



**ROBINSONS  
RETAIL  
HOLDINGS, INC.**

# 9M2020 UNAUDITED EARNINGS RESULTS

October 29, 2020



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# AGENDA

**Financial Highlights**

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**Consolidated Results**

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**Store Network**

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**Business Segments**

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**Recent Developments**

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**Plans & Prospects**

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# FINANCIAL HIGHLIGHTS

Weak  
blended  
SSSG of  
-6.4%

1,853  
stores plus  
2,033 TGP  
branches  
nationwide

1.45M  
sqm in  
gross floor  
area  
(excl. TGP)

-5.7%  
shortfall in  
consolidated  
net sales

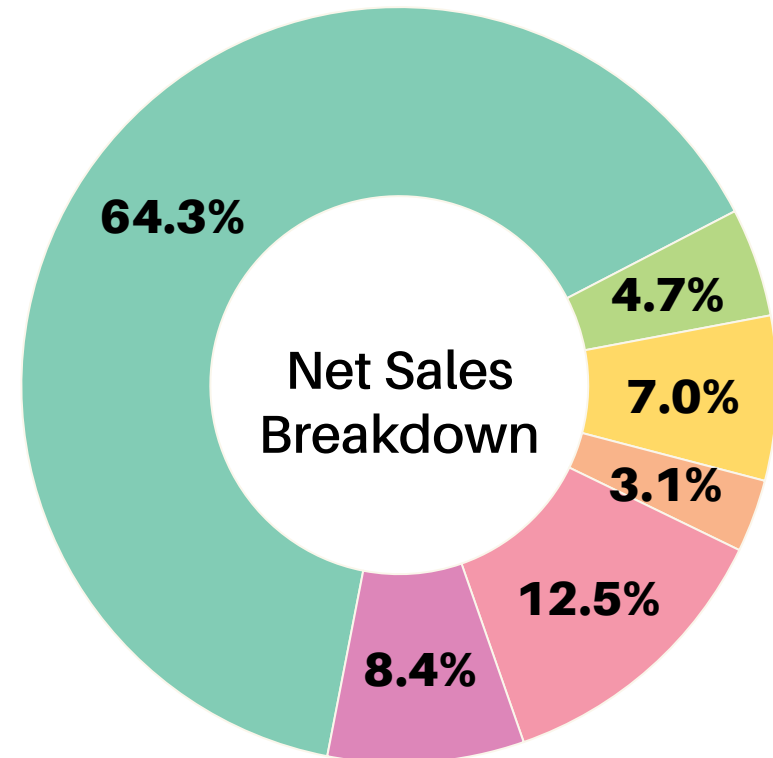
EBITDA  
margin  
at 8.5%  
of sales

GP margin  
at 21.5%  
of sales

Net  
income  
attributable  
to parent co  
at ₱2.4bn

# 9M2020 CONSOLIDATED RESULTS

	3Q19	3Q20	9M19	9M20
Supermarkets	21.8	21.9	63.7	70.5
Department stores	3.7	1.4	11.9	5.1
DIY stores	3.5	2.9	10.4	7.7
Convenience stores	1.6	0.9	4.9	3.4
Drugstores	4.4	4.3	13.0	13.7
Specialty stores	4.3	3.2	13.4	9.2
<b>TOTAL (₱ bn)</b>	<b>38.9<sup>1</sup></b>	<b>34.6</b>	<b>116.2<sup>1</sup></b>	<b>109.6</b>



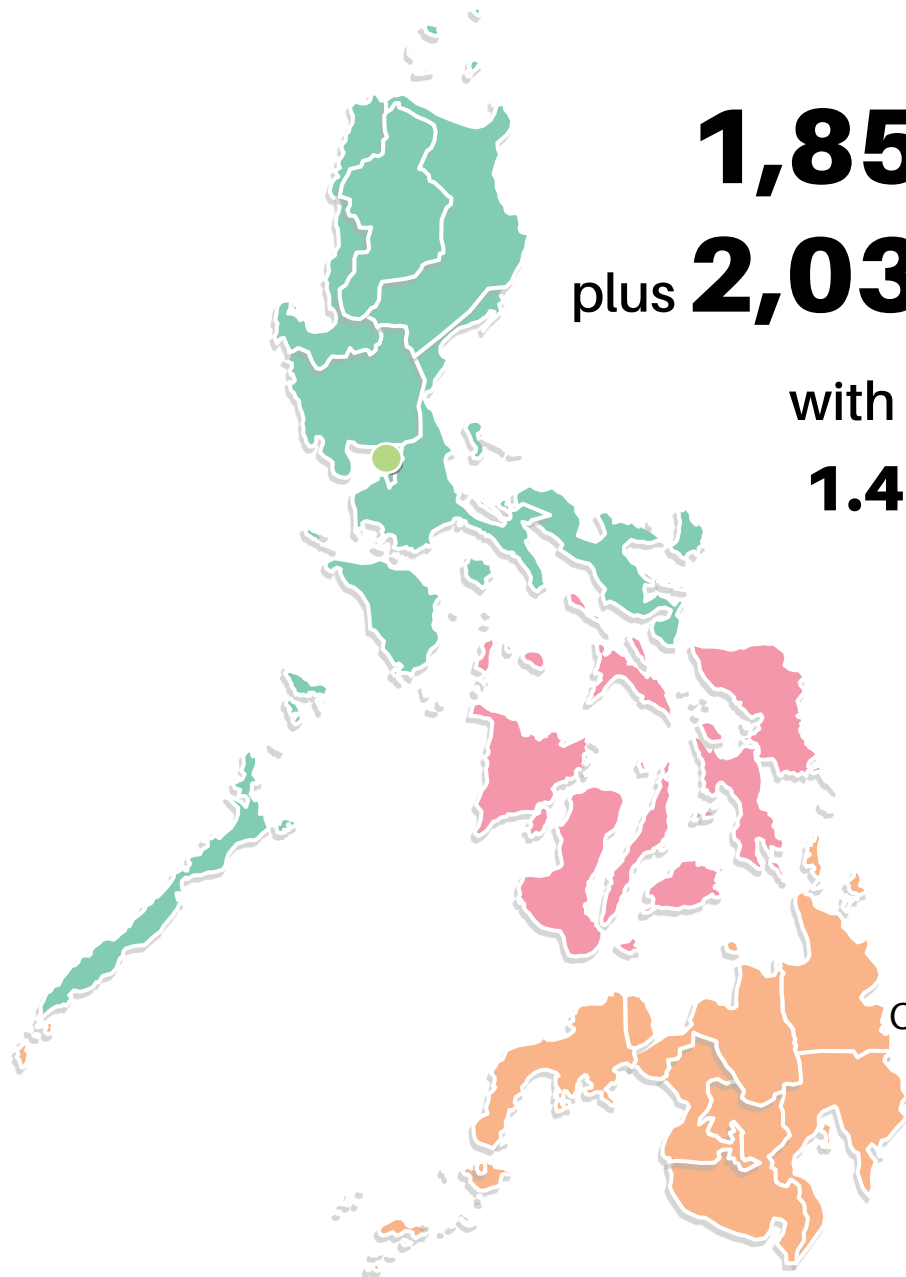
## Same Store Sales Growth

	3Q19	3Q20	9M19	9M20
Same Store Sales Growth	1.9%	(11.7%)	3.2%	(6.4%)

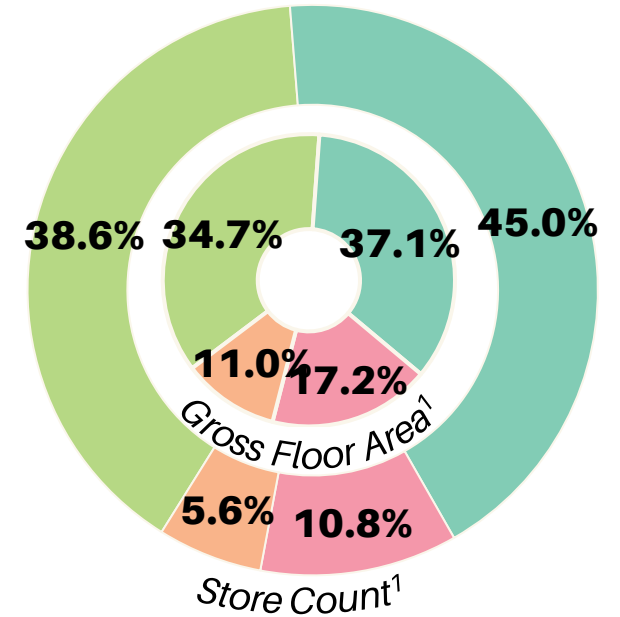
<sup>1</sup> Net sales after intersegment eliminating adjustments




# STORE NETWORK: 9M2020



**1,853** stores  
 plus **2,033** TGP branches  
 with gross floor area of  
**1.45 million sqm<sup>1</sup>**



	Metro Manila	Luzon	Visayas	Mindanao
 Supermarkets	<b>111</b>	<b>100</b>	<b>36</b>	<b>16</b>
Department Stores	<b>11</b>	<b>19</b>	<b>10</b>	<b>9</b>
DIY Stores	<b>68</b>	<b>87</b>	<b>44</b>	<b>24</b>
Convenience Stores	<b>305</b>	<b>153</b>	<b>23</b>	-
Drugstores <sup>1</sup>	<b>108</b>	<b>340</b>	<b>46</b>	<b>27</b>
Specialty Stores	<b>113</b>	<b>133</b>	<b>42</b>	<b>28</b>
<b>Total</b>	<b>716</b>	<b>832</b>	<b>201</b>	<b>104</b>
TGP	<b>468</b>	<b>1,052</b>	<b>308</b>	<b>205</b>

<sup>1</sup> Excluding TGP



# CONSOLIDATED RESULTS

in ₱ mm	3Q2019 <sup>1</sup>	3Q2020	9M2019 <sup>1</sup>	9M2020	3Q Δ	9M Δ
Net Sales	<b>38,948</b>	<b>34,614</b>	<b>116,159</b>	<b>109,576</b>	<b>(11.1%)</b>	<b>(5.7%)</b>
Same Store Sales Growth	<b>1.9%</b>	<b>(11.7%)</b>	<b>3.2%</b>	<b>(6.4%)</b>	-	-
Gross Profit	<b>9,029</b>	<b>7,939</b>	<b>26,690</b>	<b>23,598</b>	<b>(12.1%)</b>	<b>(11.6%)</b>
Gross Margin (%)	<b>23.2%</b>	<b>22.9%</b>	<b>23.0%</b>	<b>21.5%</b>	-	-
EBITDA <sup>2</sup>	<b>3,670</b>	<b>3,161</b>	<b>10,452</b>	<b>9,344</b>	<b>(13.8%)</b>	<b>(10.6%)</b>
EBITDA margin (%)	<b>9.4%</b>	<b>9.1%</b>	<b>9.0%</b>	<b>8.5%</b>	-	-
EBIT	<b>1,952</b>	<b>1,457</b>	<b>5,362</b>	<b>4,267</b>	<b>(25.3%)</b>	<b>(20.4%)</b>
EBIT margin (%)	<b>5.0%</b>	<b>4.2%</b>	<b>4.6%</b>	<b>3.9%</b>	-	-
Net Income to Parent	<b>1,064</b>	<b>750</b>	<b>2,776</b>	<b>2,392</b>	<b>(29.5%)</b>	<b>(13.9%)</b>
Core Net Income	<b>957</b>	<b>822</b>	<b>2,598</b>	<b>2,152</b>	<b>(14.1%)</b>	<b>(17.2%)</b>
Core Net Margin(%)	<b>2.5%</b>	<b>2.4%</b>	<b>2.2%</b>	<b>2.0%</b>	-	-

<sup>1</sup> Restated 2019 financials to reflect the impact of adapting PFRS 16 (Leases) effective January 1, 2019; <sup>2</sup> Pre-PFRS16 EBITDA: ₱5,999M in 9M2020, ₱2,044M in 3Q2020





# DEPARTMENT STORE SEGMENT

in ₱ mm	3Q2019 <sup>1</sup>	3Q2020	9M2019 <sup>1</sup>	9M2020	3Q Δ	9M Δ
Net Sales	3,694	1,432	11,918	5,097	(61.2%)	(57.2%)
Same Store Sales Growth	0.2%	(59.0%)	(0.6%)	(55.4%)	-	-
Gross Profit	996	488	3,286	1,583	(51.0%)	(51.8%)
Gross Margin (%)	27.0%	34.1%	27.6%	31.1%	-	-
EBITDA <sup>2</sup>	201	22	811	104	(89.0%)	(87.2%)
EBITDA margin (%)	5.4%	1.5%	6.8%	2.0%	-	-



Store  
Count **49**

Improved SSSG as all stores are opened for 3.0 months versus 1.5 months last quarter.


<sup>1</sup> Restated 2019 financials to reflect the impact of adapting PFRS 16 (Leases) effective January 1, 2019; <sup>2</sup> Pre-PFRS16 EBITDA: -₱175M in 9M2020, -₱71M in 3Q2020





# DIY SEGMENT

in ₱ mm	3Q2019 <sup>1</sup>	3Q2020	9M2019 <sup>1</sup>	9M2020	3Q Δ	9M Δ
Net Sales	3,487	2,858	10,373	7,707	(18.0%)	(25.7%)
Same Store Sales Growth	0.5%	(18.6%)	2.6%	(27.7%)	-	-
Gross Profit	1,171	1,018	3,442	2,627	(13.1%)	(23.7%)
Gross Margin (%)	33.6%	35.6%	33.2%	34.1%	-	-
EBITDA <sup>2</sup>	594	542	1,727	1,240	(8.7%)	(28.2%)
EBITDA margin (%)	17.0%	19.0%	16.6%	16.1%	-	-

 Store Count **223**

Low SSSG due to low foot traffic further hampered by the reinstatement of MECQ for two weeks last August

<sup>1</sup> Restated 2019 financials to reflect the impact of adapting PFRS 16 (Leases) effective January 1, 2019; <sup>2</sup> Pre-PFRS16 EBITDA: ₱646M in 9M2020, ₱349M in 3Q2020





# DRUGSTORE SEGMENT

in ₱ mm	3Q2019 <sup>1</sup>	3Q2020	9M2019 <sup>1</sup>	9M2020	3Q Δ	9M Δ
Net Sales	4,407	4,325	12,989	13,669	(1.9%)	5.2%
Same Store Sales Growth	9.8%	(3.0%)	10.7%	3.5%	-	-
Gross Profit	875	858	2,550	2,722	(1.9%)	6.8%
Gross Margin (%)	19.9%	19.8%	19.6%	19.9%	-	-
EBITDA <sup>2</sup>	461	439	1,271	1,386	(4.7%)	9.1%
EBITDA margin (%)	10.5%	10.2%	9.8%	10.1%	-	-



Store Count **521** southstardrug®  
**2,033** TGP®  
THE GENUINE PHARMACY

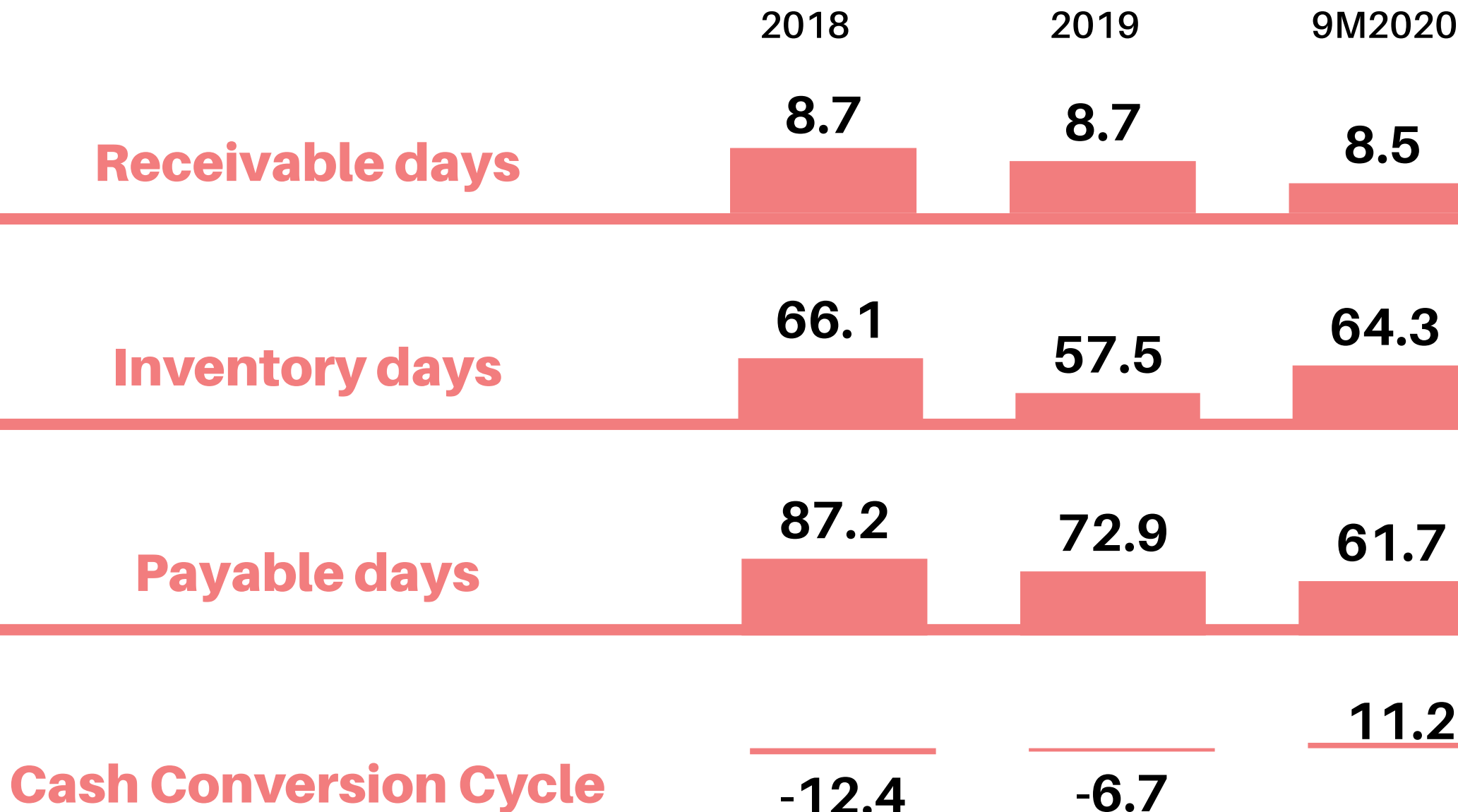
Low SSSG due to the high base effect from last year and lower demand of prescription medicines

<sup>1</sup> Restated 2019 financials to reflect the impact of adapting PFRS 16 (Leases) effective January 1, 2019; <sup>2</sup> Pre-PFRS16 EBITDA: ₱1,158M in 9M2020, ₱363M in 3Q2020



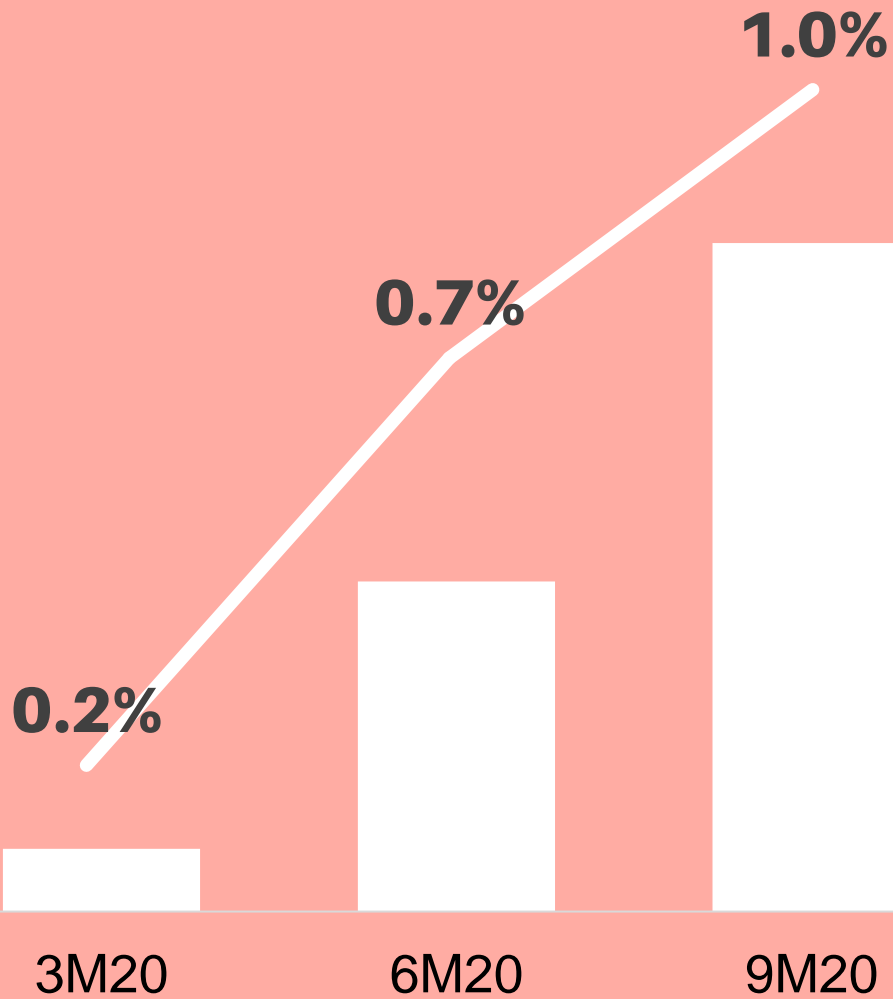


# WORKING CAPITAL

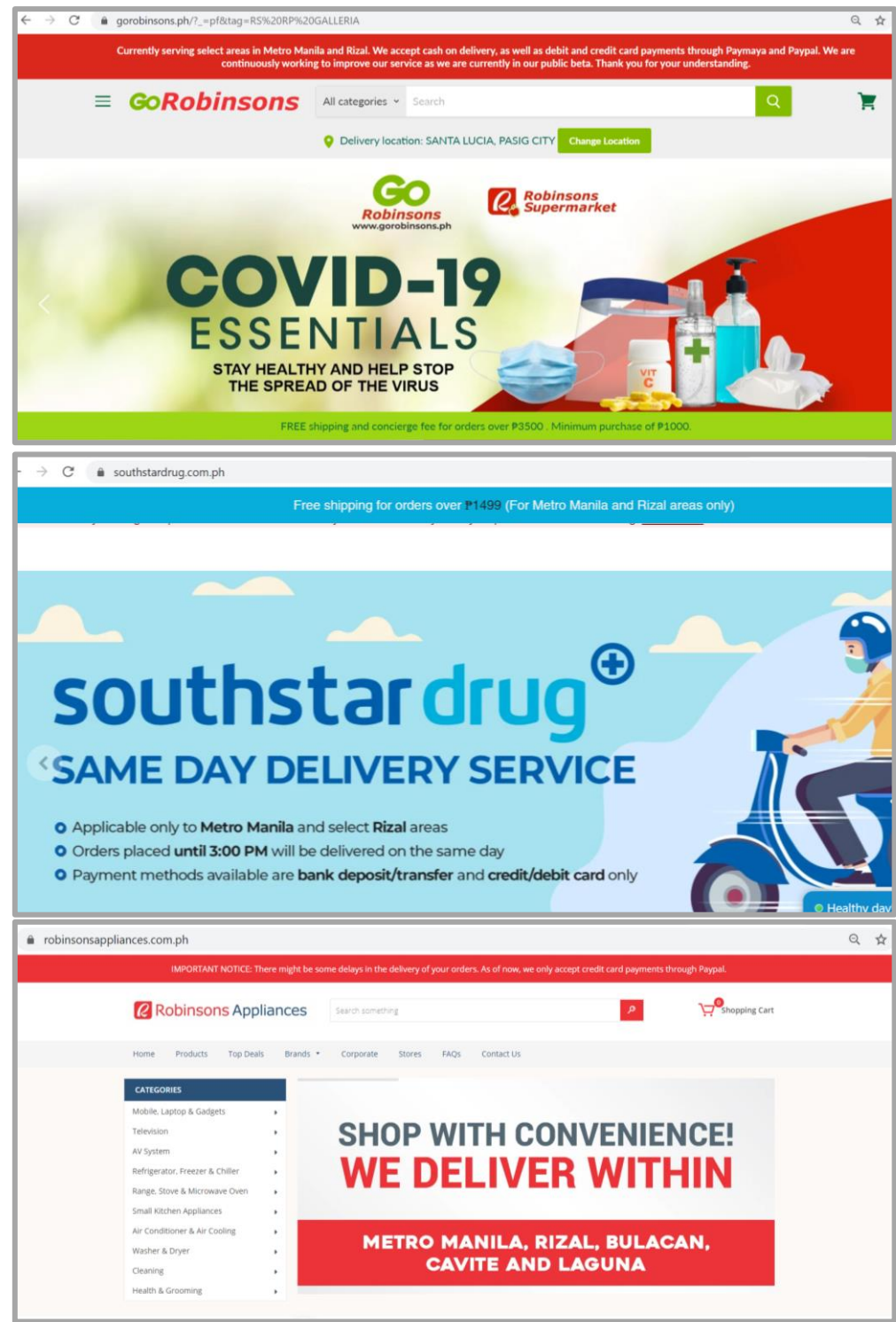




# E-COMMERCE TO TOTAL SALES



Notes: Includes sales from call & collect/delivery service





# ACQUISITION OF ROSE PHARMACY





# ACQUISITION OF ROSE PHARMACY



# RRHI IN FORBES BEST EMPLOYERS LIST

2020

## THE WORLD'S BEST EMPLOYERS

Forbes

230	Analog Devices		
231	CACI International		
232	Lululemon Athletica		
233	Fortune Brands Home & Security		
234	Valero Energy	Construction, Oil & Gas Operations, Mining and Chemicals	United States
235	Banque Saudi Fransi	Banking and Financial Services	Saudi Arabia
236	Robinsons Retail Holdings	Retail and Wholesale	Philippines
237	Nielsen	Professional Services	United States
238	Kimberly-Clark	Packaged Goods	United States
239	Jollibee Foods	Food, Soft Beverages, Alcohol & Tobacco	Philippines
240	ABB	Semiconductors, Electronics, Electrical Engineering, Technology Hardware & Equipment	Switzerland
241	Raytheon Technologies	Aerospace & Defense	United States
242	Ace Hardware	Retail and Wholesale	United States
243	Nippon Paint	Construction, Oil & Gas Operations, Mining and Chemicals	Japan
244	Xerox	Semiconductors, Electronics, Electrical Engineering, Technology Hardware & Equipment	United States







# EMBEDDING SUSTAINABILITY



**Breakfast Festival: The Marketplace donated food packs during to hospitals from July 15, 25 and August 1, 2020 as way to show solidarity with medical frontliners.**







# PLANS AND PROSPECTS FOR 2020

**New store  
additions of  
280 to 310  
(including  
M&As)**

**Organic  
CAPEX of  
Php1.0bn  
to Php2.0bn**

**SSSG  
target of  
-5% to 0%**

**50 to 100 bps  
compression  
in gross  
margin**

**Embedding  
Sustainability**

**E-commerce**





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# Thank you.

# INCOME STATEMENT (UNAUDITED)

PHP mm	Three Months Ended September 30		Nine Months Ended September 30	
	2020	2019	2020	2019
Sales - net of sales discounts and returns	34,614	38,948	109,576	116,159
Cost of merchandise sold	26,675	29,919	85,978	89,469
<b>Gross Profit</b>	<b>7,939</b>	<b>9,029</b>	<b>23,598</b>	<b>26,690</b>
Royalty, rent and other revenues	384	726	1,424	1,978
Gross profit including other revenue	<b>8,323</b>	<b>9,754</b>	<b>25,023</b>	<b>28,668</b>
Operating expenses	(6,866)	(7,803)	(20,756)	(23,307)
<b>EBIT</b>	<b>1,457</b>	<b>1,952</b>	<b>4,267</b>	<b>5,362</b>
<b>EBITDA</b>	<b>3,161</b>	<b>3,670</b>	<b>9,344</b>	<b>10,452</b>
<b>OTHER INCOME (CHARGES)</b>				
Interest income	148	246	521	808
Foreign currency exchange gain (loss)	(88)	48	(136)	(44)
Dividend income	14	28	41	84
Equity in net earnings of an associate	18	85	188	143
Interest expense	(525)	(646)	(1,684)	(1,973)
Others	(38)	(50)	26	(44)
	<b>(471)</b>	<b>(289)</b>	<b>(1,044)</b>	<b>(1,026)</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>986</b>	<b>1,662</b>	<b>3,223</b>	<b>4,336</b>
Provision for income tax	149	446	624	1,102
<b>NET INCOME</b>	<b>836</b>	<b>1,216</b>	<b>2,599</b>	<b>3,234</b>
<b>Net income attributable to:</b>				
Equity holders of the Parent Company	750	1,064	2,392	2,776
Non-controlling interest in consolidated subs	87	152	207	457
	<b>836</b>	<b>1,216</b>	<b>2,599</b>	<b>3,234</b>
<b>Earnings Per Share</b>				
Basic	0.48	0.67	1.52	1.76
Weighted	0.48	0.67	1.52	1.76
<b>Shares Outstanding</b>				
End of Period	1,568	1,576	1,573	1,576
Weighted	1,568	1,576	1,573	1,576

Note: Restated 2019 financials to reflect the impact of adapting PFRS 16 (Leases) effective January 1, 2019





# BALANCE SHEET (UNAUDITED)

PHP mm	September 30 (Unaudited) 2020	December 31 (Audited) 2019
<b>Current Assets</b>		
Cash and cash equivalents	15,604	20,293
Trade and other receivables	3,419	3,865
Merchandise inventories	20,183	19,810
Other current assets	2,902	2,951
<b>Total Current Assets</b>	<b>42,109</b>	<b>46,920</b>
<b>Noncurrent assets</b>		
Debt and equity instrument financial assets	13,905	14,857
Property and equipment	18,347	19,290
Right-of-use asset	25,661	26,318
Investment in shares of stocks	8,371	7,845
Intangible assets	18,944	19,039
Other noncurrent assets	3,900	3,597
<b>Total Noncurrent Assets</b>	<b>89,129</b>	<b>90,946</b>
<b>Total Assets</b>	<b>131,237</b>	<b>137,866</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Trade and other payables	19,364	25,102
Short-term loans payable	3,079	4,634
Current portion of lease liability	2,772	2,164
Other current liabilities	1,207	1,065
<b>Total Current Liabilities</b>	<b>26,423</b>	<b>32,965</b>
<b>Total Noncurrent Liabilities</b>	<b>28,050</b>	<b>28,375</b>
<b>Total Liabilities</b>	<b>54,473</b>	<b>61,340</b>
<b>Equity</b>		
Capital stock	1,576	1,576
Additional paid-in capital	40,768	40,768
Equity reserve	(995)	(990)
Retained earnings	31,313	30,494
Others	(363)	273
<b>Total equity attributable to equity holders of Parent Company</b>	<b>72,299</b>	<b>72,122</b>
Non-controlling interest in consolidated subsidiaries	4,465	4,405
<b>Total Equity</b>	<b>76,764</b>	<b>76,526</b>
<b>Total Liabilities and Equity</b>	<b>131,237</b>	<b>137,866</b>

Note: Restated 2019 financials to reflect the impact of adapting PFRS 16 (Leases) effective January 1, 2019



# CASH FLOW STATEMENT (UNAUDITED)

	Nine Months Ended September 30		December 30 (Audited)
PHP mm	2020	2019	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before income tax	3,223	4,336	6,110
Depreciation and amortization	5,077	5,090	6,880
Retirement expense	120	107	192
Interest expense	1,684	1,973	2,578
Equity in net earnings in associates	(188)	(143)	(105)
Dividend income	(41)	(84)	(100)
Interest income	(521)	(808)	(1,016)
Others	60	13	117
<b>Operating income before working capital changes</b>	<b>9,414</b>	<b>10,484</b>	<b>14,656</b>
Working capital changes	(5,381)	(6,909)	(1,124)
Interest received	507	809	1,053
Retirement contributions and benefits paid	(177)	(171)	(439)
Income tax paid	(1,296)	(1,646)	(2,097)
<b>Net cash flows generated from (used in) operations</b>	<b>3,067</b>	<b>2,568</b>	<b>12,049</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment in associate	(344)	(530)	(520)
Debt and equity instrument financial assets	766	4,789	5,584
Property and equipment	(1,303)	(2,242)	(3,346)
Others	549	239	100
<b>Net cash flows generated from (used in) investing activities</b>	<b>(331)</b>	<b>2,256</b>	<b>1,818</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Availment of loans	845	1,285	915
Payment of loans	(2,400)	(5,400)	(3,075)
Dividends paid	(1,759)	(1,357)	(1,457)
Payment of lease liabilities	(3,345)	(3,287)	(4,442)
Others	(779)	(266)	(301)
<b>Net cash flows used in financing activities</b>	<b>(7,438)</b>	<b>(9,025)</b>	<b>(8,360)</b>
Effect of forex on cash and cash equivalents	14	(44)	(2)
Net increase (decrease) in cash and cash equivalents	(4,688)	(4,245)	5,505
Cash and cash equivalents at beginning of year	20,293	14,788	14,788
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>15,604</b>	<b>10,543</b>	<b>20,293</b>

Note: Restated 2019 financials to reflect the impact of adapting PFRS 16 (Leases) effective January 1, 2019



# DISCLAIMER

*This presentation contains certain forward looking statements with respect to the financial condition, results of operations and businesses of Robinsons Retail Holdings, Inc. (RRHI). Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of RRHI to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward looking statements were based on numerous assumptions regarding RRHI's present and future business strategies and the political and economic environment in which RRHI will operate in the future.*

