

# YTD September 2024 (9M 2024) Unaudited Earnings Results

25 October 2024



# Agenda



**1** Performance Highlights

**2** Store Network

**3** Business Segments

**4** Updates on Minority Investments

**5** Corporate Developments

AT THE HEART OF MEANINGFUL RETAIL



# 3Q2024 Performance Highlights



Net Sales

₱**48.7** bn

▲ 3.1%

Same Store  
Sales Growth

**0.5%**

Gross Profit

₱**11.8** bn

▲ 4.0%

Gross Margin:  
24.3% +20bps

EBIT

₱**2.3** bn

▲ 0.6%

EBIT Margin:  
4.7%, -10bps

Core Earnings

₱**1.4** bn

▲ 0.1%

Net Income  
to Parent

₱**1.0** bn

▲ 28.7%

# 9M2024 Performance Highlights



Net Sales

₱ **142.4** bn

▲ 3.0%

Same Store  
Sales Growth

**0.7%**

Gross Profit

₱ **34.3** bn

▲ 4.3%

Gross Margin:  
24.1% +30bps

EBIT

₱ **6.4** bn

▲ 3.7%

EBIT Margin:  
4.5%, +10bps

Core Earnings

₱ **4.1** bn

▲ 7.6%

Net Income  
to Parent

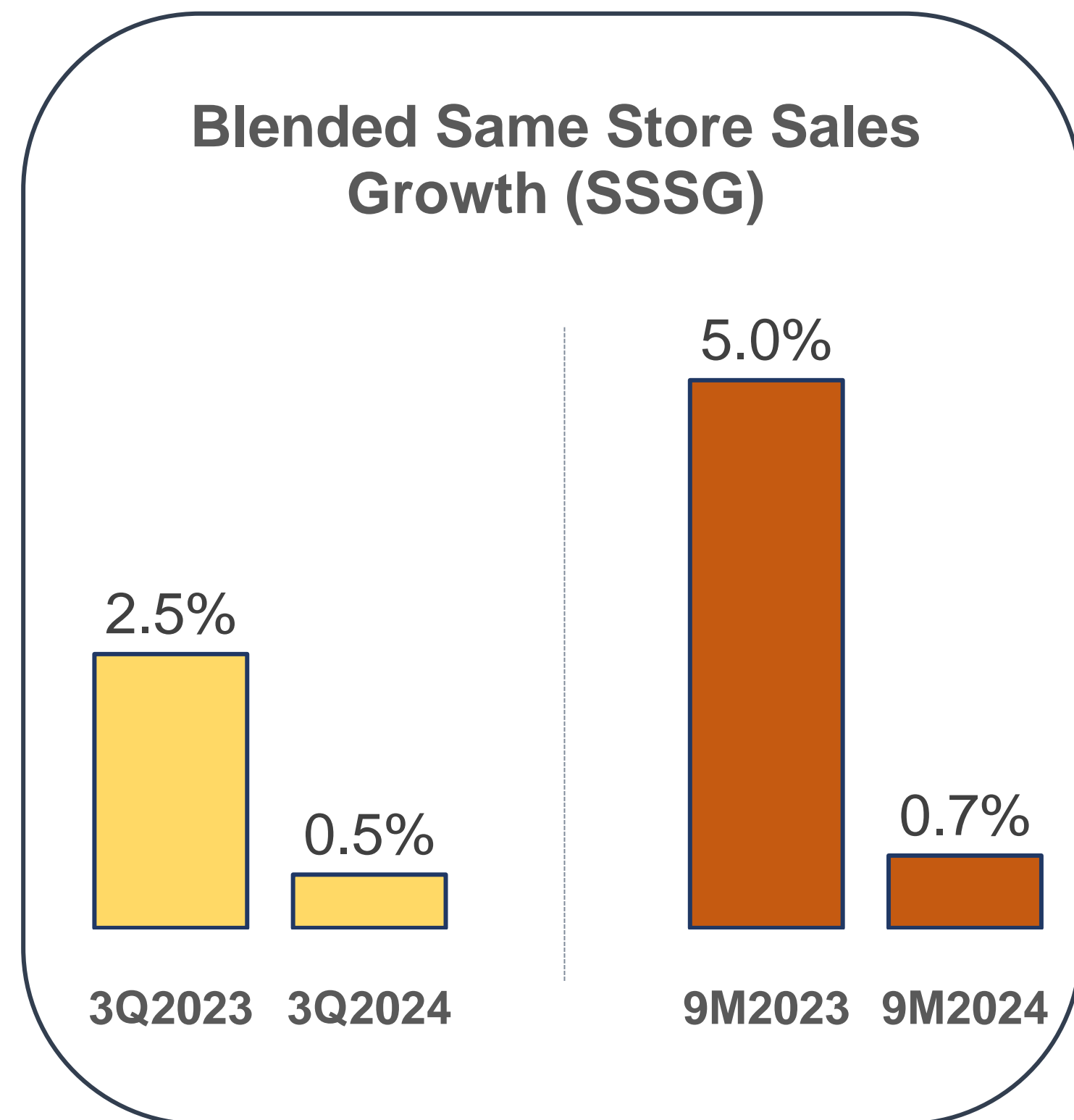
₱ **7.8** bn

▲ 3.0x

# Revenue Trends



	3Q23	3Q24	9M23	9M24	3QΔ	9MΔ
Food	28.4	29.7	83.3	86.7	4.8%	4.1%
Drugstores	8.3	9.1	24.4	26.3	9.0%	7.8%
Department stores	3.9	3.8	10.8	10.8	-3.9%	-0.2%
DIY stores	3.1	2.9	9.0	8.5	-5.9%	-5.2%
Specialty stores	3.6	3.3	10.7	10.1	-8.5%	-5.9%
<b>TOTAL (₱ bn)</b>	<b>47.2</b>	<b>48.7</b>	<b>138.2</b>	<b>142.4</b>	<b>3.1%</b>	<b>3.0%</b>



# Consolidated Results – P&L

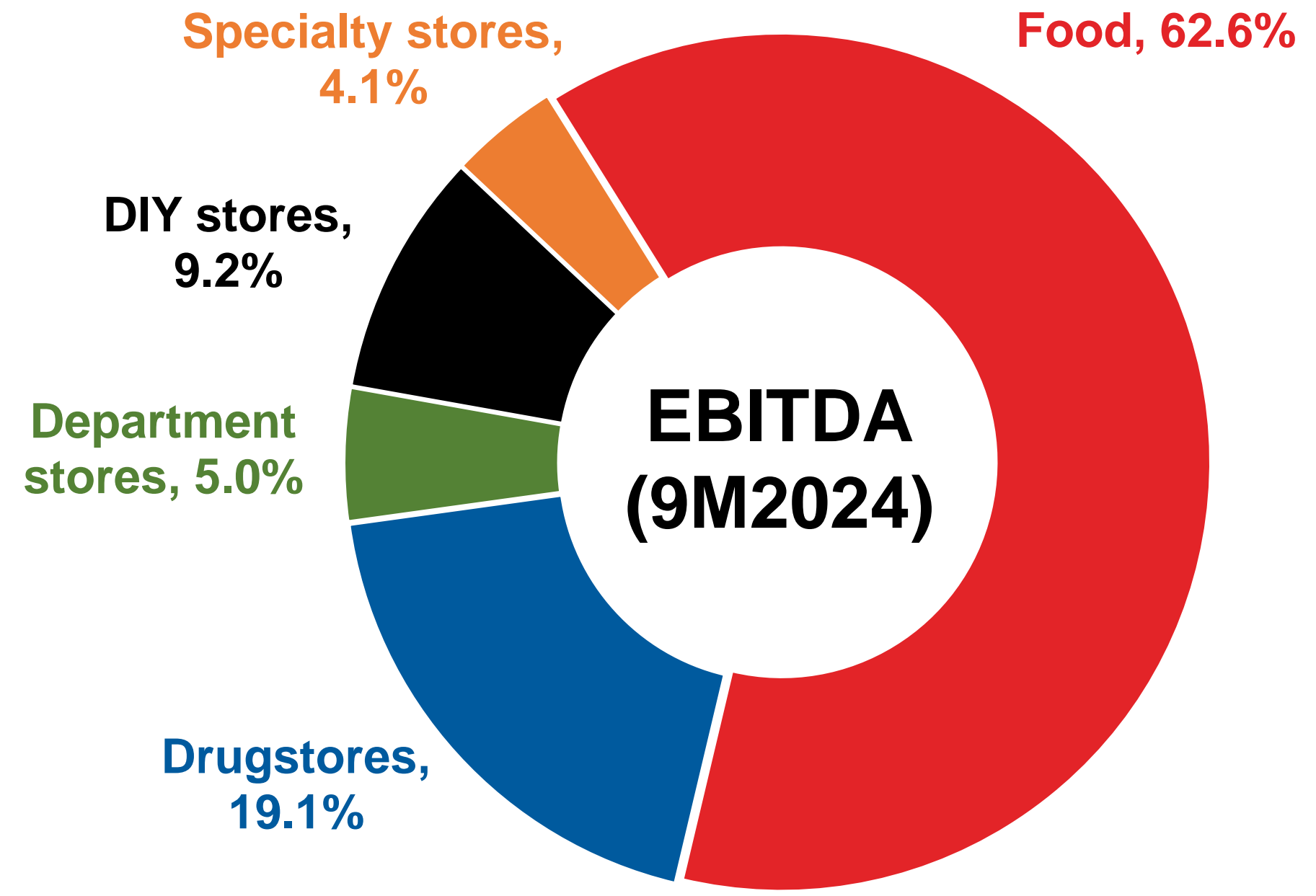
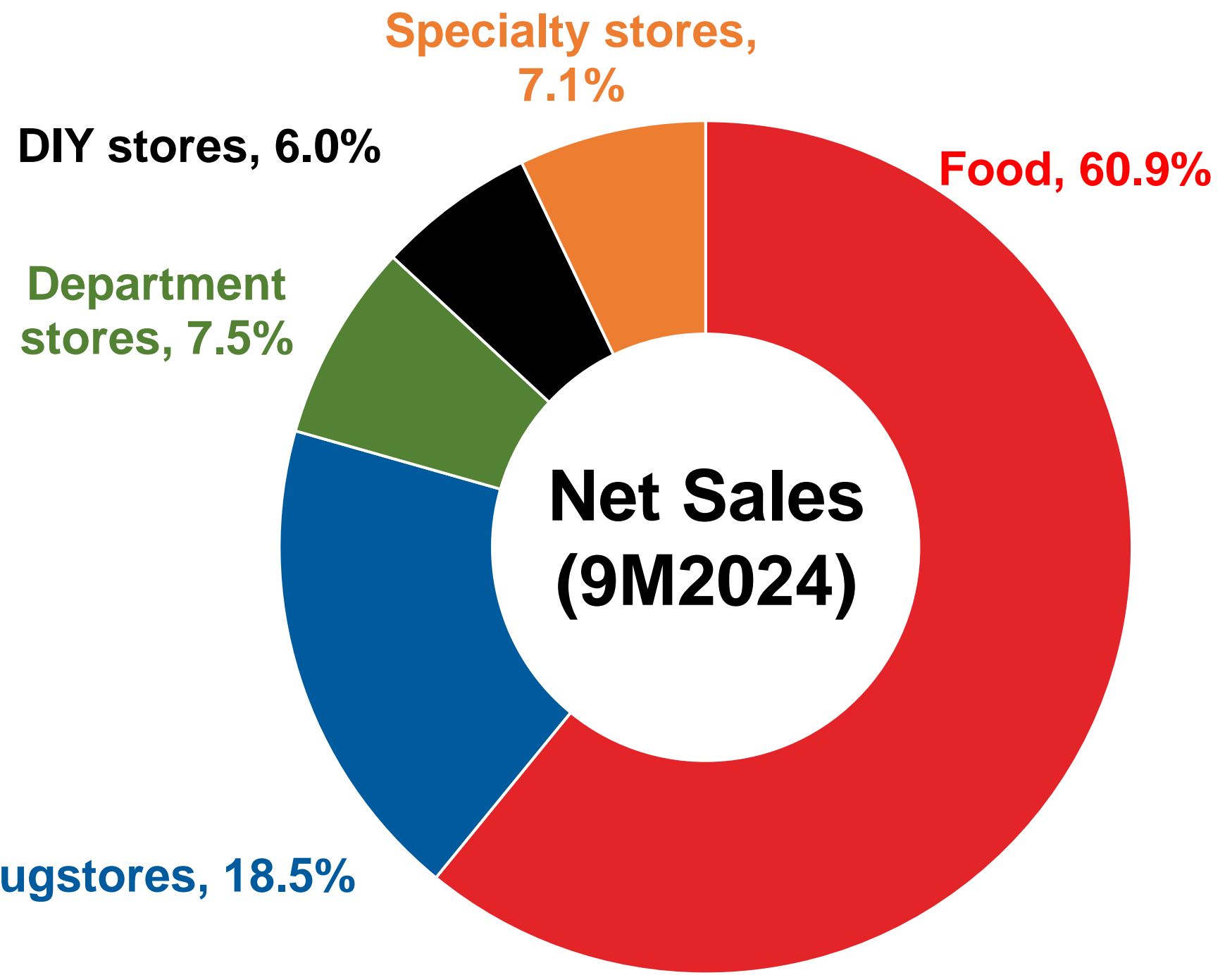


In ₱ mn	3Q23	3Q24	9M23	9M24	3QΔ	9MΔ
Net Sales	47,222	<b>48,699</b>	138,200	<b>142,409</b>	3.1%	3.0%
SSSG	2.5%	<b>0.5%</b>	5.0%	<b>0.7%</b>		
Gross Profit	11,365	<b>11,823</b>	32,894	<b>34,304</b>	4.0%	4.3%
Gross Margin	24.1%	<b>24.3%</b>	23.8%	<b>24.1%</b>		
EBITDA	4,128	<b>4,048</b>	11,651	<b>11,728</b>	-1.9%	0.7%
EBITDA Margin	8.7%	<b>8.3%</b>	8.4%	<b>8.2%</b>		
EBIT	2,259	<b>2,272</b>	6,136	<b>6,362</b>	0.6%	3.7%
EBIT Margin	4.8%	<b>4.7%</b>	4.4%	<b>4.5%</b>		
Other income – net	(961)	(714)	(2,091)	2,831		
Income Before Tax	1,298	<b>1,559</b>	4,045	<b>9,193</b>	20.1%	127.3%
Taxes	379	<b>399</b>	1,045	<b>949</b>		
Net Income	919	<b>1,159</b>	3,000	<b>8,244</b>	26.1%	174.8%
Net Income – Parent	783	<b>1,008</b>	2,582	<b>7,808</b>	28.7%	202.4%
N.I. - Parent Margin	1.7%	<b>2.1%</b>	1.9%	<b>5.5%</b>		
Core Net Earnings <sup>(1)</sup>	1,424	<b>1,426</b>	3,786	<b>4,074</b>	0.1%	7.6%
EPS <sup>(2)</sup>	0.53	<b>0.70</b>	1.75	<b>5.38</b>	32.1%	207.7%

<sup>(1)</sup> **Core Net Earnings:** Net Income ex: FX gains/losses, interest income from bonds, equity in earnings from associates, interest expense related to the BPI shares, BPI cash dividends, and others

<sup>(2)</sup> **EPS:** based on Net Income Attributable to Parent (NIAP)

# Net Sales and EBITDA Breakdown



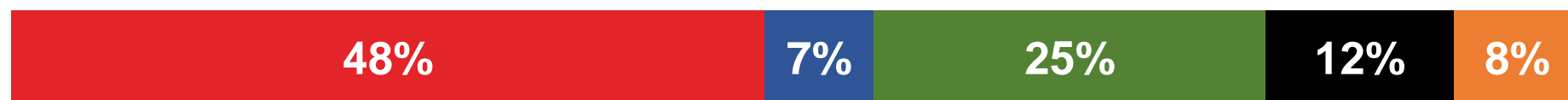
# Store Network



Total of 2,413 stores plus 2,163 TGP Branches

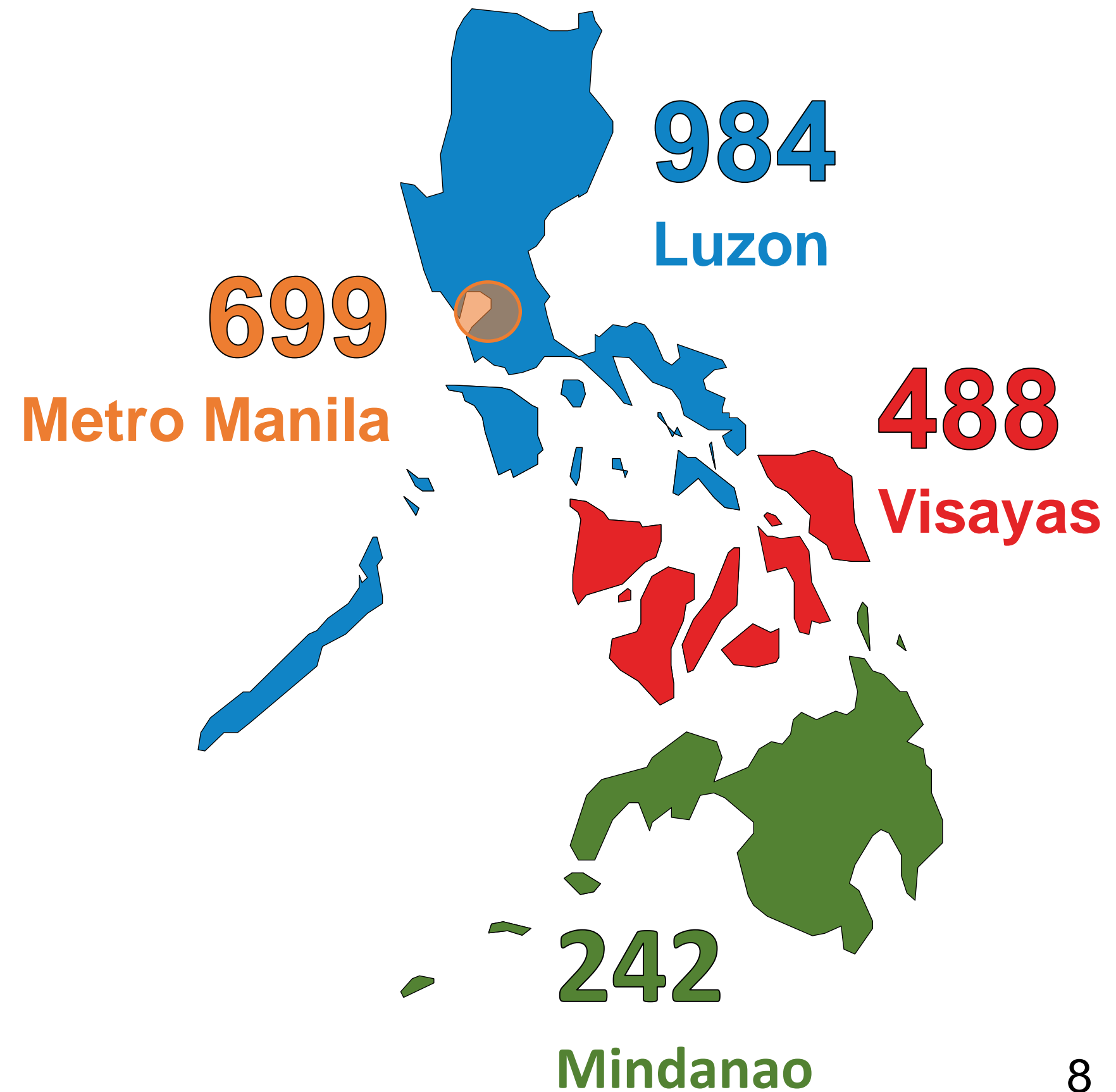
	Metro Manila	Luzon	Visayas	Mindanao	Total
Food	400	289	52	17	<b>758</b>
Drugstores <sup>1</sup>	145	449	343	164	<b>1,101</b>
Department Stores	9	20	12	9	<b>50</b>
DIY Stores	56	104	39	26	<b>225</b>
Specialty Stores	89	122	42	26	<b>279</b>
<b>Total</b>	<b>699</b>	<b>984</b>	<b>488</b>	<b>242</b>	<b>2,413</b>
<i>TGP</i>	438	1,182	339	204	2,163

With gross floor area (GFA) of 1.53 million sqm<sup>1</sup>



Gross Floor area per segment as % of total

<sup>1</sup> Excluding TGP

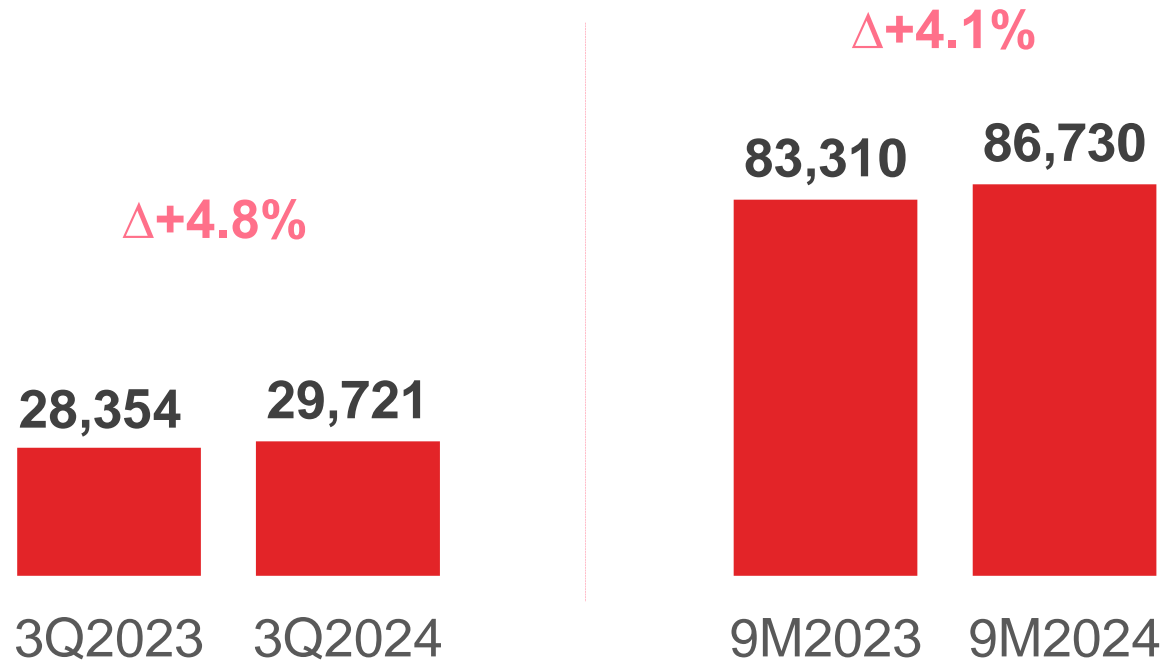




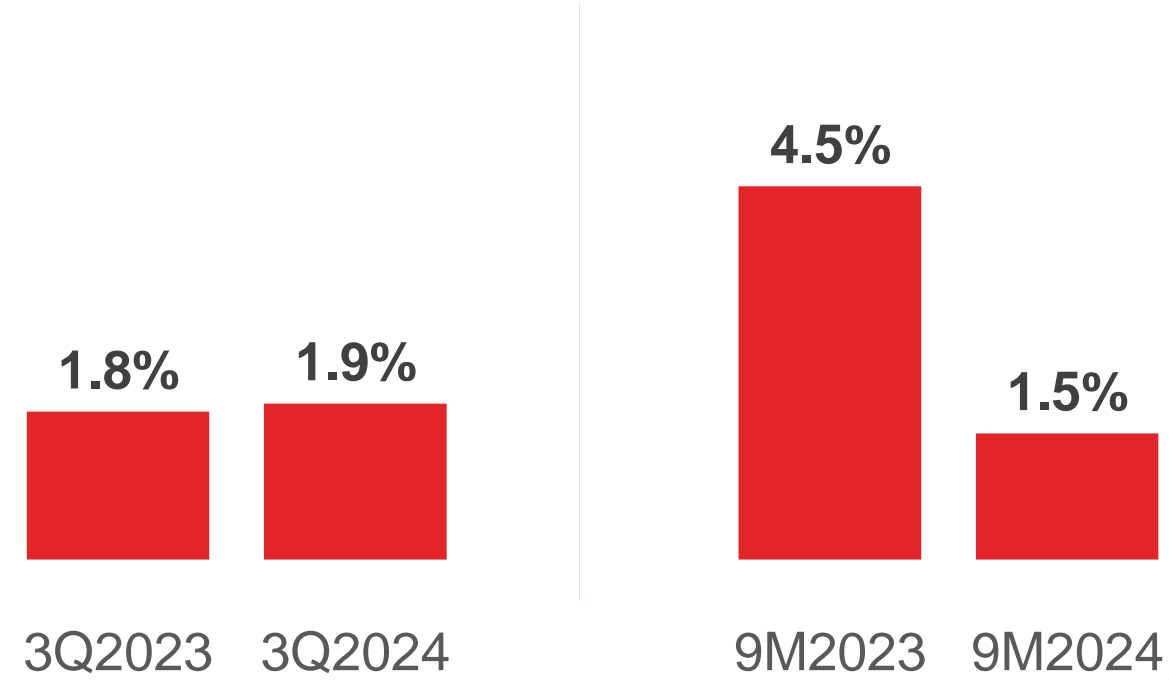
# Food Segment



Net sales (₱ mm)

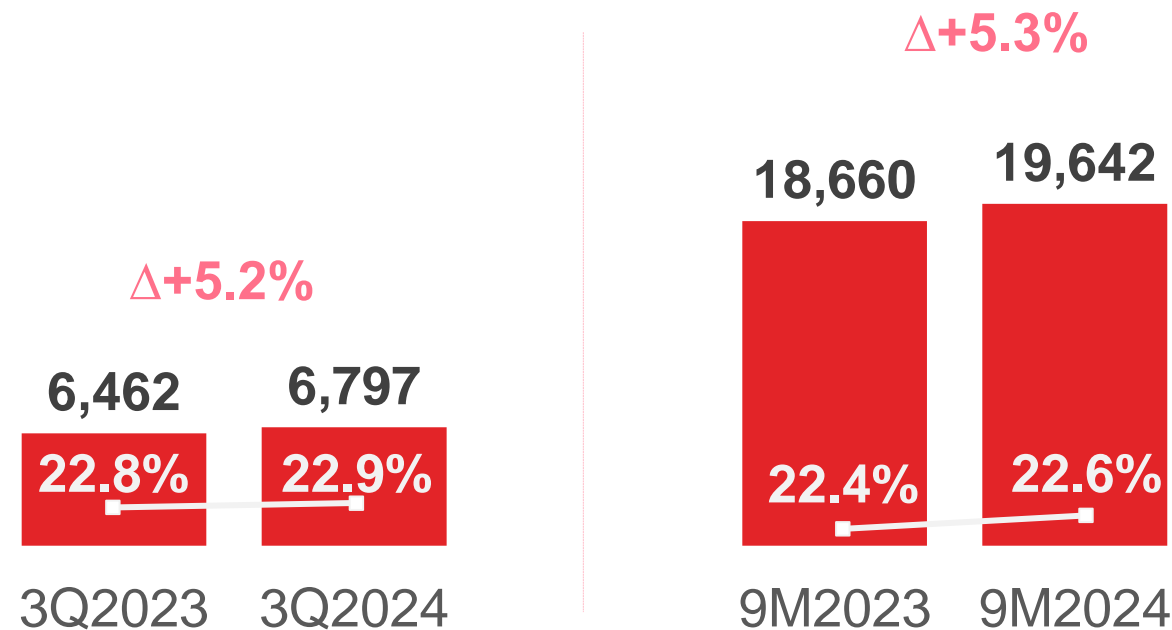


Same Store Sales Growth

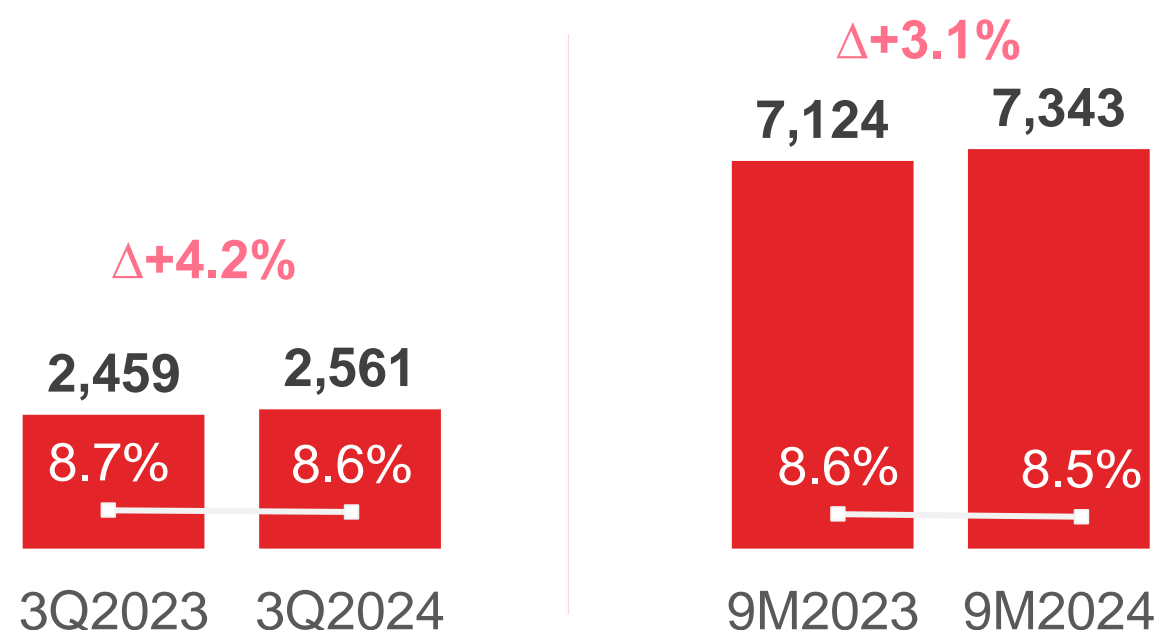


758 stores

Gross Profit (₱ mm)



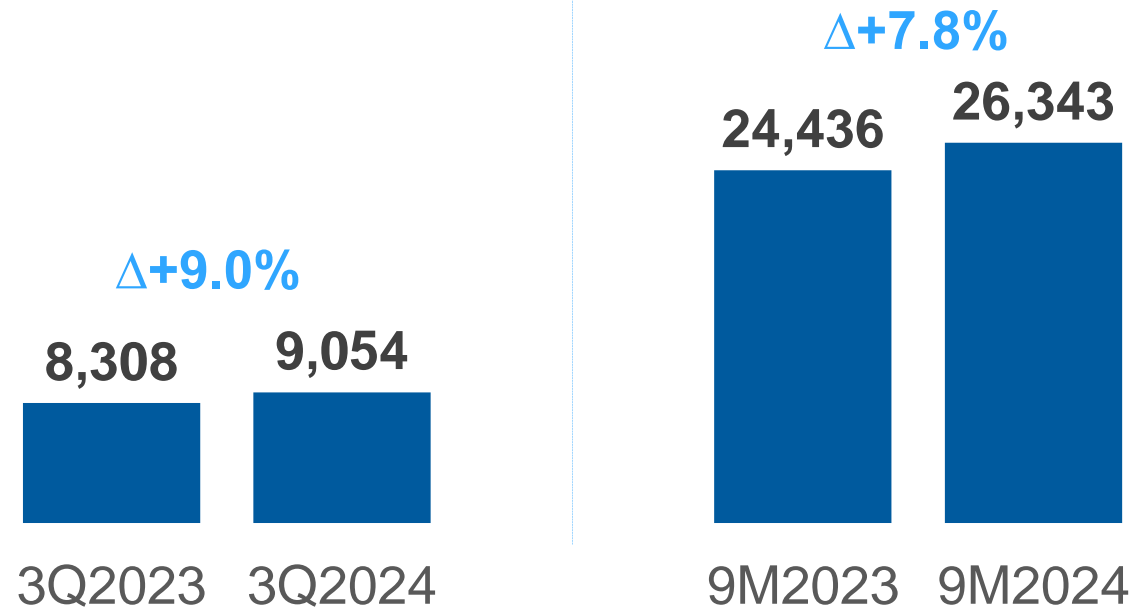
EBITDA (₱ mm)



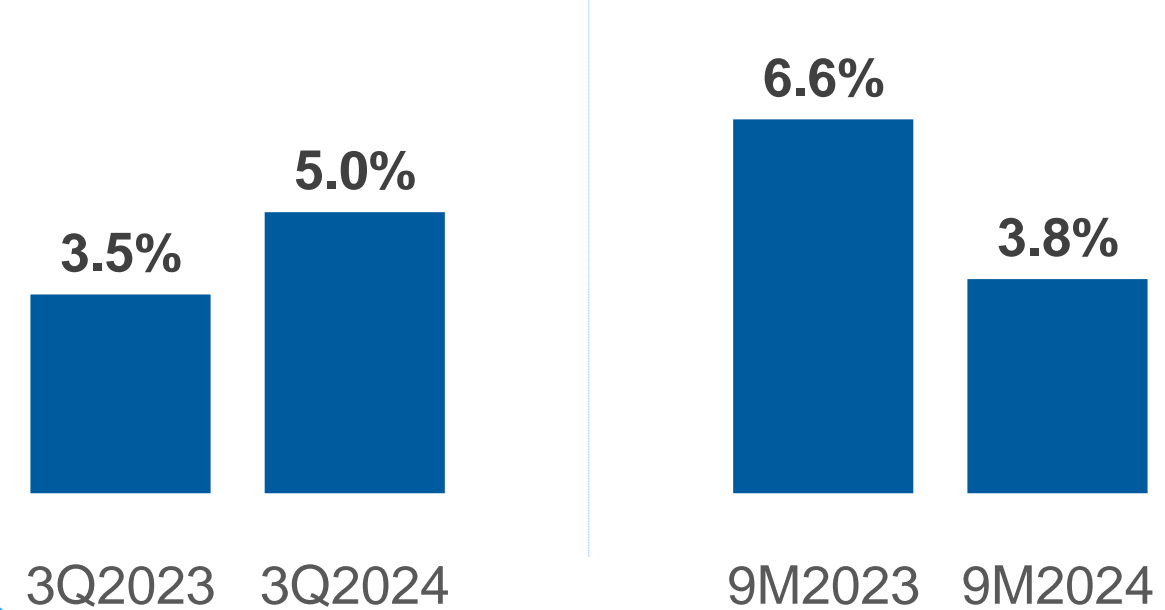
# Drugstore Segment



Net sales (₱ mm)

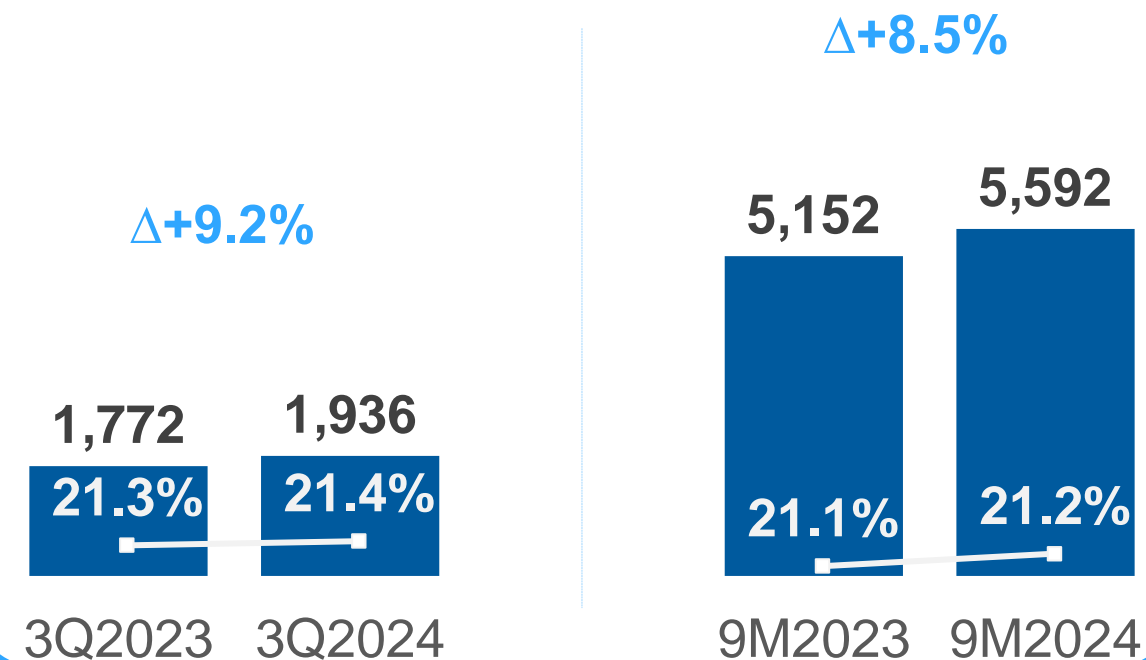


Same Store Sales Growth <sup>(1)</sup>

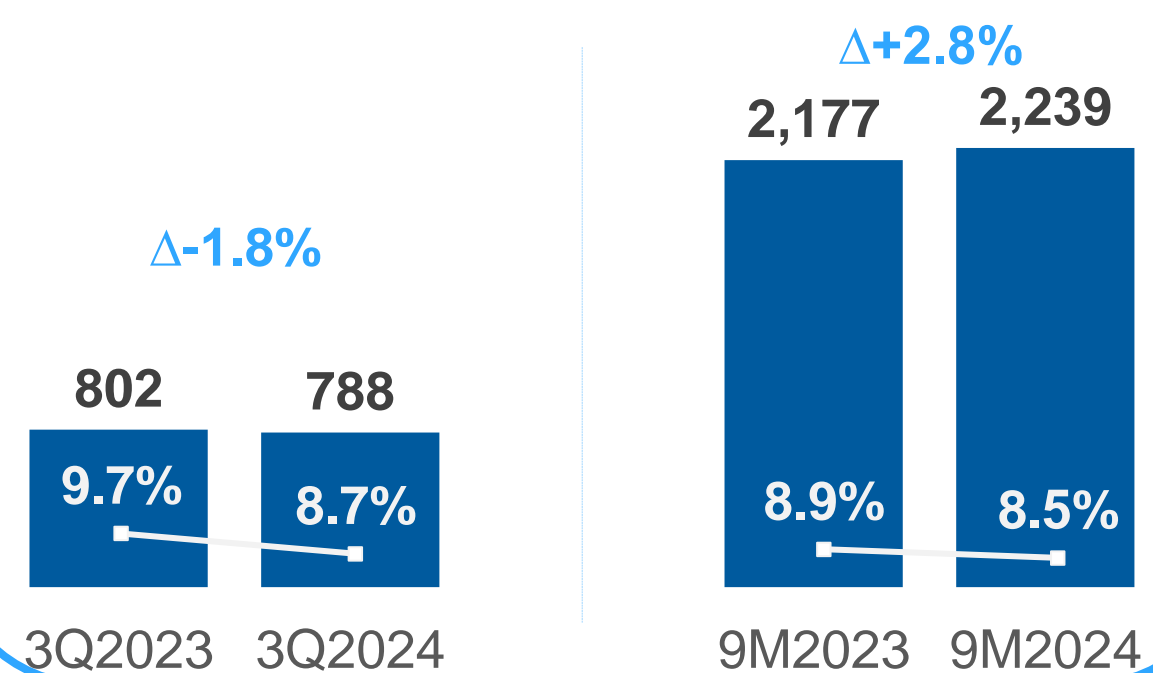


**1,101** owned stores  
**2,163** franchised stores

Gross Profit (₱ mm)



EBITDA (₱ mm)

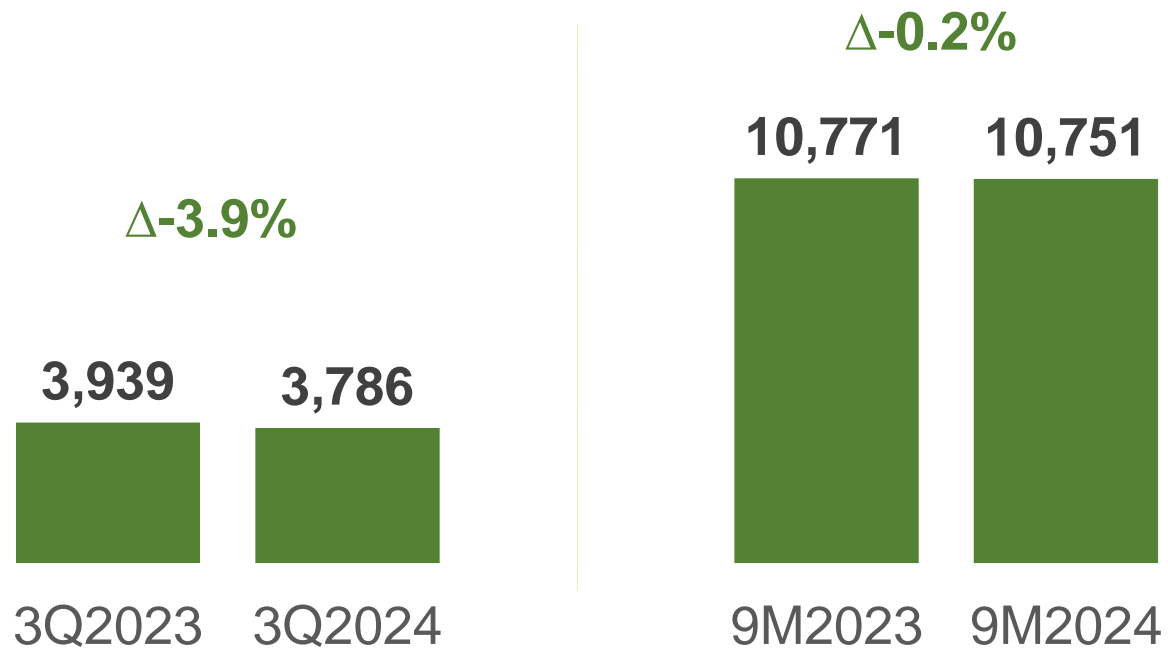


(1) SSSG includes Southstar Drug and Rose Pharmacy only. TGP does not report systemwide sales.

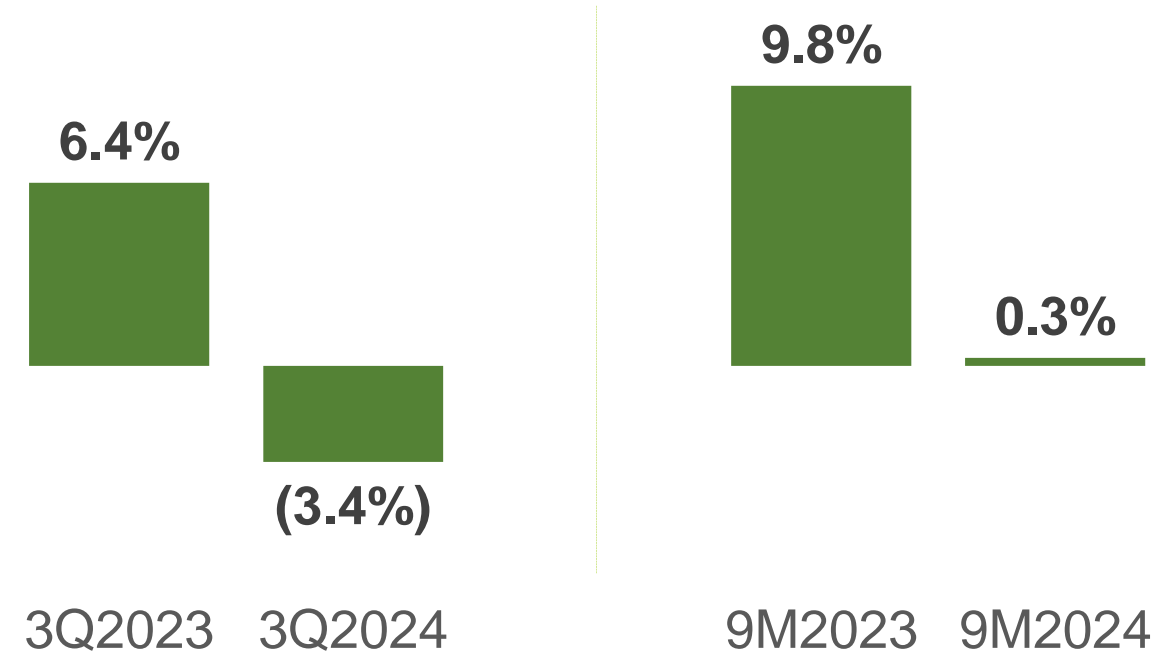
# Department Store Segment



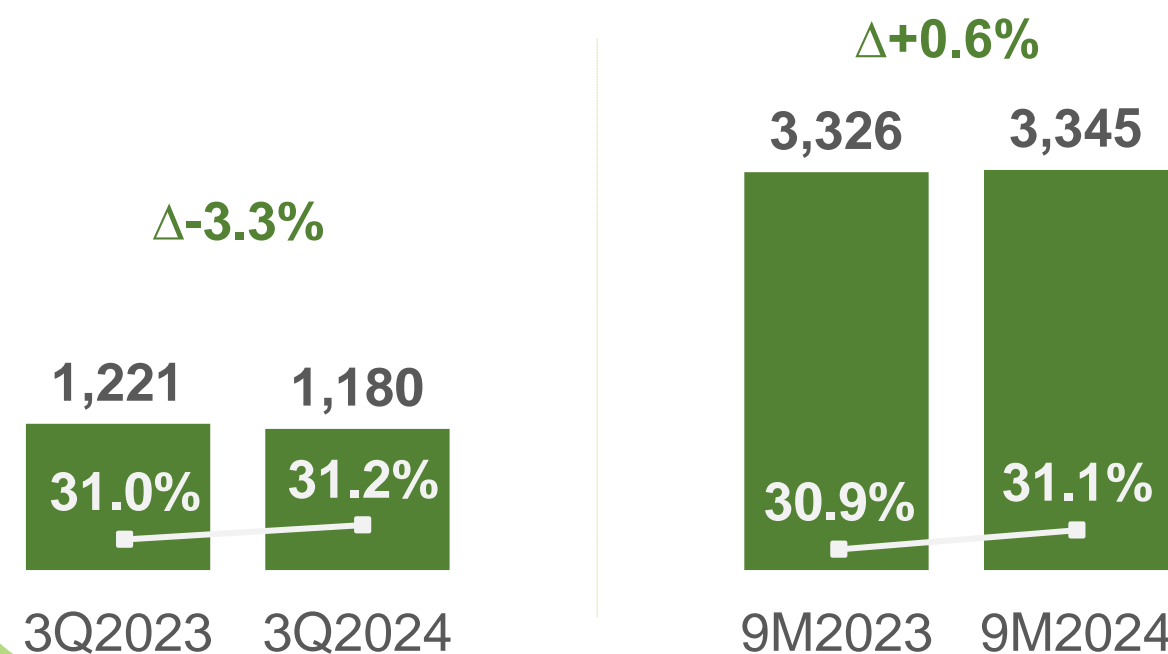
Net sales (₱ mm)



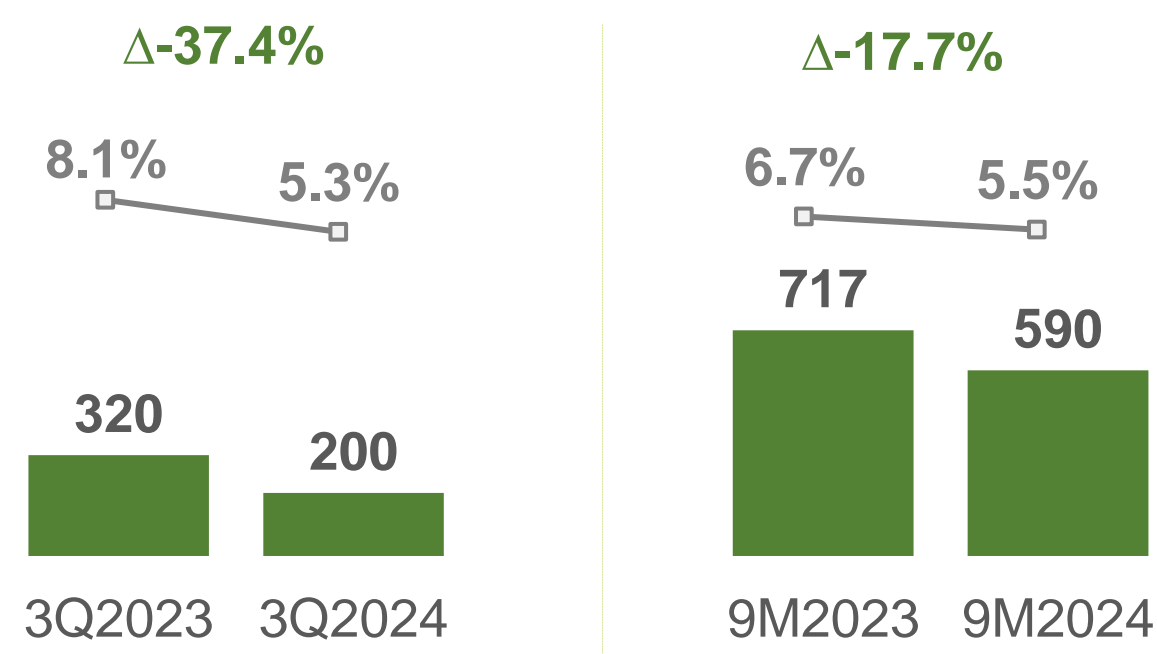
Same Store Sales Growth



Gross Profit (₱ mm)



EBITDA (₱ mm)



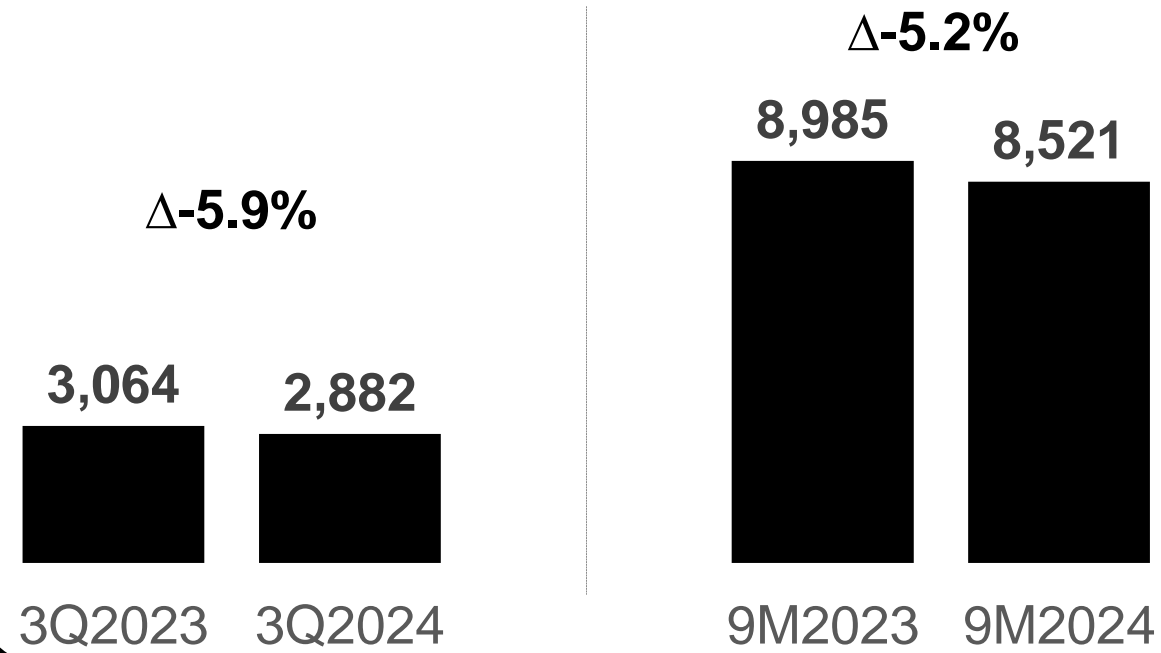
50 stores



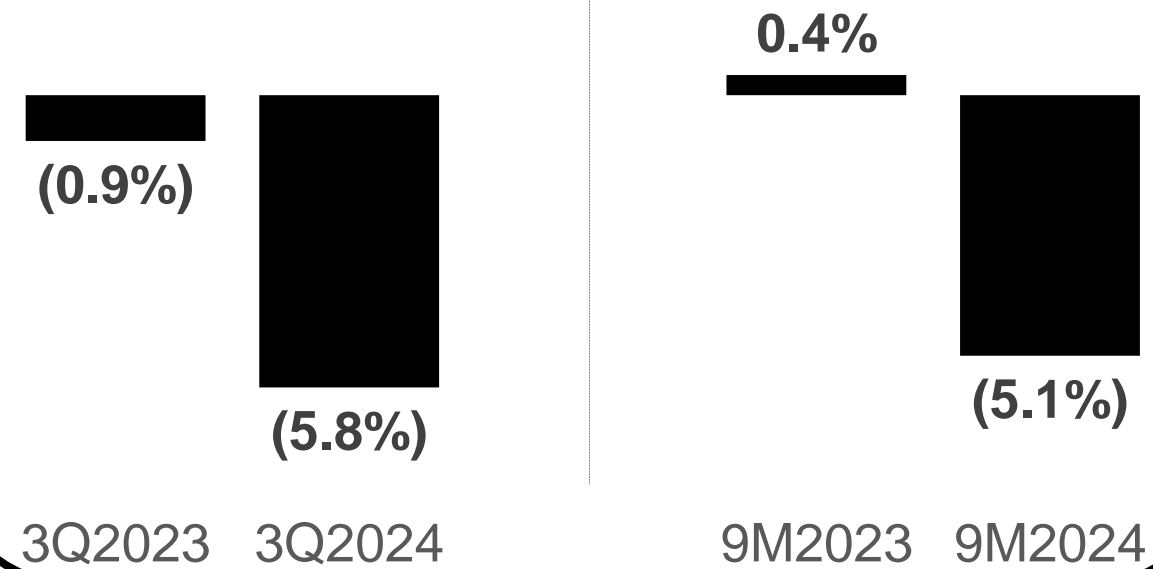
# DIY Segment



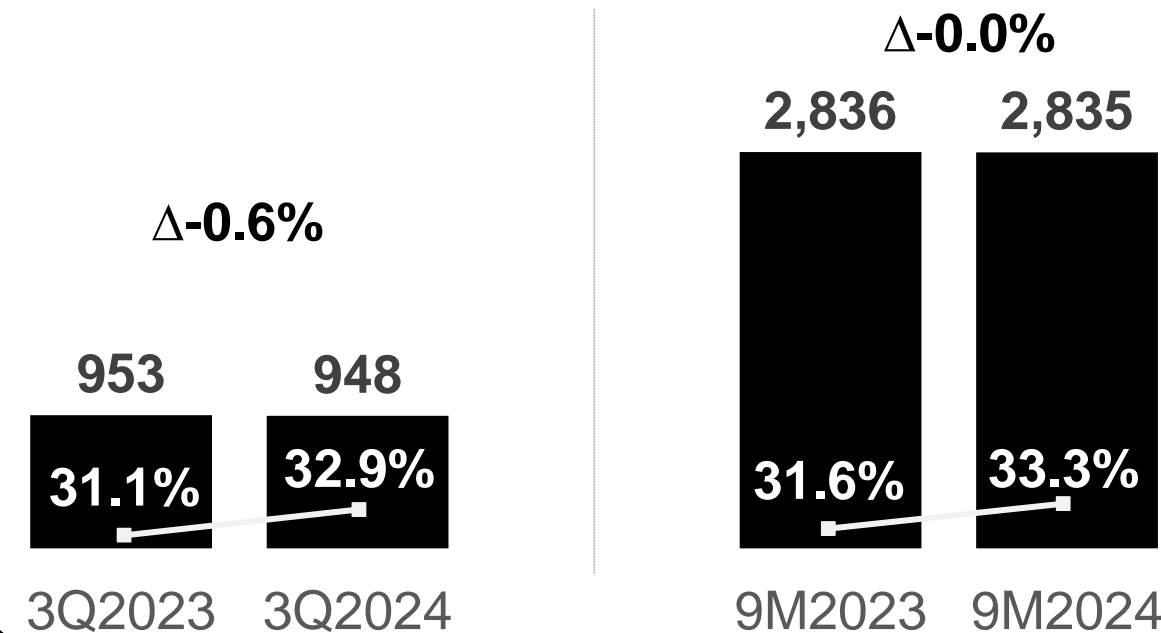
Net sales (₱ mm)



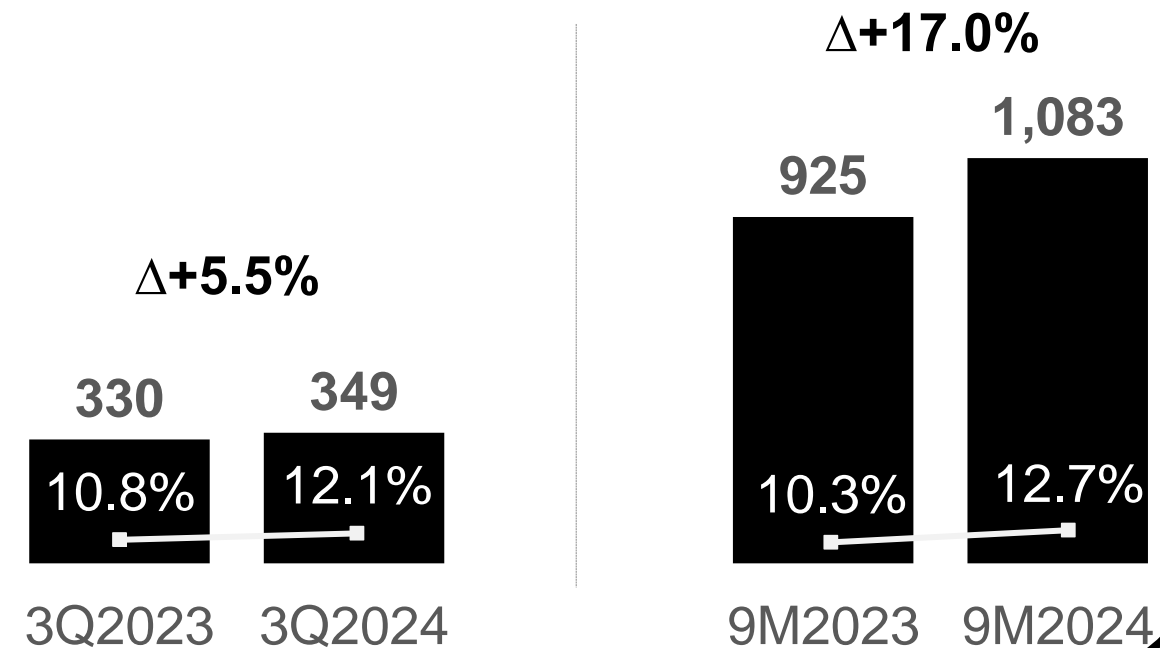
Same Store Sales Growth



Gross Profit (₱ mm)



EBITDA (₱ mm)



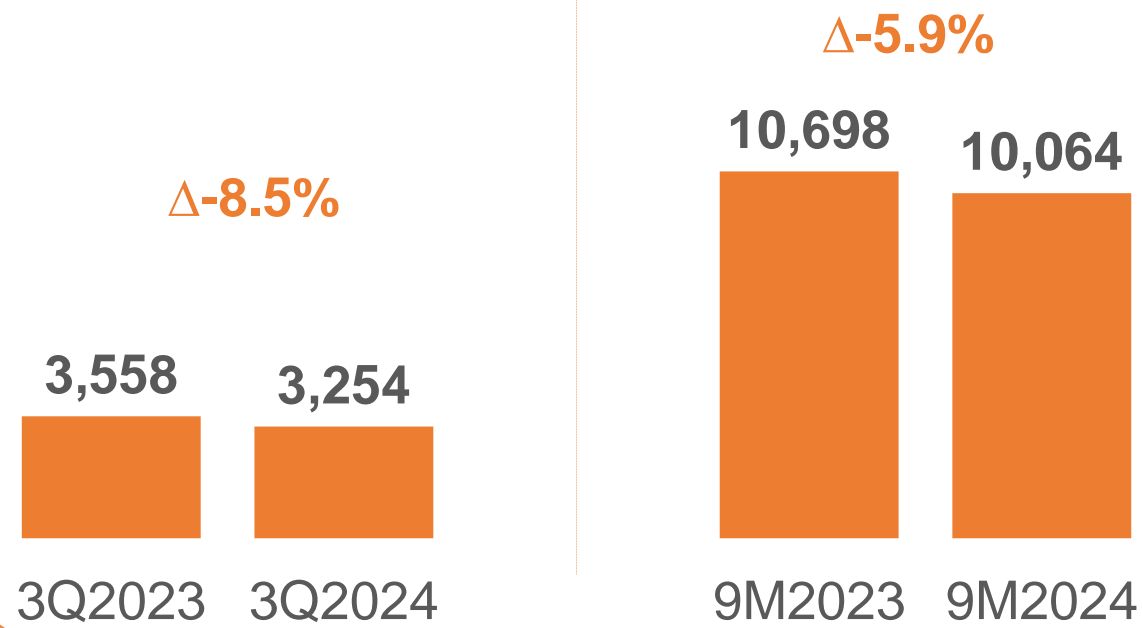
225 stores



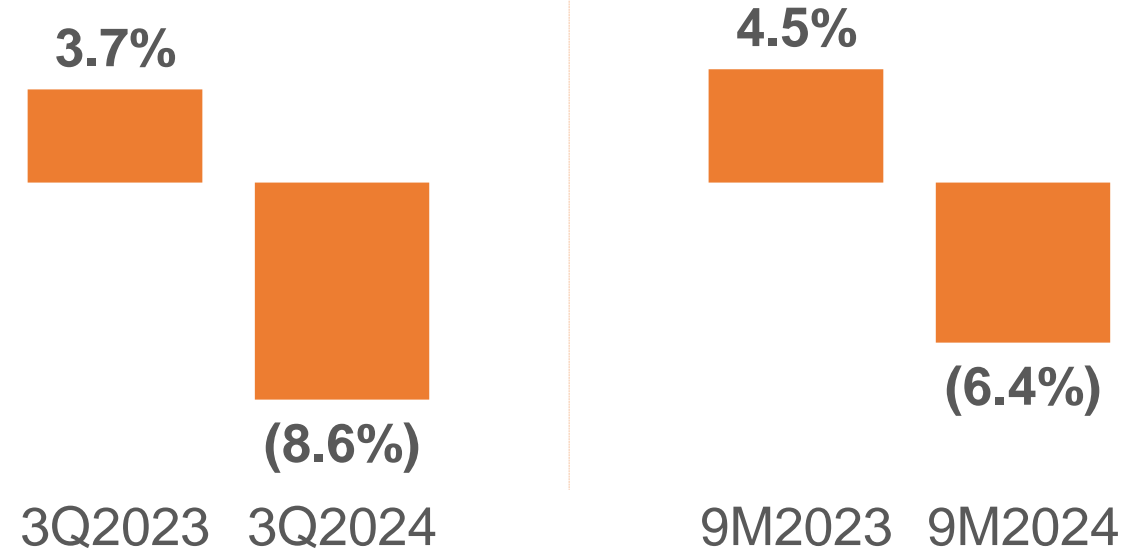
# Specialty Segment



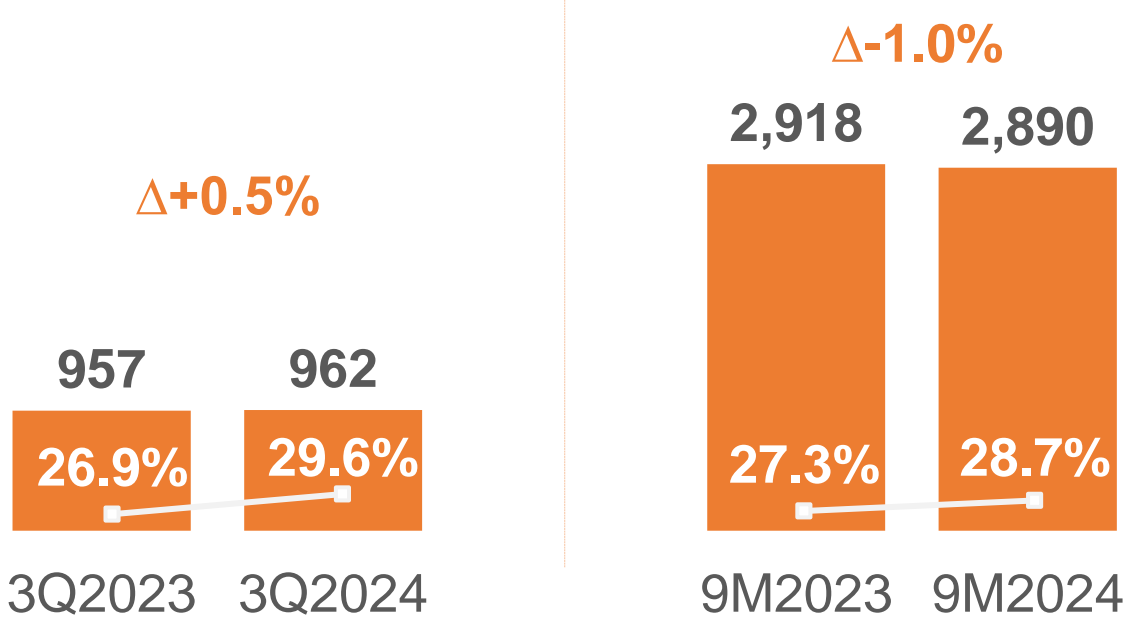
Net sales (₱ mm)



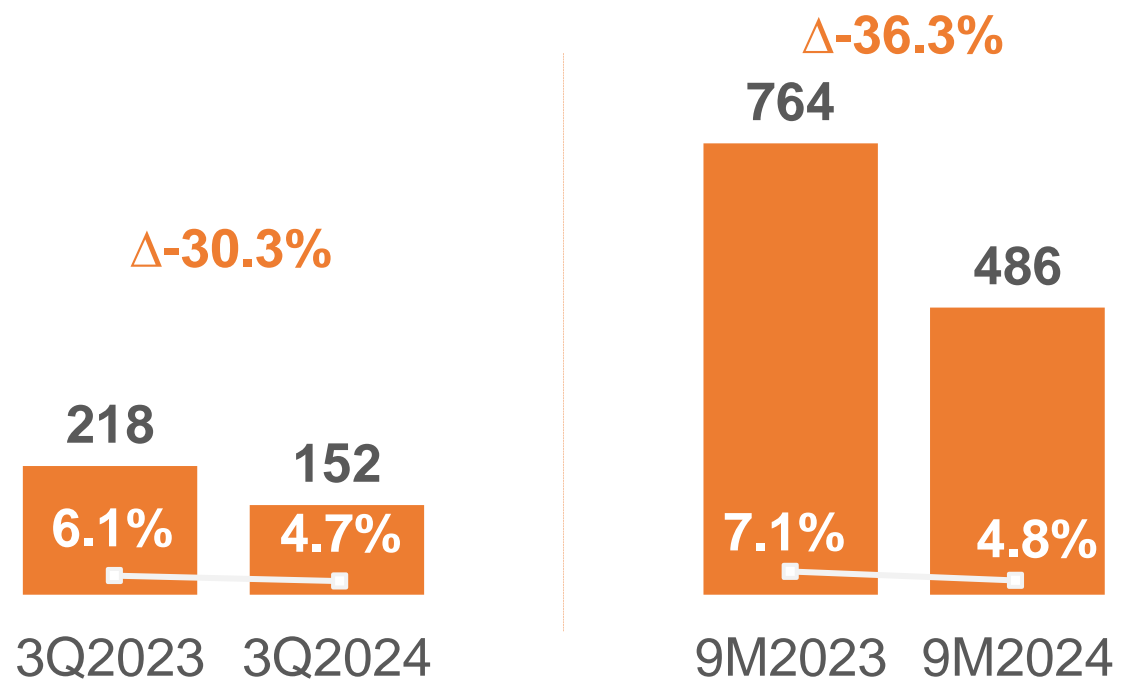
Same Store Sales Growth



Gross Profit (₱ mm)



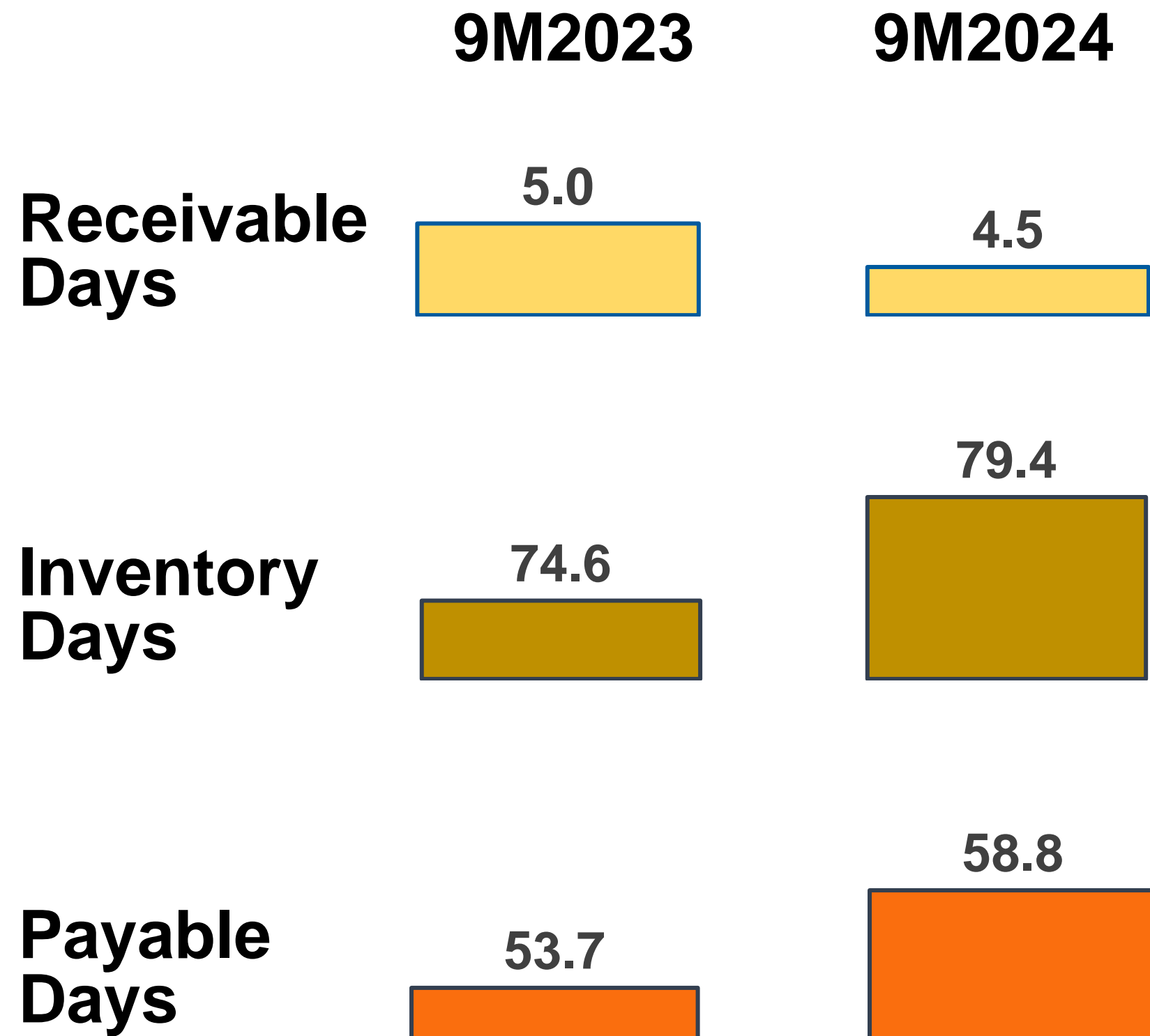
EBITDA (₱ mm)



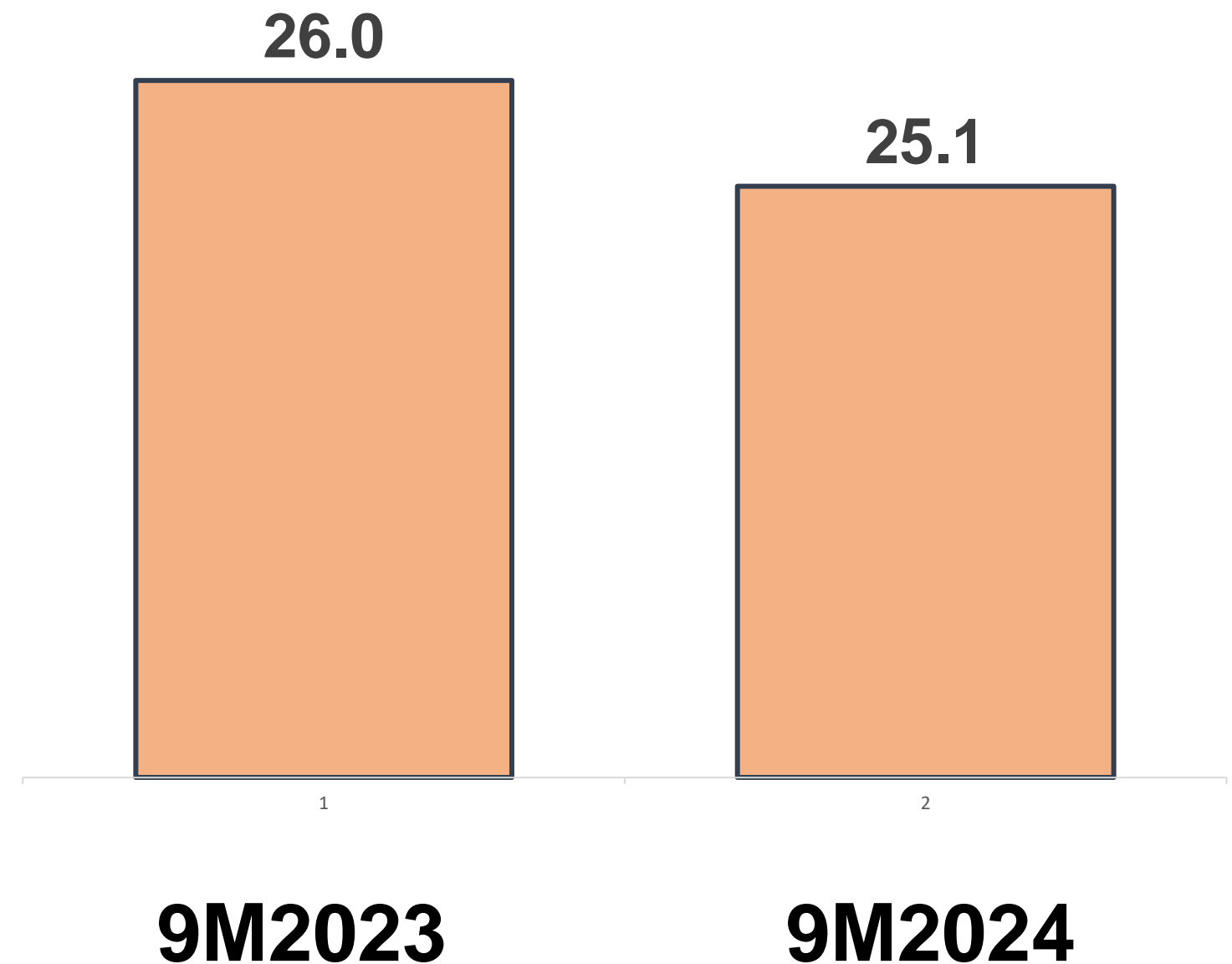
279 stores

110	Appliances & Electronics
41	Toys
105	Mass Merchandise
11	Beauty
10	Pet Retail
2	Lifestyle Sneakers

# Working Capital



## Cash Conversion Cycle



# Balance Sheet

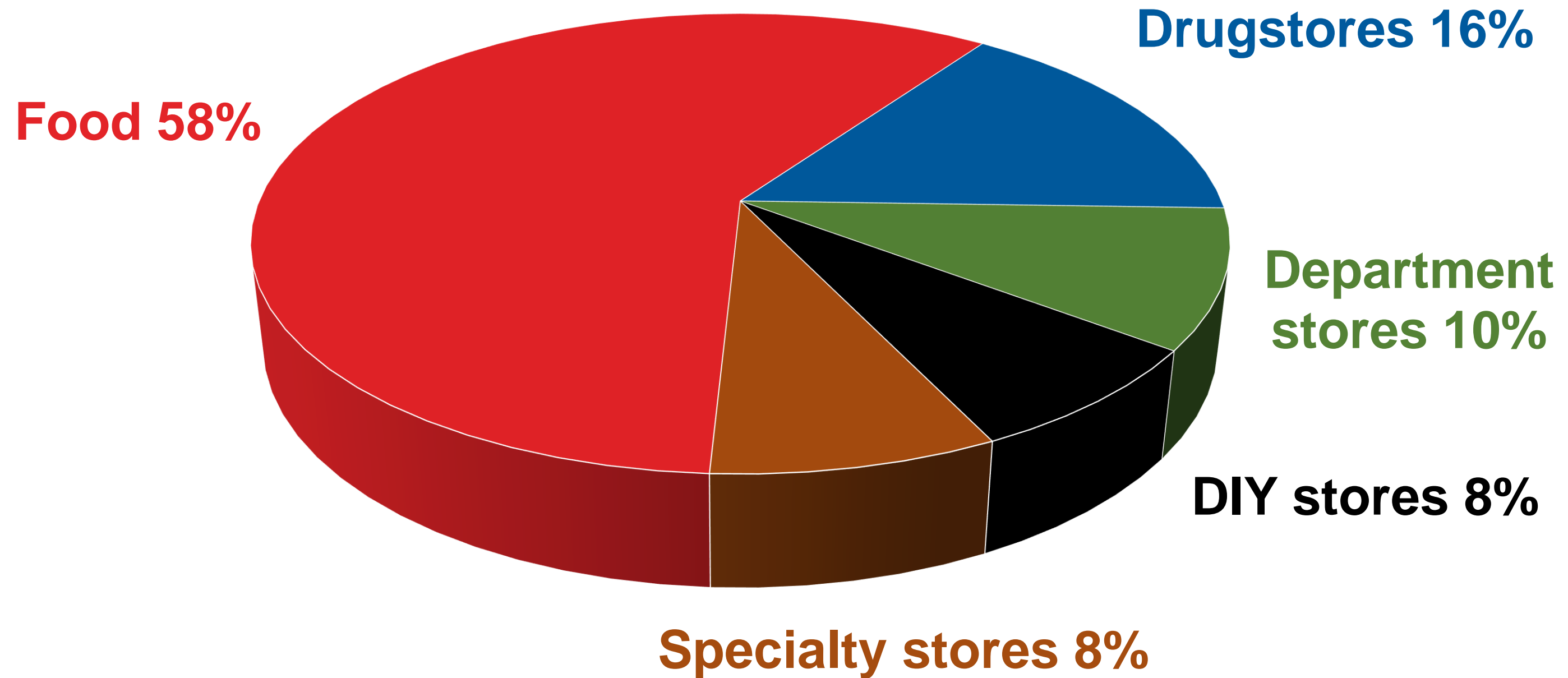


in ₱ mn	September 30, 2023 (Unaudited)	September 30, 2024 (Unaudited)
Cash & Cash Equivalents	9,299	9,003
Investment in Liquid Debt & Equity Securities	3,473	3,280
Total Assets	149,998	165,272
Total Debt	21,997	22,437
Total Equity	80,155	94,579
Return on Assets (trailing 12-months)*	2.8%	5.9%
Return on Equity (trailing 12-months)*	5.2%	11.2%
Net Debt (+) or Net Cash (-)**	9,225	10,154
Net D/E Ratio (x)	0.12	0.11

\*Net Income Attributable to Parent (NIAP) as numerator

\*\*Net Debt (+) or Net Cash (-) = Total Debt – (Cash & Cash Equivalents + Investment in Debt and Equity Securities excluding BPI shares and SAFE notes)

# Capital Expenditures



**9M2024 Organic Capex: ₱2.8 billion**





# Updates on Minority Investments



# Updates on O!Save (9M24)



# O!save

O!Save is a hard discount supermarket chain founded in 2021. It is operated by HD Retail Holding Pte Ltd, which RRHI has a 23% stake in.



**318**

**Number of Stores**  
*vs. 155 LY*

**280 sqm**  
**Average store size**

**US\$155mn**

**Net Sales**  
*vs. US\$64mn LY*

**3**

**Distribution Centers**  
*Pampanga, Rizal,  
Bulacan*

# Updates on G2M (9M24)



G2M Solutions Inc is a solutions provider that effectively owns 100% of Growsari, a tech-enabled platform that helps the Philippines' over one million sari-sari stores. Launched in 2016, Growsari's business encompasses FMCG Commerce, Digital services, Financial services, and B2B enterprise logistics.

**US\$674<sub>mn</sub>**  
9M24 Total Platform Value  
vs US\$535mn LY

**23**  
# of Key Cities

**Total RRHI Investment**

**17.6**  
US\$ million

**13%**  
stake

**Series A**  
**5.9**  
US\$ million

**Series B**  
**2.1**  
US\$ million

**Series C**  
**9.5**  
US\$ million

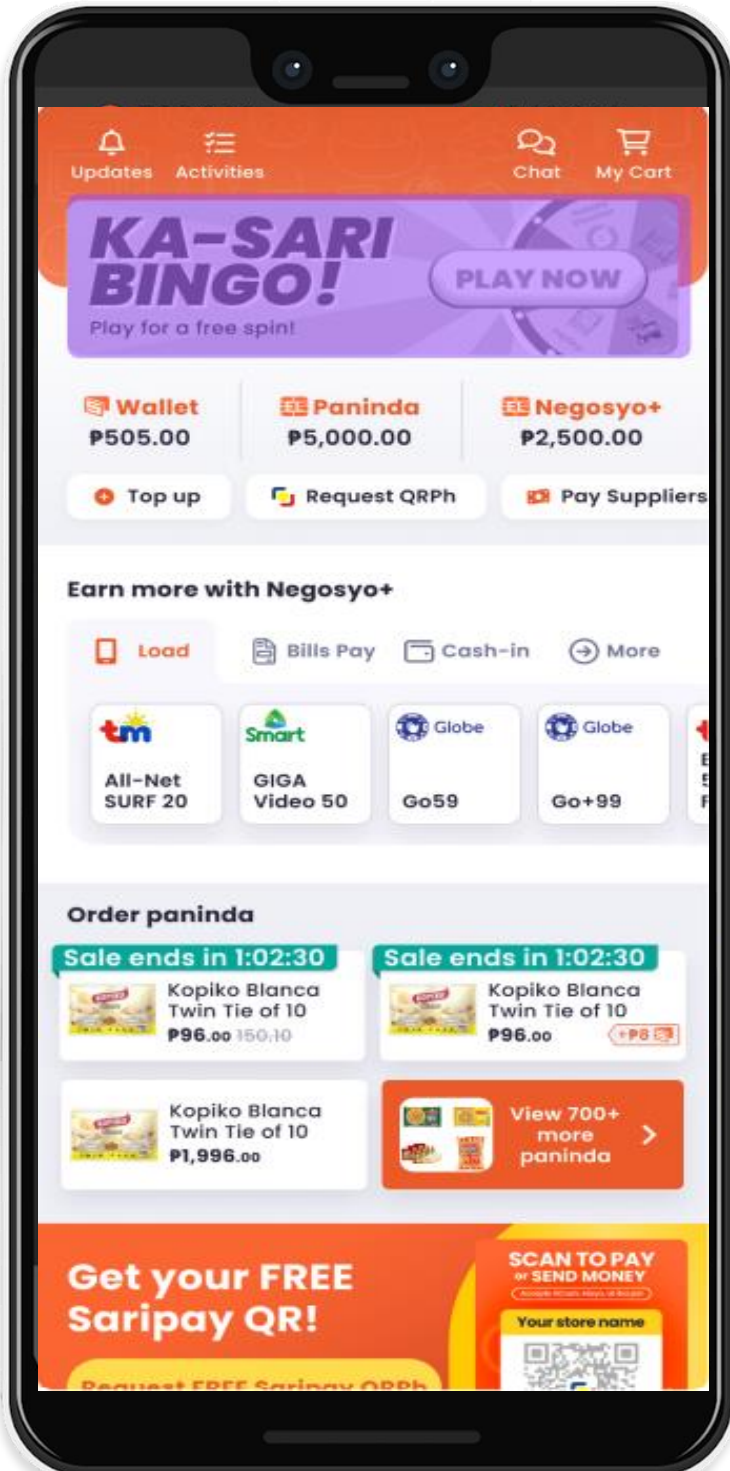
Pre-Money Valuation Growth

**↑ 3.6x**  
Series B vs Series A

**↑ 3.3x**  
Series C vs Series B

**growsari**  
All-In-One Negosyo Power!

700+ Paninda choices, 300+ distributor priced items!





# Corporate Developments



# ACGS Golden Arrow Award

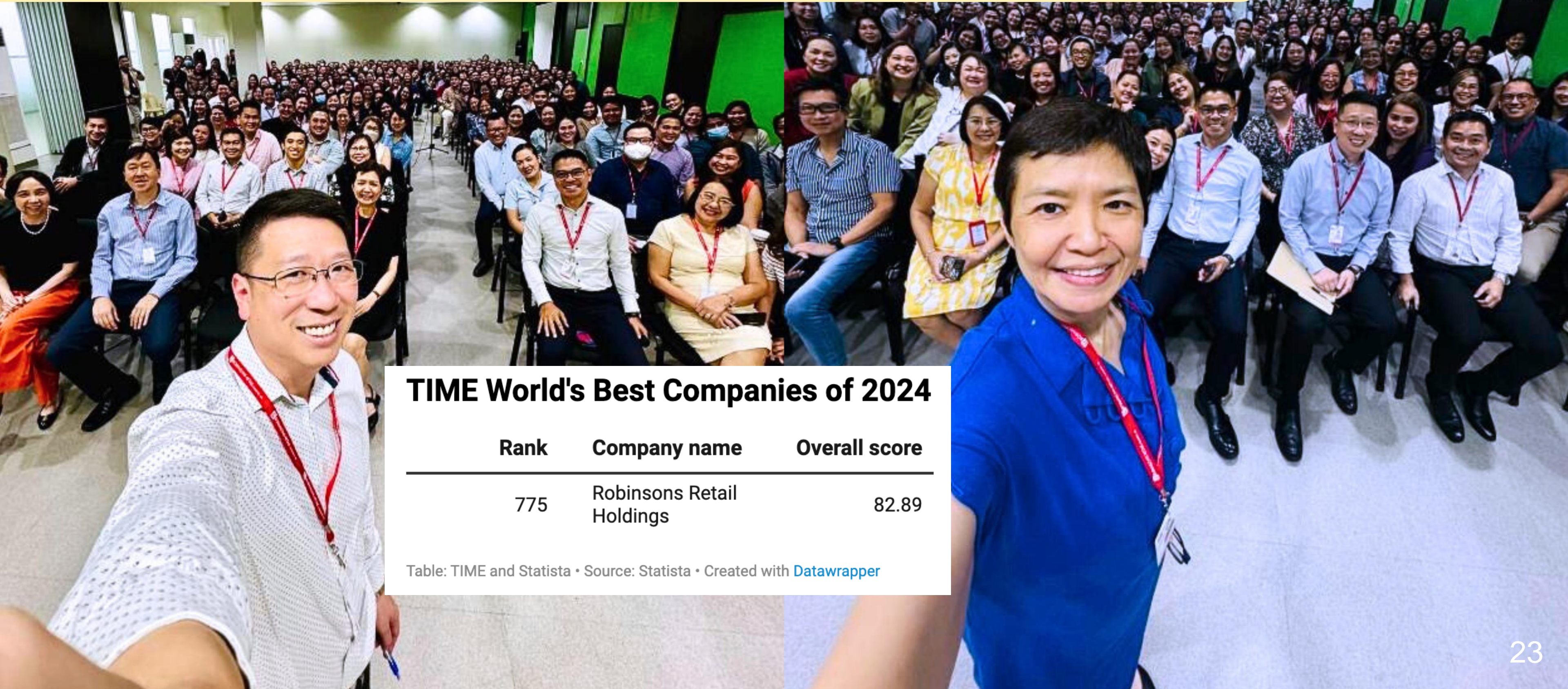


Third consecutive year  
of being recognized for  
excellence in  
corporate governance

# Spatio opens at Opus



# Robinsons Retail recognized as one of the world's best by Time, Statista



## TIME World's Best Companies of 2024

Rank	Company name	Overall score
775	Robinsons Retail Holdings	82.89

Table: TIME and Statista • Source: Statista • Created with [Datawrapper](#)



# Food Segment opens 5th distribution center







# Appointment of Thaddeus Sanchez as Southstar Drug GM

- Close to 10 years experience in drugstores and 12 years in pharmaceuticals
- First joined Southstar Drug in 2016 as Operations AVP, managing 412 stores
- Appointed Deputy GM in 2022 and oversaw merchandising, supply chain management, and store expansion
- Led process improvements in our distribution centers
- Helped expand our store network to 678 stores as of September 2024



# Recent Developments at True Value



## DO IT BEST MAKES BID TO ACQUIRE TRUE VALUE ASSETS

FORT WAYNE, IN, October 14, 2024 – Do it Best, the nation’s largest member-owned co-op for hardware and lumber products, announces its bid to acquire substantially all assets from True Value, a Chicago-based hardlines wholesalers that filed for Chapter 11 bankruptcy under private equity ownership. The proposed acquisition, supported unanimously by the Do it Best Board of Directors, would mark a significant moment in the history of the independent home improvement industry, if consummated, as it would create a worldwide store network exceeding 8,000 locations in the U.S. and more than 50 countries around the world.

## TRUE VALUE COMPANY ANNOUNCES SALE AGREEMENT WITH DO IT BEST

*Initiates Chapter 11 Proceedings to Complete Value-Maximizing Transaction*

*Continuing to Serve Independently Owned True Value Retail Stores and Other Customers as Usual*

CHICAGO, October 14, 2024 – True Value Company, L.L.C. (“True Value” or the “Company”), one of the world’s leading hardlines wholesalers, today announced that it has entered into an agreement to sell substantially all of the Company’s business operations to home improvement industry peer Do it Best Corp.

To complete the sale in the most efficient manner, True Value and certain of its affiliates initiated voluntary Chapter 11 proceedings in the U.S. Bankruptcy Court for the District of Delaware. True Value will continue its day-to-day operations serving 4,500 independently owned retailers that rely on True Value for the right products, trusted expertise, and its 75-year-old iconic brand.

# Guidance for 2024



Net store additions  
of **90-110**

SSSG target of  
**2%-4%**

**20-40bps** gain on  
gross margins

Organic CAPEX of  
**₱4.0-6.0bn**



# Thank you!



# Income Statement



PHP mm	For the Quarter Ended September 30		Nine Months Ended September 30	
	2023 (Unaudited)	2024 (Unaudited)	2023 (Unaudited)	2024 (Unaudited)
Sales - net of sales discounts and returns	47,222	48,699	138,200	142,409
Cost of merchandise sold	35,857	36,876	105,306	108,105
<b>Gross Profit</b>	<b>11,365</b>	<b>11,823</b>	<b>32,894</b>	<b>34,304</b>
Royalty, rent and other revenues	258	323	838	971
Gross profit including other revenue	<b>11,623</b>	<b>12,146</b>	<b>33,732</b>	<b>35,275</b>
Operating expenses	(9,365)	(9,874)	(27,596)	(28,913)
<b>EBIT</b>	<b>2,259</b>	<b>2,272</b>	<b>6,136</b>	<b>6,362</b>
<b>EBITDA</b>	<b>4,128</b>	<b>4,048</b>	<b>11,651</b>	<b>11,728</b>
Interest income	55	44	221	136
Foreign currency exchange gain (loss) - net	14	(43)	(59)	8
Dividend income	43	43	656	753
Equity in net earnings of an associate	(262)	(99)	(541)	(334)
Interest expense	(817)	(756)	(2,337)	(2,280)
Others	5	98	(31)	4,548
<b>OTHER INCOME (CHARGES)</b>	<b>(961)</b>	<b>(714)</b>	<b>(2,091)</b>	<b>2,831</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>1,298</b>	<b>1,559</b>	<b>4,045</b>	<b>9,193</b>
Provision for income tax	379	399	1,045	949
<b>NET INCOME</b>	<b>919</b>	<b>1,159</b>	<b>3,000</b>	<b>8,244</b>
<b>Net income attributable to:</b>				
Equity holders of the Parent Company	783	1,008	2,582	7,808
Non-controlling interest in consolidated subs	136	151	418	436
	<b>919</b>	<b>1,159</b>	<b>3,000</b>	<b>8,244</b>
<b>Earnings Per Share</b>				
Basic	0.53	0.70	1.76	5.44
Weighted	0.53	0.70	1.75	5.38
<b>Shares Outstanding</b>				
End of Period	1,468	1,434	1,468	1,434
Weighted	1,470	1,440	1,473	1,450

# Balance Sheet



PHP mm	December 31 (Audited) 2023	September 30 (Unaudited) 2024
<b>Current Assets</b>		
Cash and cash equivalents	13,173	9,003
Trade and other receivables	3,948	2,346
Merchandise inventories	29,668	31,328
Other current assets	1,682	1,801
<b>Total Current Assets</b>	<b>48,471</b>	<b>44,479</b>
<b>Noncurrent assets Held For Sale</b>	<b>8,318</b>	<b>-</b>
Investment in debt and equity securities	26,411	51,110
Property and equipment	23,392	23,762
Right-of-use asset	19,914	17,429
Investment in associates	1,721	1,573
Intangible assets	22,680	22,679
Other noncurrent assets	4,115	4,240
<b>Total Noncurrent Assets</b>	<b>98,233</b>	<b>120,793</b>
<b>Total Assets</b>	<b>155,023</b>	<b>165,272</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Trade and other payables	26,899	23,211
Short-term loans payable	8,129	11,879
Current portion of lease liability	3,587	3,515
Other current liabilities	659	669
<b>Total Current Liabilities</b>	<b>39,273</b>	<b>39,273</b>
<b>Total Noncurrent Liabilities</b>	<b>36,372</b>	<b>31,420</b>
<b>Total Liabilities</b>	<b>75,645</b>	<b>70,694</b>
<b>Equity</b>		
Capital stock	1,576	1,576
Additional paid-in capital	40,768	40,768
Treasury stocks	(6,410)	(7,244)
Equity reserve	(743)	(772)
Retained earnings	37,822	42,723
Other comprehensive income	2,266	13,304
<b>Total equity attributable to equity holders of Parent Company</b>	<b>75,280</b>	<b>90,356</b>
Non-controlling interest in consolidated subsidiaries	4,098	4,223
<b>Total Equity</b>	<b>79,378</b>	<b>94,579</b>
<b>Total Liabilities and Equity</b>	<b>155,023</b>	<b>165,272</b>

# Cash Flow



	December 31 (Audited) 2023	September 30 (Unaudited) 2023	September 30 (Unaudited) 2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before income tax	6,173	4,045	9,193
Depreciation and amortization including ROU amortization - PFRS 16	7,500	5,515	5,366
Retirement expense	317	127	198
Others including interest on Lease Liability-PFRS 16	2,580	2,161	(2,838)
<b>Operating income before working capital changes</b>	<b>16,570</b>	<b>11,847</b>	<b>11,919</b>
Working capital changes	(97)	(4,102)	(4,800)
Interest received	322	221	149
Retirement contributions and benefits paid	(200)	-	0
Income tax paid	(1,630)	(1,014)	(1,066)
<b>Net cash flows generated from (used in) operations</b>	<b>14,965</b>	<b>6,952</b>	<b>6,204</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment in associates and acquisitions	(1,004)	(664)	(945)
Disposal of bonds and other securities	5,054	4,943	456
Purchase of BPI shares	(19,756)	(19,479)	0
CAPEX for stores, Head Office and DC	(6,517)	(5,351)	(3,036)
Dividends received	886	632	1,116
Others	(98)	(65)	(16)
<b>Net cash flows generated from (used in) investing activities</b>	<b>(21,434)</b>	<b>(19,983)</b>	<b>(2,425)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Availment of loan	29,573	25,326	9,647
Payment of loan	(16,629)	(11,738)	(8,597)
Dividends paid	(3,529)	(3,406)	(3,226)
Lease payments - PFRS 16	(5,317)	(3,952)	(3,793)
Interest expense paid on loans	(1,224)	(1,073)	(1,144)
Share buyback	(985)	(575)	(833)
<b>Net cash flows used in financing activities</b>	<b>1,890</b>	<b>4,581</b>	<b>(7,946)</b>
Effect of forex on cash and cash equivalents	(14)	(19)	(2)
Net increase (decrease) in cash and cash equivalents	(4,594)	(8,468)	(4,169)
Cash and cash equivalents at beginning of year	17,767	17,767	13,173
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>13,173</b>	<b>9,299</b>	<b>9,003</b>