



EMPERADOR INC.

EMPERADOR INC.

1H2022 Results Briefing

11 August 2022



Whiskies

Brandies



EMPERADOR INC.



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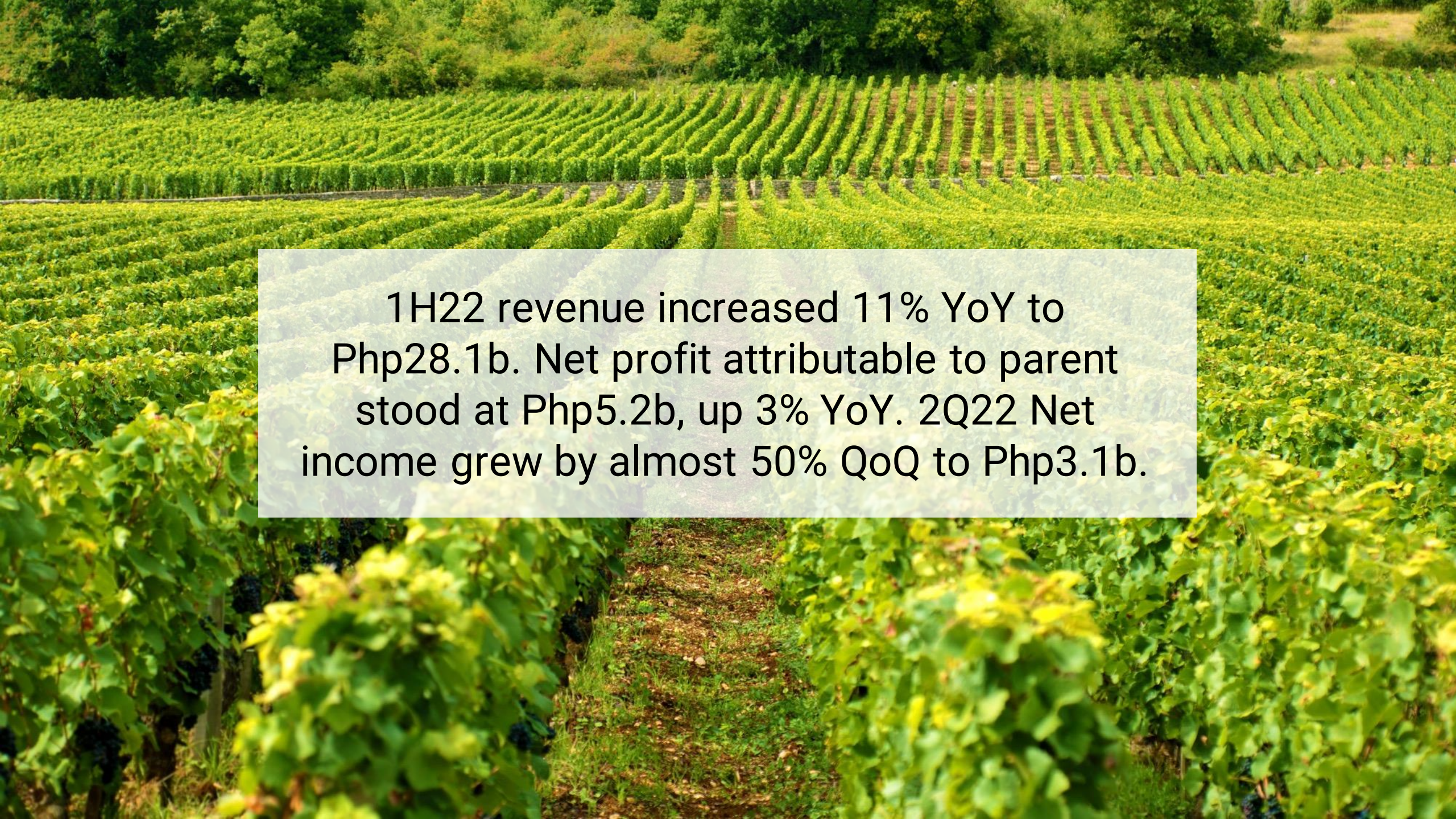
Earnings Snapshot

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1H2022 Financials

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Our Strategy



1H22 revenue increased 11% YoY to Php28.1b. Net profit attributable to parent stood at Php5.2b, up 3% YoY. 2Q22 Net income grew by almost 50% QoQ to Php3.1b.



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Our Strategy

1H2022 Financials – Highlights

Php28.1
billion

Revenue

+11%

Revenue Growth



Php5.2
billion

Net Profit*
+3% YoY



64% Brandy
36% Whisky

Revenue
Breakdown

18.7%

Net Profit
Margin

1H2022 Financials

Growth Buoyed By International Sales

	2Q22	YoY	1H22	1H21	YoY	Commentary
Revenue**	15,721	+19%	28,054	25,331	+11%	Driven by brandy and whisky segments
Gross profit (Margin)	4,660 (31.8%)	-18%	8,437 (32.0%)	9,566 (38.5%)	-12%	Cost pressures had greater impact on 2Q22 with increase in inflationary pressures, continued logistic problems and higher input costs due to stronger USD. Costs showed greater impact on brandy segment.
EBITDA (Margin)	4,157 (26.4%)	-14%	7,267 (25.9%)	7,825 (30.9%)	-7%	Lower EBITDA due to lower GP and increased opex; higher opex for brandy as we are spending ahead
Net profit (Margin)	3,140 (20.0%)	+5%	5,238 (18.7%)	5,084 (20.1%)	+3%	Earnings went up 5% YoY

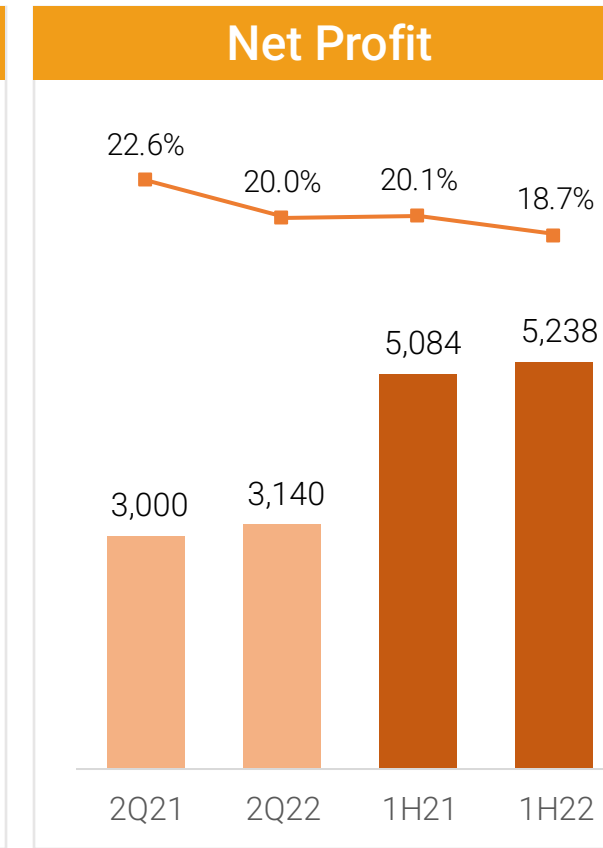
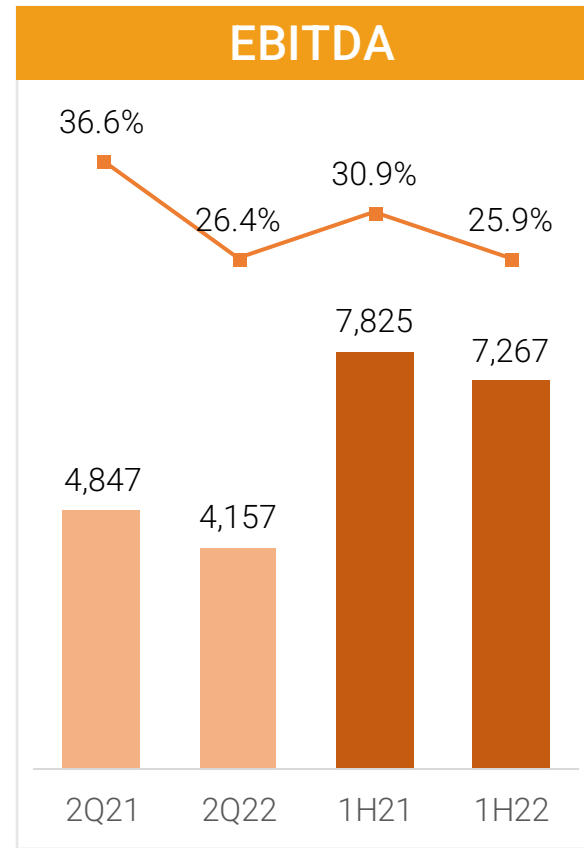
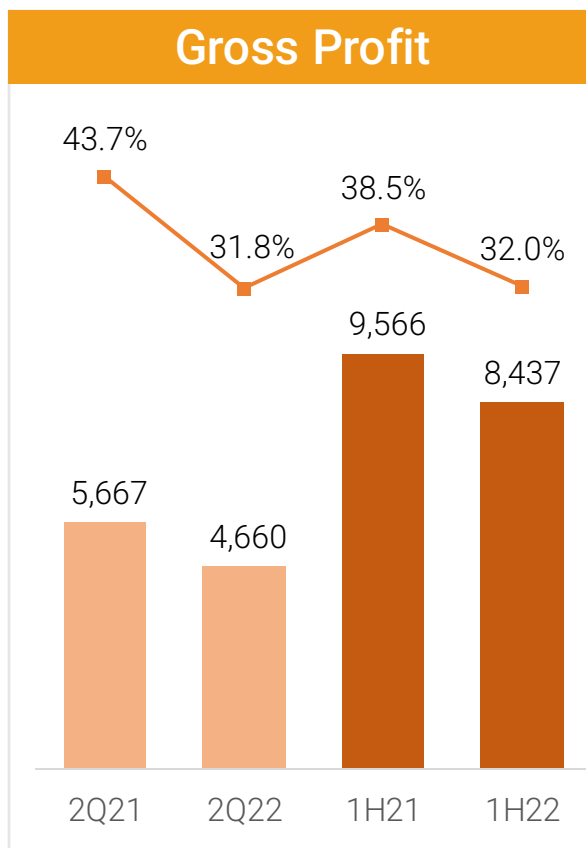
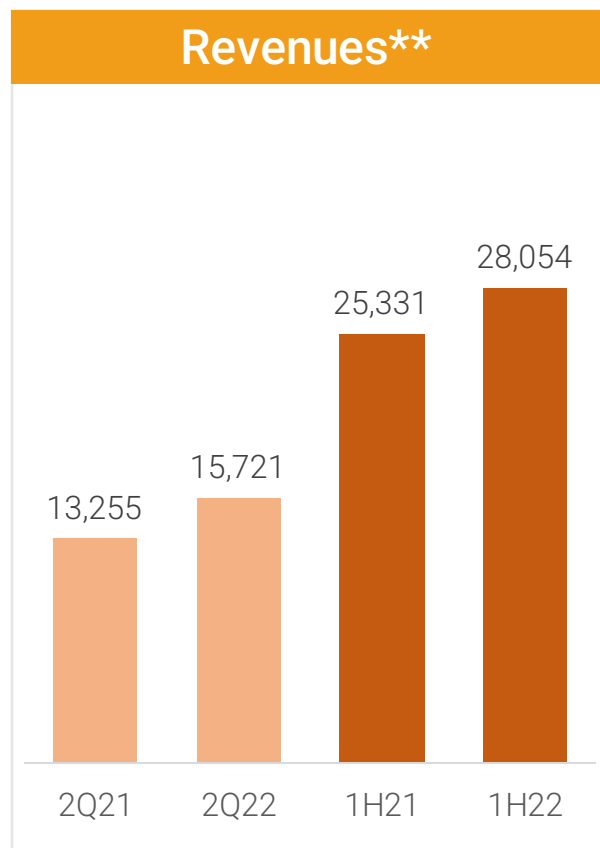
* In million Php; Revenues net of intersegment; Income attributable to parent

** Consolidated revenues including sales and other income

***Gross profit margin computed as gross profit / sales; EBITDA margin computed as EBITDA / consolidated revenues; net profit margin computed as net profit / consolidated revenues

1H2022 Financials

Growth Buoyed By International Sales



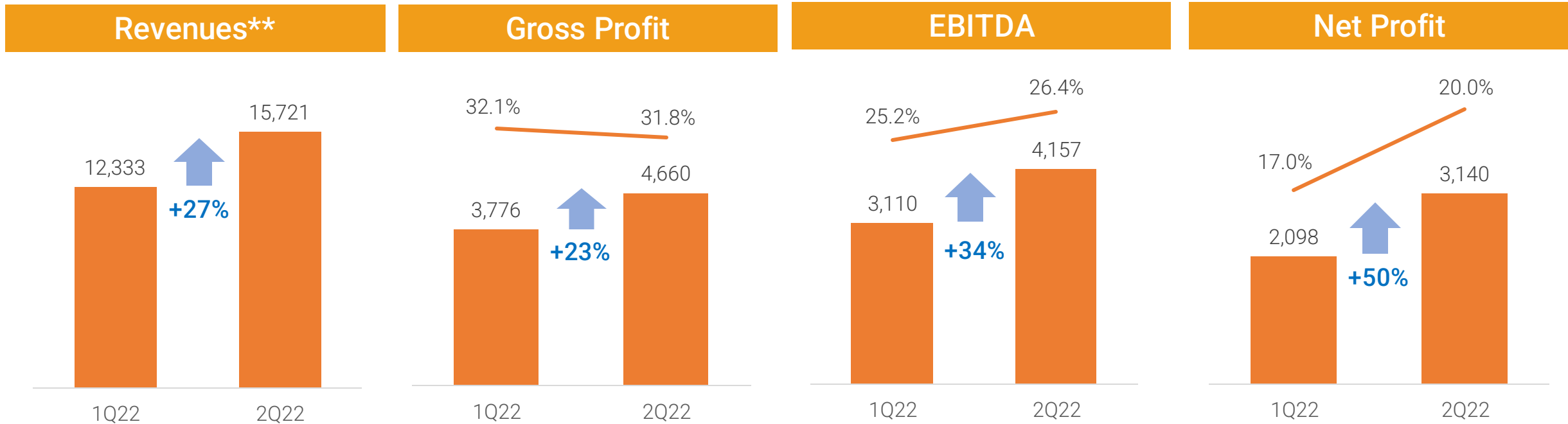
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2Q22 vs 1Q22

Display of QoQ Strength



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1H2022 Financials – Brandy Segment



Strong Revenue 2Q22 Growth: +25% yoy and 34% qoq

	2Q22	YoY	1H22	1H21	YoY	Commentary
Revenue**	10,262	+25%	17,897	16,341	+10%	Robust topline growth offset by...
Gross profit (Margin)	2,668 (27.0%)	-28%	4,564 (26.4%)	6,006 (36.7%)	-24%	...higher costs, resulting in lower GP margin; consequently, lower GP and GP margin resulted in...
EBITDA (Margin)	2,227 (21.4%)	-32%	4,141 (22.7%)	5,262 (31.6%)	-21%	...lower EBITDA and EBITDA margin; also affected by higher opex particularly a&p
Net profit (Margin)	1,729 (16.7%)	-31%	2,934 (16.1%)	3,859 (23.2%)	-24%	Lower earnings and profit margin owing to the the above-mentioned factors

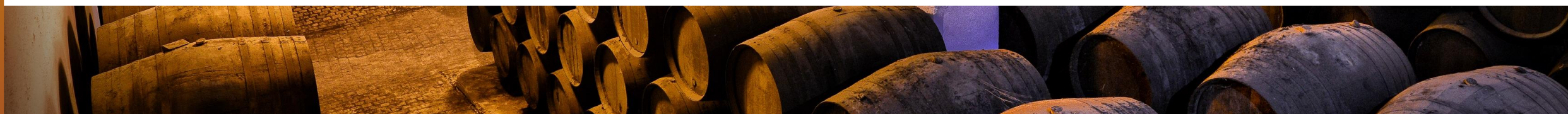
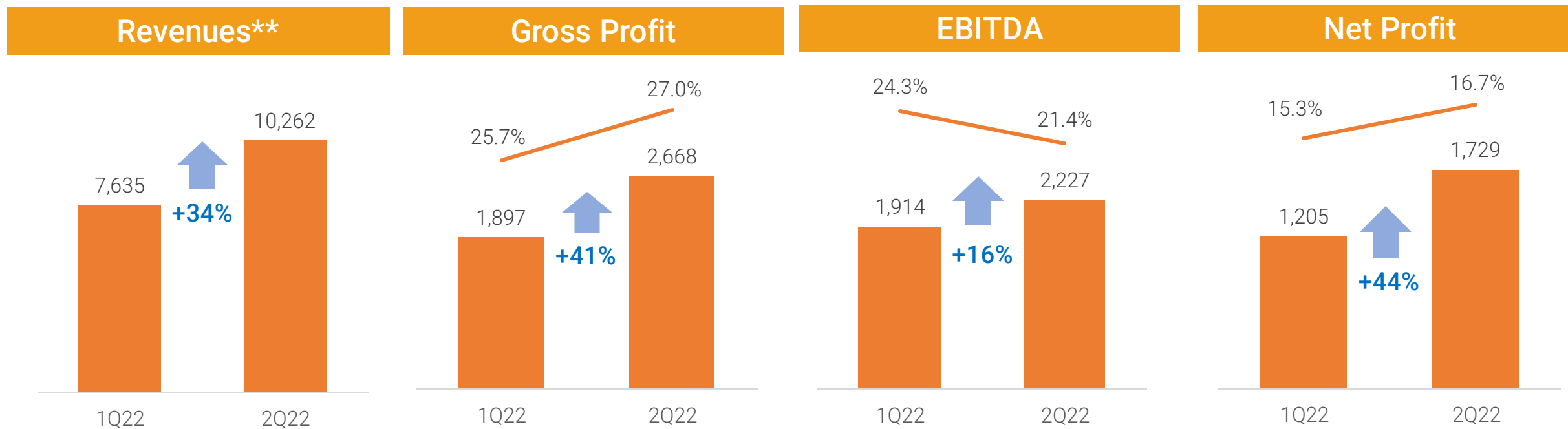
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2Q22 vs 1Q22 – Brandy Segment

Strong Double-Digit Growth in Key Financials



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1H2022 Financials – Whisky Segment



Persistently Growing Across The Globe

	2Q22	YoY	1H22	1H21	YoY	Commentary
Revenue**	£82 5,459	+8%	£152 10,157	£134 8,990	+13%	Topline growth continued to be driven by sales in Asia, Europe, and North America
Gross profit (Margin)	1,993 (40.8%)	+1%	3,872 (40.5%)	3,559 (40.6%)	+9%	Stable and strong margin owing to our focus on single malts
EBITDA (Margin)	1,930 (35.2%)	+22%	3,126 (30.6%)	2,563 (28.4%)	+22%	Higher EBITDA and margin due to cost efficiency
Net profit (Margin)	1,411 (25.8%)	+178%	2,304 (22.6%)	1,225 (13.6%)	+88%	Reported net profit up almost 180%; on a normalized basis, up 21% yoy

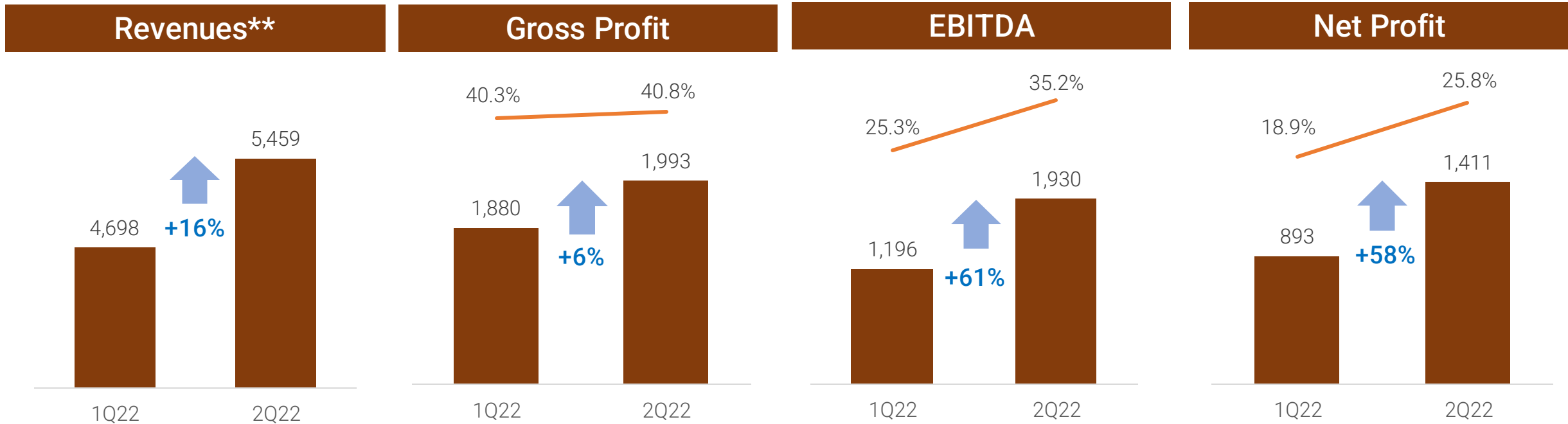
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2Q22 vs 1Q22 – Whisky Segment

Strong Double-Digit Growth in Key Financials



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1H2022 Financials – Cash Position

Strong Cash Position, Much Improved Gearing

	Cash	Debt	Net Debt	Net Debt to Equity	Commentary
1H22	13,019	24,162	11,143	13%	Further improvement in net gearing resulting from higher cash and lower net debt
2021	9,334	24,841	15,508	20%	



* In million Php



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Our Strategy

Our CPI Strategy



CONTEMPORIZE our offering

- ❑ Excite customers with innovative new product launches
- ❑ Rebrand and reposition key brands
- ❑ Improve brand visibility amongst millennials and Gen Z



PREMIUMIZE our portfolio

- ❑ Leverage iconic portfolio of globally recognized marquee brands
- ❑ Focus on single malts (which contribute to c.70% of our branded Scotch Whisky business)



INTERNATIONALIZE our business

- ❑ Expand globally into key focus markets targeting >50% of sales and profits outside the Philippines by 2025
- ❑ Key focus on North America and China