De Jesus	BUY
Regis	Carissa Mangubat	BUY



\*As of 27 November 2019

\*\*At least one research report published in the past 12 months as of 27 November 2019

# Investor Relations Highlights



## Investor Conferences

### **DBS Vickers Pulse of Asia Conference**

9 January 2020, Singapore

### **Credit Suisse ASEAN Conference**

9 January 2020, Singapore

### **CLSA Philippine Access Day**

14 January 2020, Kuala Lumpur  
16 January 2020, Hong Kong

### **J.P. Morgan Philippine Conference**

3 February 2020, Manila

### **UBS Philippines CEO/CFO Forum**

4 March 2020, Manila

### **Citi Pan Asia Regional Conference**

19 May 2020, Singapore

*\*Schedule updated as of 27 November 2019*

## 2018 Glossy Annual Report



**Best Annual Report Finalist  
(Small Cap)  
IR Magazine Awards  
South East Asia  
2019**

CNPF's 2018 Glossy Annual Report can be found on the Company's corporate website.

**Investor Relations > Investor Presentations & Reports**

<https://tinyurl.com/CNPF-Annual-Report-2018>

# Award Highlights



## Stock & Investor Relations Milestones



**Initial Public Offering  
Best Deal in the Philippines**  
*Asset Publishing & Research Ltd.*  
2014



**Philippine Small Cap Index**  
*MSCI*  
2016



**Small Cap & All Cap Indices  
Asia Pacific**  
*FTSE*  
2017



**Philippines' Third Best  
at Investor Relations**  
*Finance Asia*  
2018



**Philippines' Third Best  
Investor Relations Professional**  
*Institutional Investor*  
2018



**Certificate for Excellence  
in Investor Relations**  
*IR Magazine Awards  
South East Asia*  
2018



**Best Investor Relations  
Officer Finalist (Small-Mid  
Cap), Best Overall Investor  
Relations Finalist (Small Cap)**  
*IR Magazine Awards  
South East Asia*  
2019



# SUSTAINABILITY HIGHLIGHTS



# First GRI-Compliant Sustainability Report

## Sustainability Framework

**Available for download here:**

<https://tinyurl.com/CNPF-Annual-Report-2018>

### PROTEIN DELIVERY

Nutrition

Accessibility

Food Quality & Safety

### PURCHASES assessment

- Supplier credibility
- Raw materials traceability

### PLANET preservation

- Natural resource efficiency
- Environmental impact management

### PEOPLE development

- Diversity & inclusion
- Professional & personal growth
- Workplace safety

### GOOD GOVERNANCE

- Long-term financial goals now coupled with **ENTERPRISE-WIDE INITIATIVE TO MONITOR AND MEASURE ENVIRONMENTAL, SOCIAL, AND GOVERNANCE METRICS**

# First GRI-Compliant Sustainability Report

## 2018 Sustainability Highlights

### PROTEIN DELIVERY

**63M**

kg of protein distributed to the market

**78%**

availability in all points of sale in the Philippines

**5**

international food quality standards followed

### PURCHASES assessment

**100%**

compliance to Applicable International Seafood Sustainability Foundation Conservation Measures

**100%**

traceability of Fish, Milk, and Coconut back to fishing grounds and farms

### PLANET preservation

**3%**

improvement in energy intensity

**5%**

improvement in water intensity

**EQUAL**

GHG intensity despite growing operations

### PEOPLE development

**12,290**

total jobs supported

**75%**

increase in investment for employee training

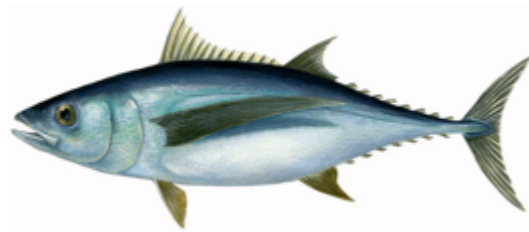
# Sustainability Highlights



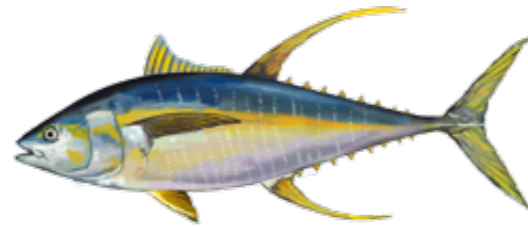
There are **different species of tuna.**



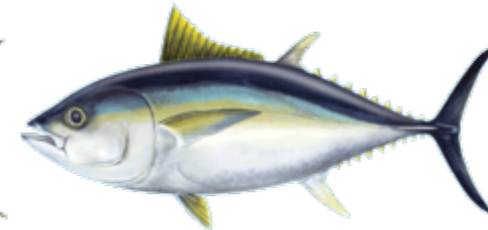
Bluefin



Albacore



Yellowfin

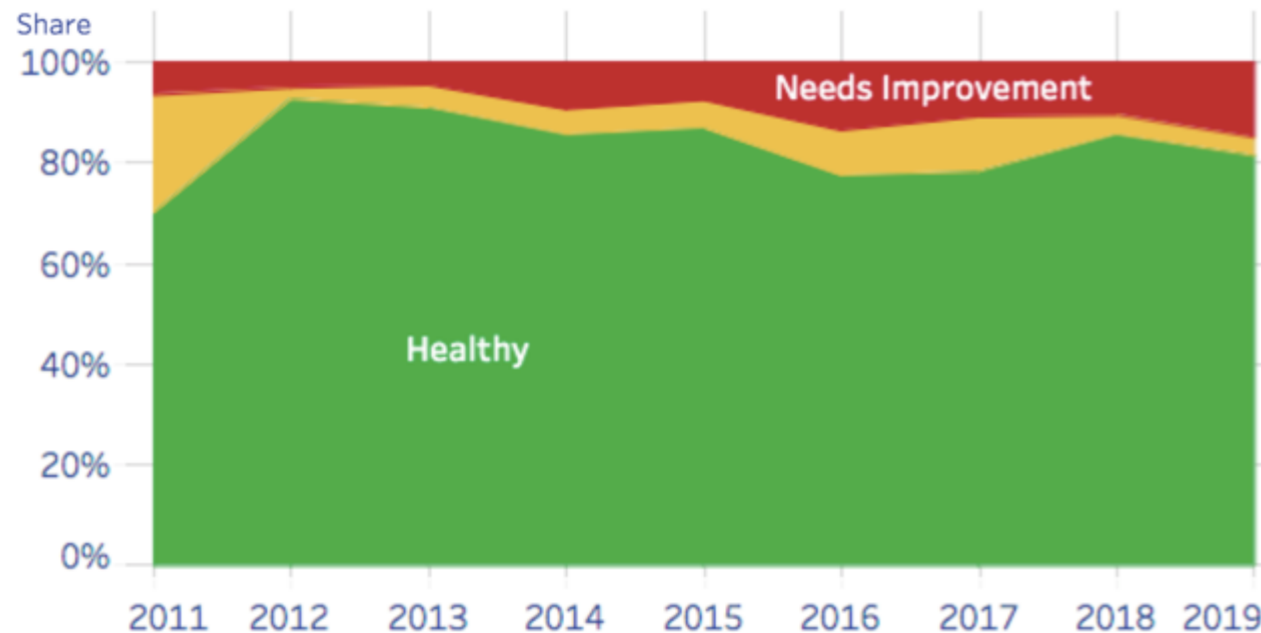


Bigeye



Skipjack

**81% of worldwide tuna stocks are in healthy states.**



**We use skipjack tuna from the Western Pacific Ocean where stock is 100% healthy.**



**ABUNDANT** and can reproduce year-round in tropical and subtropical waters



**FAR FROM BEING OVERFISHED** even in the future



**BEING MEASURED** to limit catching of non-skipjack species

Source: ISSF "Status of the World Fisheries for Tuna" and "Status of the Stocks," October 2019

# Sustainability Highlights



Century Pacific remains a committed member of global initiatives that address sustainability issues, particularly those involving tuna supply.

In particular, its on-going membership in the **International Seafood Sustainability Foundation (ISSF)**, through wholly-owned subsidiary General Tuna Corporation, requires strict compliance to all ISSF conservation measures. ISSF engages MRAG Americas to conduct an audit of this performance against conservation measures and commitments in force in 2015. MRAG's latest 2018 audit showed General Tuna Corporation as **fully compliant** with all measures.

**Available for download here:**

<https://tinyurl.com/ISSF-Audit-Report-2018>

## FULLY COMPLIANT WITH 21 OF 21 APPLICABLE ISSF CONSERVATION MEASURES

- 1) Tuna Regional Fisheries Management Organizations (RFMO) Authorized Vessel Record
- 2) RFMO Participation
- 3) Product Traceability
- 4) Quarterly Data Submission to RFMO
- 5) Shark-Finching Policy
- 6) Prohibition of Transactions with Shark-Finching Vessels
- 7) Prohibition of Transactions with Companies without a Public Policy Prohibiting Shark Finning
- 8) Large-scale Pelagic Driftnets Prohibition
- 9) Full Retention of Tunas
- 10) Skippers Best Practices
- 11) Transactions with Vessels that Use Only Non-Entangling Fish Aggregating Devices (FADs)
- 12) Unique Vessel Identifiers (UVI)- International Maritime Organization (IMO)
- 13) Purse Seine Unique Vessel Identifiers
- 14) Observer Coverage
- 15) Transshipments
- 16) Illegal, Unreported and Unregulated (IUU) Fishing
- 17) IUU Product Response
- 18) Transaction Ban for Large-Scale Purse-Seine Vessels not Actively Fishing for Tuna as of December 31, 2012
- 19) Purchases from Purse Seine Vessels in Fleets with Other Vessels Not in Compliance with ISSF Conservation Measures 6.1 and 6.2(a)
- 20) Registration of Controlled Vessels
- 21) Purchases from Proactive Vessel Register (PVR) Vessels

# Sustainability Highlights



## Balancing business with environmental and social impact



### ENVIRONMENTAL

- VP for Tuna OEM Exports Teddy Kho part of **ISSF GLOBAL BOARD OF TRUSTEES**
- **CONSERVATION EFFORTS** recognized by WWF
- In partnership with multiple institutions for **AQUATIC RESOURCE MANAGEMENT AND MORE SUSTAINABLE FISHING**

- Landed a **TOP** position in Greenpeace's 2018 Canned Tuna Ranking for the Philippines
- Criteria included **TRACEABILITY, SOURCING SUSTAINABILITY, AND LEGALITY**

**GREENPEACE**

# Sustainability Highlights



## Balancing business with environmental and social impact

### SOCIAL

- Established CPG-RSPo Foundation, Inc. committed to **CORPORATE SOCIAL RESPONSIBILITY PROGRAMS**
- Partnered with KidZania in raising the youth's awareness on **MARINE SUSTAINABILITY**



**PROTEIN  
Delivery**



**PURCHASES  
Assessment**



**PLANET  
Preservation**



**PEOPLE  
Development**



**Good  
GOVERNANCE**

- Organized various programs involving both **EMPLOYEES AND COMMUNITIES**
- Initiatives provide **FINANCIAL SUPPORT, JOB OPPORTUNITIES, SKILLS EDUCATION, AND DISASTER RELIEF**

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