



PRYCE's 9-month 2021 INCOME RISES 19%

The consolidated net income of Pryce Corporation rose by 19% to Php 1.454 Billion in the period January to September 2021 from Php 1.222 Billion during the same period last year. Likewise, the company's gross revenue increased by 24% to Php 11.178 Billion from Php 8.994 Billion corresponding to the same comparable periods mentioned. Sales of LPG and its related products (LPG revenues) accounted for 92% of gross revenue, while sales of industrial gas products contributed 7%. Real estate sales and pharmaceutical sales covered the balance.

The growth in gross revenue was largely due to the 20% growth in LPG revenues from Php 8.527 Billion to Php 10.261 Billion. This revenue growth was driven by a combination of the rise in international LPG contract price ("CP") and the increase in sales volume of LPG cooking gas. The average CP rose 65%, from \$351.67 per metric ton in 2020 to \$579.89 per MT in 2021. Despite this, sales volume of LPG cooking gas increased by 16% from 178,052 metric tons to 206,618 metric tons. It is noteworthy to mention that the above-said 7% contribution of the industrial gas business to consolidated revenues was higher than the usual 4%. This is because of the escalation in demand for medical oxygen due to the pandemic, the sales of which accounted for 71% of total industrial gas revenue.

Operating expenses rose 39% to Php 1.317 billion from Php 949.567 million due mainly to the company's continuing expansion of its LPG refilling plants and sales centers. As has been mentioned in previous disclosures, this expansion program is meant to widen the availability of the PryceGas brand and to penetrate the LPG retail market more deeply. Even with a higher operating expense, the company's net income nonetheless increased by 19% to Php 1.454 billion as mentioned above.

The company is currently constructing two LPG marine terminals; one in Lugait, Misamis Oriental and another in Lila, Bohol. The one in Lugait will be completed by December this year while the one in Bohol will be finished by December next year.

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