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**CENTURY PACIFIC’S FIRST QUARTER EARNINGS RISE BY 10%,**

**REVENUES REGISTER 10% GROWTH ON THE BACK OF RESILIENT BRANDED BUSINESS**

* *CNPF posts 10% top and bottomline growth in 1Q22 versus the same period last year*
* *Branded segment sales outperformed, posting double-digit growth driven by the Company’s value for money brands and the essentials and staples nature of its portfolio*
* *EBITDA clocked in a 15% growth year-on-year*

**Century Pacific Food, Inc. (PSE: CNPF),** one of the largest food and beverage companies in the Philippines, hit the ground running in the first quarter of 2022 as earnings rose to Php 1.4 billion, up by 10% versus the same period last year.

The Company saw consolidated net revenues likewise increase by 10% from the first quarter of 2021, landing at Php 14.7 billion. This was mainly due to the outperformance of its Branded segment, which contributed 82% to CNPF’s topline.

The sales of the Branded segment, which is composed of Marine, Meat, Milk and other emerging businesses, clocked in a growth of 17% year-on-year as domestic demand for affordable and shelf-stable consumer goods remained resilient for the quarter.

Chad Manapat, CNPF’s Chief Finance Officer, remarked, “The first quarter of 2022 has received more than its fair share of headwinds, yet, concurrently, we are feeling tailwinds coming from the Philippine economic reopening. Consumers are feeling the impact of rising commodity prices but, compared to the height of the pandemic, have more disposable income. They continue to gravitate toward essential goods and value for money brands, underpinning the demand for Century products.”

Meanwhile, despite healthy organic demand for its products, CNPF’s Tuna and Coconut Original Equipment Manufacturer (OEM) Exports business contracted by 13% year-on-year due to soaring freight rates from Asia to the West and limited container availability and coming from a high base in 2021.

In terms of profitability, as expected, CNPF saw gross margins contract by 30bps to 25.9% due to the global rise in commodity prices. Nonetheless, operating expenses as a percentage of sales declined by 90bps, trickling down to an EBITDA margin improvement of 70bps, from 13.8% in 1Q21 to 14.5% in 1Q22.

All in all, considering the sustained tax rates from the implementation of the Corporate Recovery and Tax Incentives for Enterprises law, net income increased by 10%, with net profit margin retained at 9.6%.

With the Company’s robust performance for the first quarter, operating cashflows amounted to Php 2.0 billion. CNPF continued to have a strong balance sheet with a healthy net gearing ratio of 0.05x.

Manapat said, “We are grateful for the continued resilience that the Company is demonstrating. We have seen two consecutive years of extraordinary performance and kickstarted 2022 with healthy business results. This puts us in a good position to power through what we expect to be a volatile year, especially with respect to rising input prices. Nonetheless, we, at Century Pacific, are intent on pursuing long-term growth initiatives by continuously strengthening our core Marine and Meat businesses and investing in the growth of our emerging businesses, specifically recently launched innovations.”

CNPF has been launching a string of new innovations since 2019. The Company launched a packaged culinary coconut cream brand called ‘Coco Mama’, which has been posting strong results since its launch. In 2020, it entered the nascent plant-based meat alternatives category with the launch of ‘unMEAT’, which sailed to global markets the year after. In 2021, the Company forayed into the fast-growing pet food market with a new brand called ‘Goodest’. CNPF also expanded its Milk portfolio with a new chocomalt beverage, ‘Choco Hero’, its most affordable product to date.

Manapat continued, “We see much uncertainty lying ahead but in times like these, we believe it is crucial for us to remain focused on running a sustainable business for our stakeholders. To us, that means keeping to our mission of providing affordable nutrition to our consumers, staying true to our strategic priorities, and proactively managing risks to deliver decent business results in parallel.”

CNPF ended 2021 with a revenue growth of 13%. Its audited consolidated net income increased by 20%.

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, coconut, plant-based, and pet 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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