



EMPERADOR INC.

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1H 2021 Results Briefing

11 August 2021



Whiskies

Brandies



EMPERADOR INC.

1

Earnings Snapshot

2

1H2021 Financials



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1

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2

1H2021 Financials

1H2021 Normalized Net Profit at Php5.75b

“

Normalized net profit at **Php5.75b, up 73%**; after one-time non-cash deferred tax expense, net profit at Php5.1b, up 53%

”





EMPERADOR INC.

1

Earnings Snapshot

2

1H2021 Financials

1H2021 Financials – Highlights

**Php25.3
billion**
Revenue

+17.6%

Revenue Growth

**Php5.75
billion**

Normalized Net Profit*
+73% YoY

**65% Brandy
35% Whisky**

Revenue
Breakdown

**Php5.1
billion**

Reported Net Profit*
+53% YoY

1H2021 Financials

Record Performance Owing To Brandy & Whisky Segments' Strength & Resilience

	2Q21	YoY	1H20	1H21	YoY	Commentary
Revenue	13,255	+22%	21,540	25,331	+18%	Driven by both whisky and brandy sales
Gross profit (Margin)	5,667 (43.7%)	+58%	6,987 (33.2%)	9,566 (38.5%)	+37%	Better product mix and less promos
EBITDA (Margin)	4,847 (36.6%)	+85%	4,827 (22.4%)	7,825 (30.9%)	+62%	Double-digit growth in revenues vs mid single-digit increase in costs & expenses
Normalized net profit (Margin)	3,662 (27.6%)	+96%	3,327 (15.4%)	5,746 (22.7%)	+73%	Due to higher GP and EBITDA margins

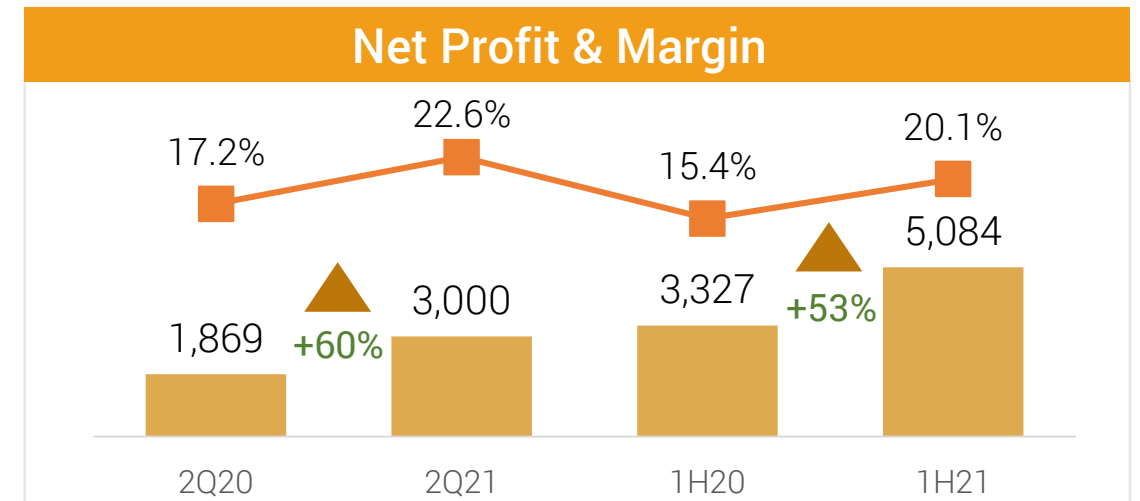
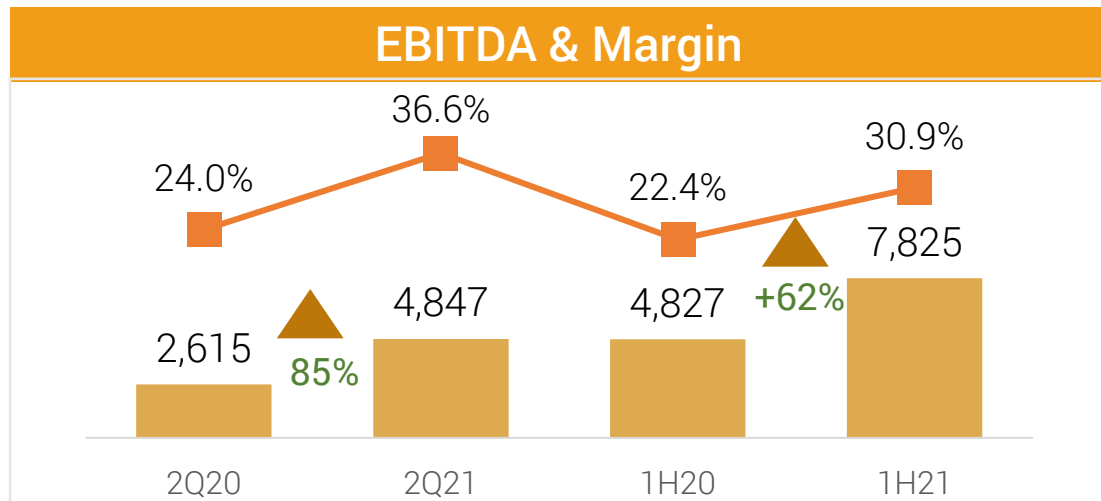
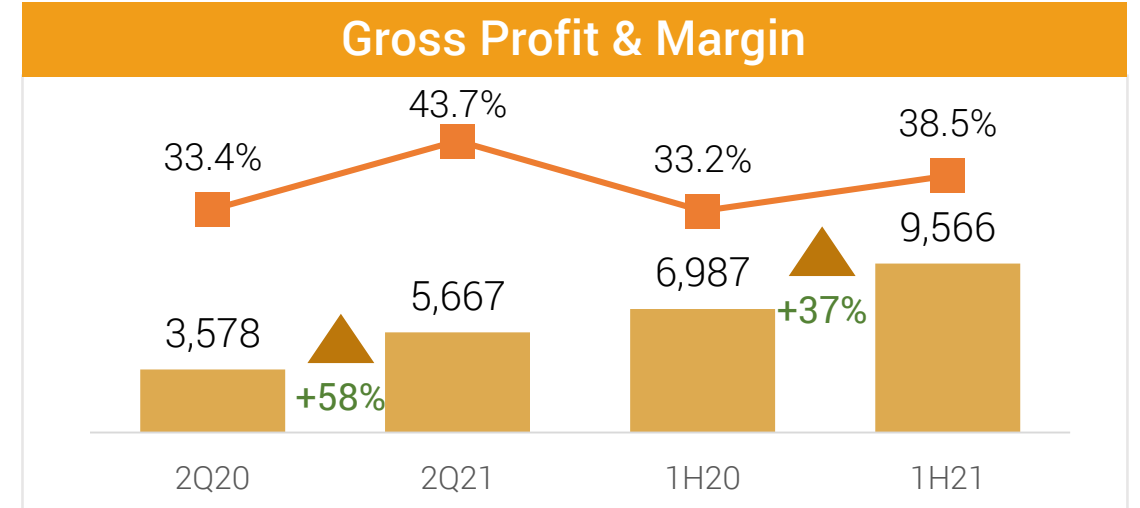
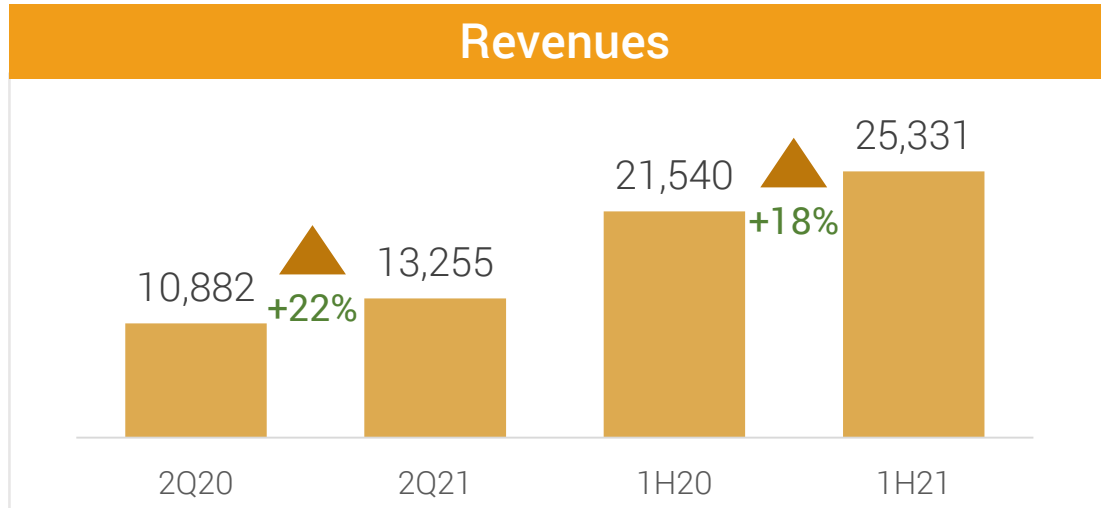
* In million Php; Revenues net of intersegment; Income attributable to parent

1H2021 Financials

Php5.75b Net Profit, Up 73% - Ex One-time Deferred Tax Expense

	2Q21	YoY	1H20	1H21	YoY	Commentary
Normalized net profit (Margin)	3,662 (27.6%)	+96%	3,327 (15.4%)	5,746 (22.7%)	+73%	Due to higher GP and EBITDA margins
Impact of tax change for WMG	662			662		One-time deferred tax expense due to the statutory tax rate change from 19% to 25%
Net profit (Margin)	3,000 (22.6%)	+60%	3,327 (15.4%)	5,084 (20.1%)	+53%	Reported 2Q21 net income would have been up almost 100%

1H2021 Financials



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

1H2021 Financials – Brandy Segment

Resilient Amid Perennially Stiff Competition In An Even More Challenging Milieu

	2Q21	YoY	1H20	1H21	YoY	Commentary
Revenue	8,179	+12%	14,901	16,341	+10%	Higher mainstream and premium brandy sales
Gross profit (Margin)	3,701 (44.6%)	+55%	4,755 (32.3%)	6,006 (36.7%)	+26%	Sales growth outpaced COGS growth; less promos
EBITDA (Margin)	3,260 (39.1%)	+85%	3,466 (23.0%)	5,262 (31.6%)	+52%	Continued effective opex management
Net profit (Margin)	2,492 (29.9%)	+112%	2,310 (15.3%)	3,859 (23.2%)	+67%	Due to higher GP and EBITDA margins

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

1H2021 Financials – Whisky Segment

Persistently Growing Across The Globe

	2Q21	YoY	1H20	1H21	YoY	Commentary
Revenue	£74.9 5,076	+42%	£107.1 6,639	£134.2 8,990	+35%	Continued robust growth in UK, Europe, North America and Asia especially China
Gross profit (Margin)	1,967 (40.7%)	+66%	2,232 (34.1%)	3,559 (40.6%)	+59%	Improved product mix, higher sales growth than COGS growth
EBITDA (Margin)	1,587 (31.2%)	+86%	1,361 (20.4%)	2,563 (28.4%)	+88%	Slower increase in opex than revenues
Net profit (Margin)	508 (10.0%)	-27%	1,017 (15.3%)	1,225 (13.6%)	+21%	Reported earnings would have been 1.2b in 2Q21, Php1.9b in 1H21...

In million Php except values in £; Revenues net of intersegment; Income attributable to parent

1H2021 Financials – Whisky Segment

Php1.9b in earnings, up 86%, ex one-time deferred tax expense

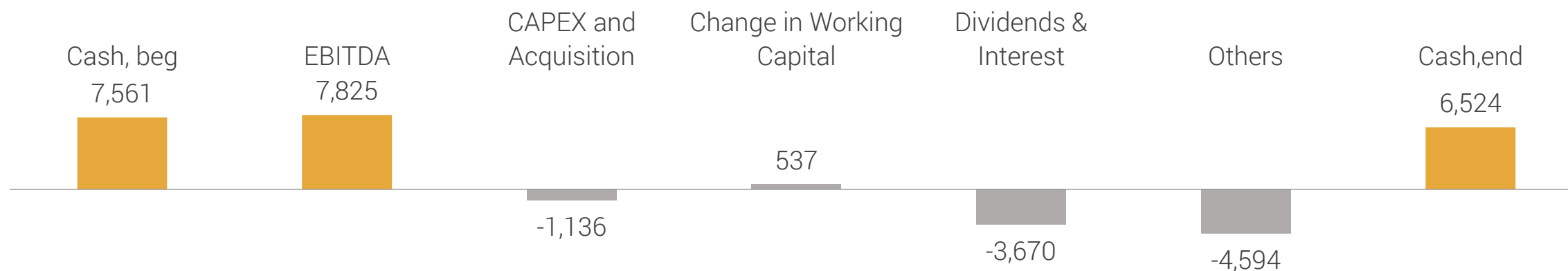
	2Q21	YoY	1H20	1H21	YoY	Commentary
Net profit (Margin)	508 (10.0%)	-27%	1,017 (15.3%)	1,225 (13.6%)	+21%	Lower earnings in 2Q21 only because of one-time noncash expense
Impact of tax change for WMG	662			662		One-time deferred tax expense due to the statutory tax rate change from 19% to 25%
Normalized net profit (Margin)	1,170 (23.0%)	+69%	1,017 (15.3%)	1,887 (21.0%)	+86%	Reported 2Q21 net income would have been up 68% yoy and Php1.9b in 1H21, up 86%

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

1H2021 Financials – Cash Position

EMP maintains strong liquidity and cash position

	Cash	Debt	Net Debt	Net Debt to Equity	Commentary
1H2021	6,524	31,411	24,887	36%	Lower net debt to equity due to loan repayment; lower cash due to dividend payments
2020	7,561	33,824	26,263	39%	



* In million Php



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End of presentation



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