



Pryce's H1-2022 Revenues Rose by 39.17%

During the first semester of the year, the consolidated revenues of Pryce Corporation ("the Company") rose by 39.17%, from the previous year's Php 7.12 billion to this year's Php 9.91 billion. However, net income fell by 4.98%, to Php 708.79 million from the year-ago figure of Php 745.92 million.

The Company's Liquefied Petroleum Gas (LPG) business provided the biggest contribution to the Company's consolidated revenues at 94.98%. The industrial gas business contributed 3.56%; whereas the real estate and pharmaceuticals segments accounted for the balance of 1.46%.

The increase in consolidated revenues is primarily explained by the increase in average international LPG contract price ("CP") and secondarily by the growth in sales volume of LPG (cooking gas). Average CP, which directly influences local LPG prices, increased by 51.6%, from the previous semester's U.S.\$ 546.25 per metric ton (MT) to this year's U.S.\$ 827.92 per MT. As was reported in the recent quarter, the increase in CP is due to the disruption of the oil supply chain, brought about by Russia-Ukraine war, which started in late part of February this year. Sales volume of LPG grew by 12.3%, from the previous year's 125,776 MT to this period's 141,214 metric tons (MT). The increase in sales volume largely occurred in Luzon where margins are lower compared to that in VisMin.

Operating expenses increased by 16.84%, from Php 0.862 billion to Php 1 billion, due to inflation and hikes in the price of fuel, thereby causing increases in the costs of transport, wages, services, logistics, and supplies. Also, the opening of new sales centers and refilling plants, during the year, further increased the operating expenses. Other income also declined. All these contributed to the above-mentioned 4.98% fall in net income. Earnings per share consequently dropped by 5.54%, to Php 0.3390 from last year's Php 0.3589.

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