

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **July 27, 2023**
Date of Report (Date of earliest event reported)
2. SEC Identification Number **A1997-13456** 3. BIR Tax Identification No. **005-029-401-000**
4. **Concepcion Industrial Corporation**
Exact name of issuer as specified in its charter
5. **Metro Manila, Philippines**
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. **308 Sen. Gil Puyat Ave. Makati City, Philippines**
Address of principal office
8. **02-87721819**
Issuer's telephone number, including area code
9. **N/A**
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

1209
Postal Code

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	397,912,491

11. Indicate the item numbers reported herein: Item 9. Other Events.

The country's leading provider of consumer lifestyle and building industrial solutions, Concepcion Industrial Corporation (PSE/Bloomberg: CIC/CIC.PM) released today its financial and business updates covering the results of the first half of 2023.


Please refer to the attached Press Release for full details.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Concepcion Industrial Corporation
Issuer

July 27, 2023
Date


Omar Taccad (Jul 26, 2023 17:05 GMT+2)

Omar C. Taccad
Chief Compliance Officer



CIC reports 33% hike in net earnings in first half 2023

27 July 2023 – Concepcion Industrial Corporation (CIC), the country’s leading provider of consumer lifestyle and building & industrial solutions, realized a first half consolidated net income of P350.3 million, 33% better against the comparable period last year in view of stronger sales volume in the second quarter, favorable impact of foreign exchange rates and income contribution from its associate, Concepcion Midea Inc. (CMI).

CIC sustained its topline growth trajectory, generating P7.2 billion in 1H23 net sales, an 8% growth relative to the same period last year on the back of the 18% and 112% increase in its air conditioning business and other appliance categories, particularly laundry products, respectively. This was however, offset by the decline in the elevator equipment and refrigerator businesses.

The Consumer segment accounted for the largest proportion of sales at 74%. The strong demand for window room air conditioner and laundry products led to 3% year-on-year sales growth to P5.3 billion in the first half of the year. The growth was, however, partly offset by lower demand for refrigerators.

Commercial Business, which represents the remaining 26%, posted a 23% increase in net sales to P1.9 billion in view of higher project deliveries in VRF and commercial systems. The Aftermarket business for both air conditioner and elevator businesses delivered 23% year-on-year growth. This was offset in part by lower elevator equipment sales due to a higher base coming from a large project last year.

Gross profit ended 4% higher versus the corresponding period to P2.3 billion, with margin held at 32% level.

CIC’s unconsolidated associate, CMI, posted strong sales across all product lines at P1.8 billion, 32% higher compared to first half of 2022. 1H23 net income was P54.8 million, reversing the loss last year of P98.4 million.

For the second quarter alone, net sales jumped 20% over the prior year quarter to P4.4 billion. Gross profit went up by 7% to P1.3 billion. Net income ended 10% higher to P257.1 million.

Quarter-on-quarter, net sales notably increased by 51%, as sales volume improved sequentially amid the summer season while 1Q performance was challenged by rising inflation and shift in product mix and logistical challenges.

CIC Chairman & CEO, Raul Joseph A. Concepcion, said, “Our second quarter performance demonstrated the strength of our core business and our ability to drive growth through our expanded portfolio, end-to-end customized solutions, and long-term relationships with our customers. We will continue to focus on these fundamentals, continue to generate operating leverage and explore business opportunities to complement our strategy that would reinforce our position as the top consumer lifestyle and building and industrial solutions provider in the country.”

#####

FOR MEDIA INQUIRIES, CONTACT:
Maris Lleva (investorrelations@cic.ph)