

Pryce's Q1-2020 Net Income Rose by 9.4%

In the 1st quarter of this year, Pryce Corporation and its subsidiaries ("the Company") posted a net income of Php 396.36 million, 9.4% higher than 2019's Php 362.35 million. The Company's consolidated revenue likewise increased by 24.2%, to Php 3.18 billion from last year's Php 2.56 billion. The sales performance of the Company's principal product, LPG (cooking gas), along with its cylinders & accessories, and LPG gensets, was responsible for such positive outcomes. LPG products accounted for 95.3% of total revenues, while the balance was covered by sales of industrial gases, real estate, and pharmaceutical products.

The rise in revenue is mainly due to the 15.1% growth in LPG sales volume, to 58,745 metric tons (MT) compared to year-ago volume of 51,047 MT. Also contributing to this rise was the higher average international LPG contract price (CP) of US\$527/MT during the first quarter compared to last year's average of US\$465/MT. As has been mentioned in our previous disclosures, local LPG prices normally follow or reflect the international CP of LPG.

The Company's net income of Php 396.36 million represents a 12.5% return on sales. Earnings per share for the first quarter of the year was Php 0.18.

The government's Enhanced Community Quarantine (ECQ) only slightly affected the Company's first quarter performance since the ECQ was implemented near the end of the quarter (3rd week of March 2020). However, the Company expects the succeeding quarters to be adversely affected by the Coronavirus Pandemic. A fall of anywhere between 5% to 10% in sales volume (compared to 2019 levels) could result if the Pandemic continues throughout the year. It is our hope that this disrupting phenomenon will be resolved soon.

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