



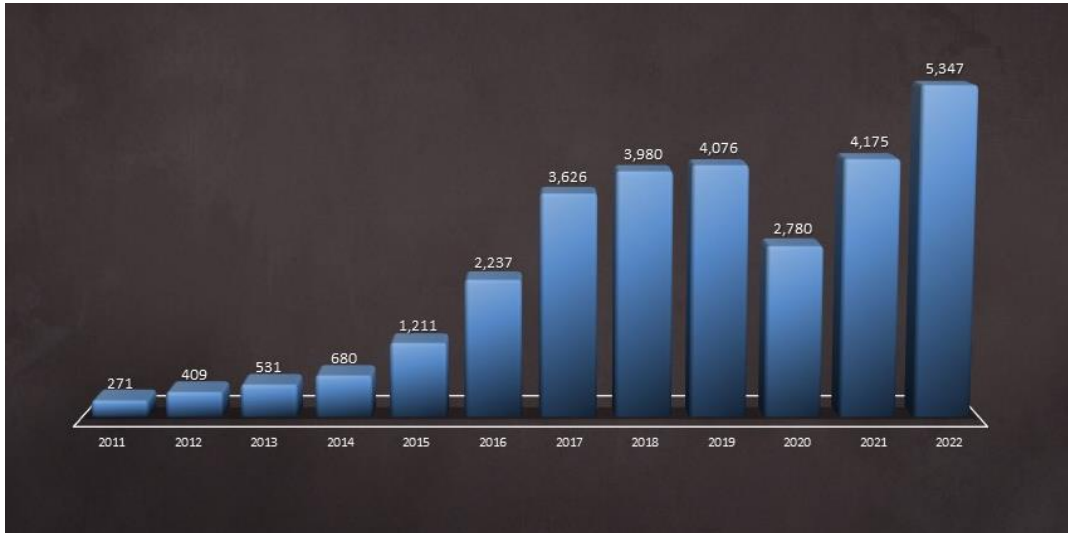
APO PRODUCTION UNIT, INC.

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ANNUAL REPORT

2022

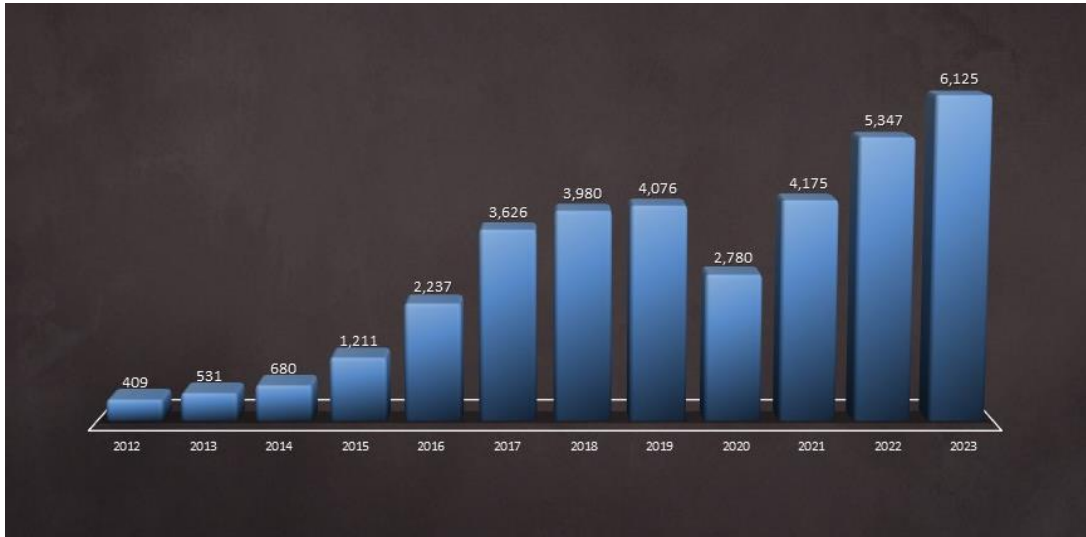
In 2022, the total revenue of the APO Production Unit experienced a modest growth of 28%. The Quezon City Plant continued revenue growth, driven primarily by the DEPED project, which involved printing educational modules. Passport project revenue increased by 65% in 2022, nearing the pre-pandemic sales which peak in 2019.



APO Production Unit, Inc. posted an income of P292 Million, spurred primarily by decreased production costs and increased dividends from the passport project due to increasing revenues.



The projected sales for APO Production Unit in 2023 is P3.8 Billion. This revenue is 24% higher than the 2022 actual revenue. The robust recovery in terms of sales is expected to continue now that the pandemic is almost over. The revenue generated from the printing of tax stamps is projected to increase due to the price adjustment implemented. This adjustment was primarily due to the rising cost of paper and ink, which have negatively impacted the company's profitability.



Net income is projected to dip in 2023 due to the increasing cost of production. As APO Production Unit Inc. continues to diversify our markets, APO will focus more on higher margin projects such as traditional accountable forms and high security, high volume projects.

