



# EMPERADOR INC.

## 1H2019 FINANCIAL RESULTS

# 1H2019 FINANCIAL RESULTS

1. OUR FINANCIALS

2. UPDATES

3. KEY TAKEAWAYS



# OUR FINANCIALS

## 1H2019 Financial Highlights

P21.5b

REVENUES

15.2%

NET INCOME  
MARGIN \*



REVENUE  
BREAKDOWN

P3.3b

NET INCOME\*

1.9%

NET INCOME  
GROWTH \*

*\*Attributable to parent*

# OUR FINANCIALS

## 1H19 Performance Update

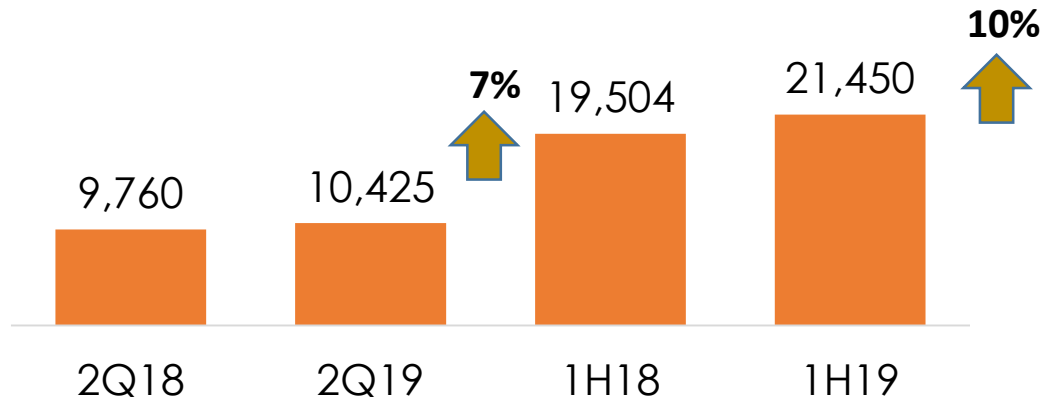
	2Q19	YoY	1H18	1H19	YoY	Commentary
REVENUES (PHPm)	10,425	7%	19,504	21,450	10%	Growth driven by imported brandy; whisky revenues in PHP affected by GBP weakness.
GROSS PROFIT (PHPm)	3,635	-2%	7,060	7,323	4%	Overall gross profit margin remains in mid 30s; raw material cost pressure still felt in brandy.
GROSS PROFIT MARGIN	35.3%		36.9%	34.8%		
EBITDA (PHPm)	2,194	-1%	4,626	4,731	2%	Higher selling & distribution for brandy
EBITDA MARGIN	21.0%		23.7%	22.1%		
NET INCOME* (PHPm)	1,512	-6%	3,190	3,250	2%	Lower margin due to overall cost pressure for brandy, both in COGS and OPEX
NET INCOME MARGIN*	14.5%		16.4%	15.2%		

\*Attributable to parent

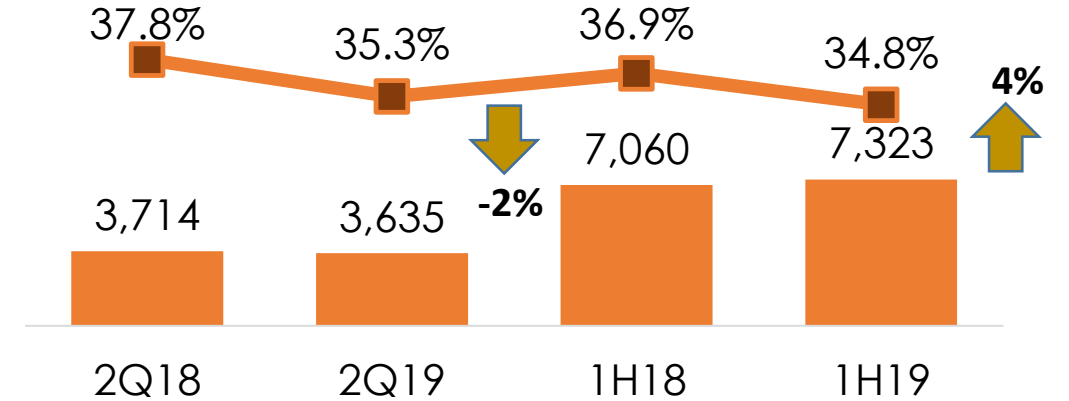
# OUR FINANCIALS

## Latest Financial Performance

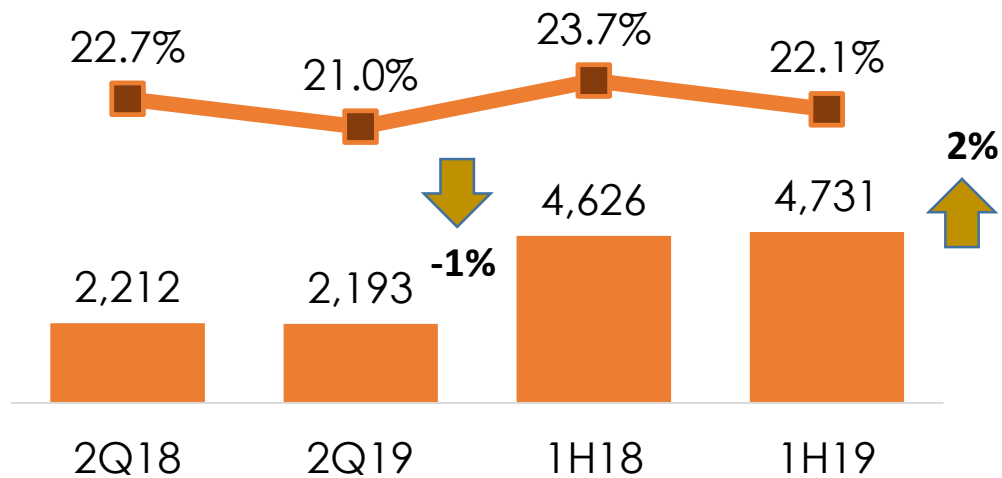
### Revenues (PHPm)



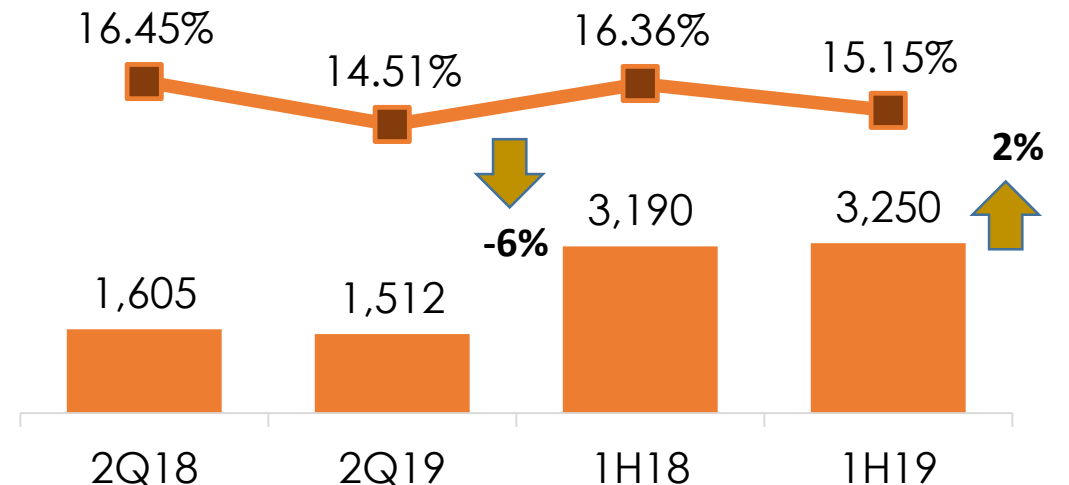
### Gross Profit (PHPm) & Margin



### EBITDA (PHPm) & Margin



### Net Income (PHPm) & Margin\*



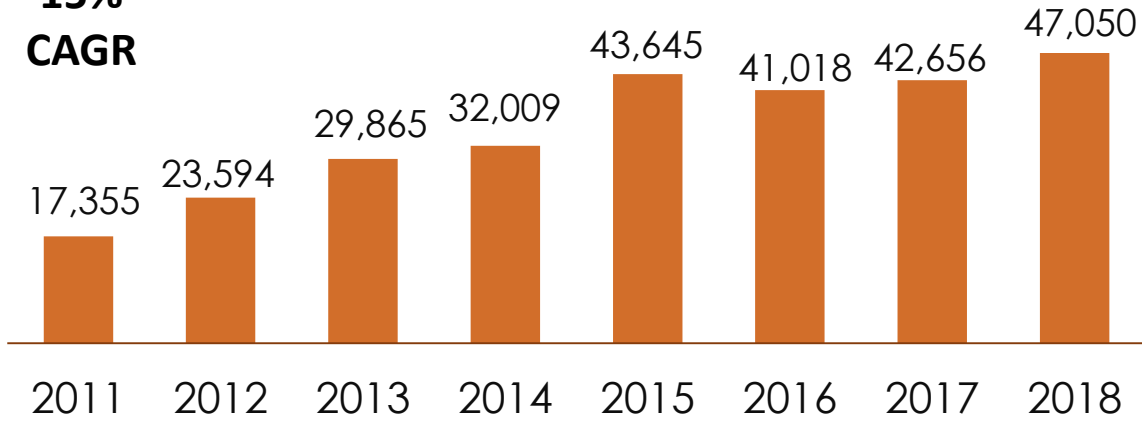
\*Attributable to parent

# OUR FINANCIALS

## Financial History

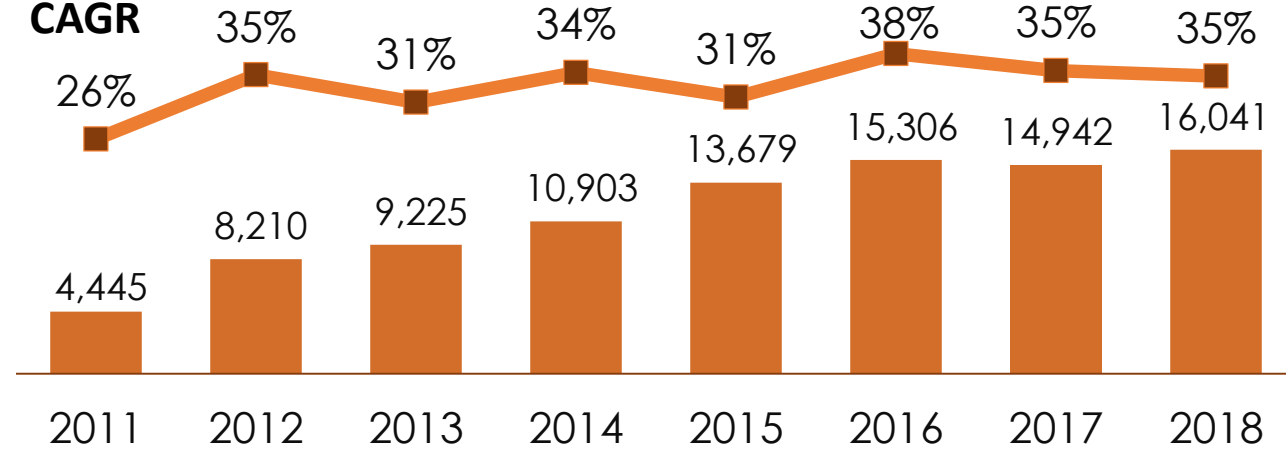
### Revenues (PHPm)

**15%  
CAGR**



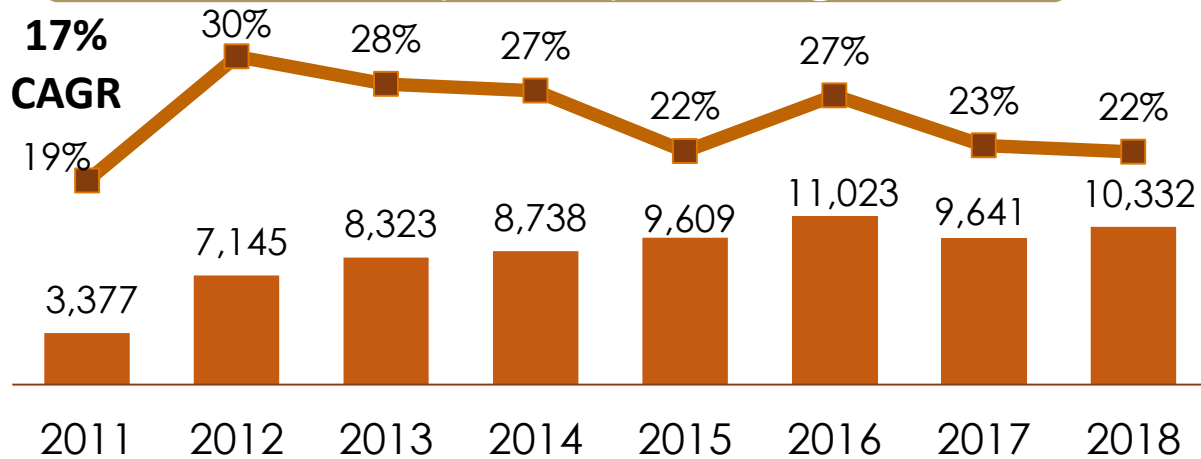
### Gross profit (PHPm) & Margin

**19%  
CAGR**



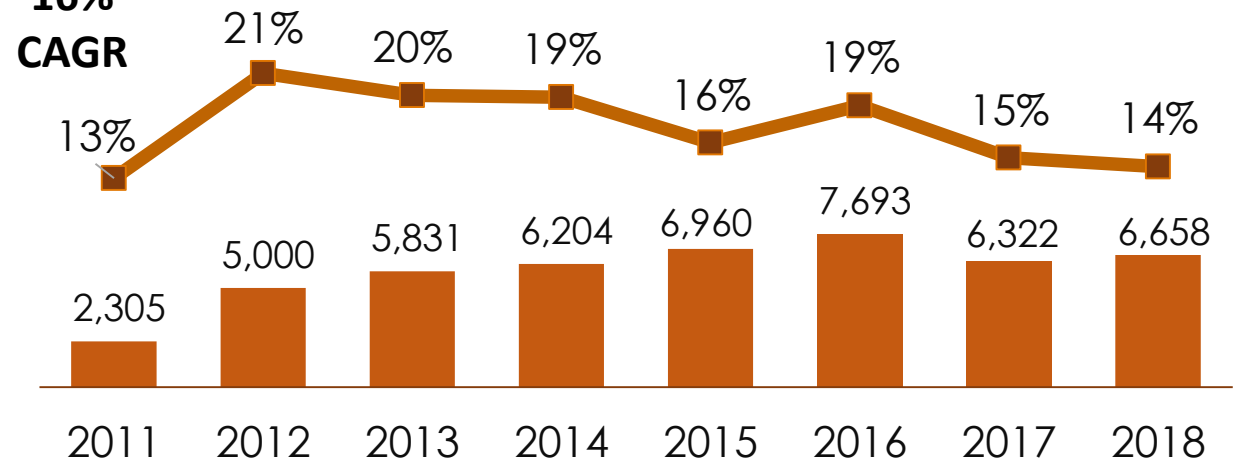
### EBITDA (PHPm) & Margin

**17%  
CAGR**



### Net income\* (PHPm) & Margin

**16%  
CAGR**



\* Attributable to parent

# OUR FINANCIALS

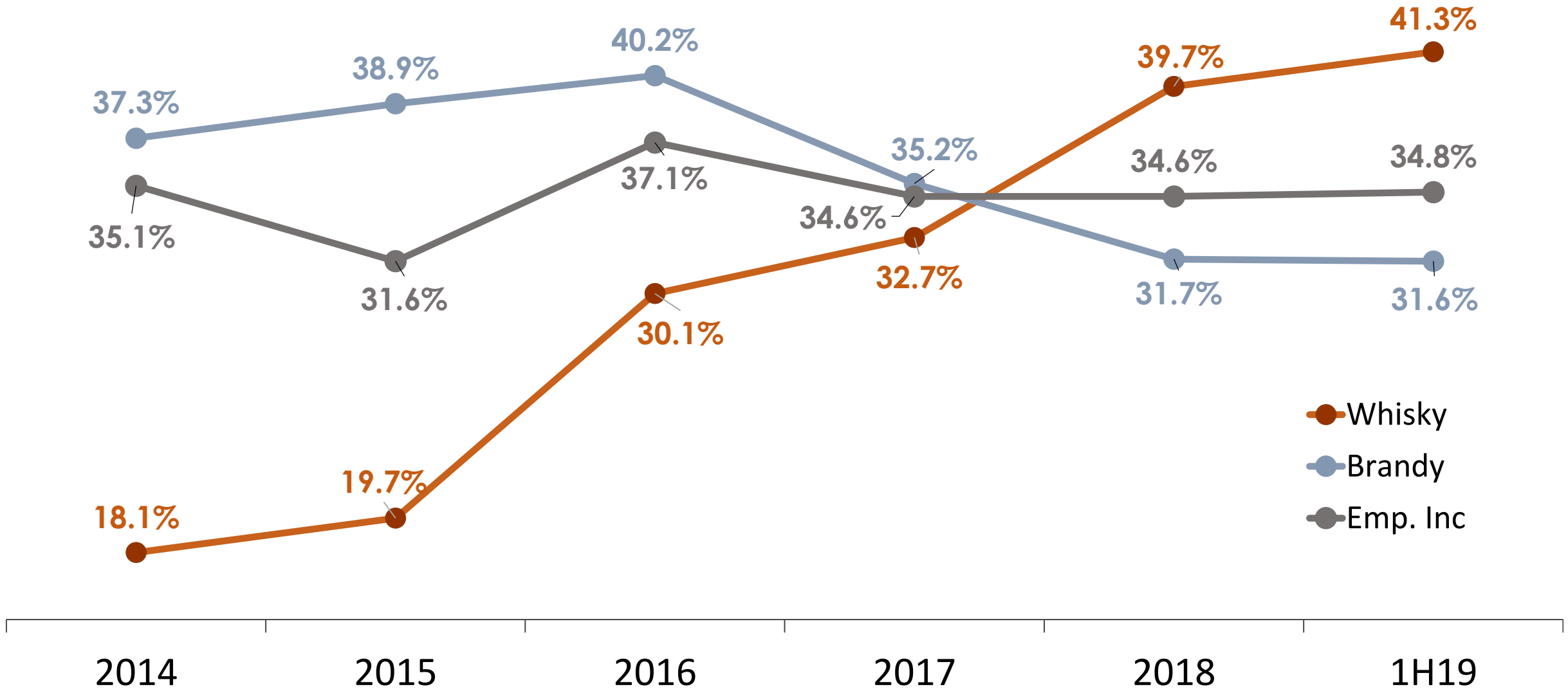
## SEGMENT BREAKDOWN

	Revenues		Gross Profit		EBITDA		Net Income	
	1H18	1H19	1H18	1H19	1H18	1H19	1H18	1H19
<i>(PHPm)</i>								
Brandy	13,393	15,344	4,705	4,786	3,569	3,452	2,373	2,268
Whisky	6,111	6,107	2,354	2,537	1,058	1,278	890	997
EMP Inc.	19,504	21,450	7,060	7,323	4,626	4,731	3,263	3,266

- Revenues, net of intersegment
- Net income is before deducting non-controlling interest.

# OUR FINANCIALS

## Gross Profit Margin





# OUR FINANCIALS

## Solid Capital Position

(PHPm)	Cash	Debt	Net Debt	Net Debt to Equity	Commentary
1H19	6,362	37,904	31,542	50%	Lower PHP equivalent of Euro loan due to Euro weakness and some debt repayment
	6,362	32,568	26,206	41%	Ex Equity-linked security
2018	6,228	39,274	33,045	54%	Lower cash due to share buyback and dividend payout
	6,228	34,015	27,786	45%	Ex Equity-linked security

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# WORLDWIDE BRANDY 2019

by IWSC



**THE NEW RANGE**  
MATURED IN SELECTED SHERRY CASKS

## FUNDADOR SUPREMO 18 YO

Best Brandy in the World 2019

*International Wine and Spirit Competition (IWSC)*

Fundador Supremo 18 competed against 100 top-tier brandies from all over the world to win the IWSC Worldwide Brandy Trophy Award for 2019.

# UPDATES

## Brandy Hierarchy



c. Php120



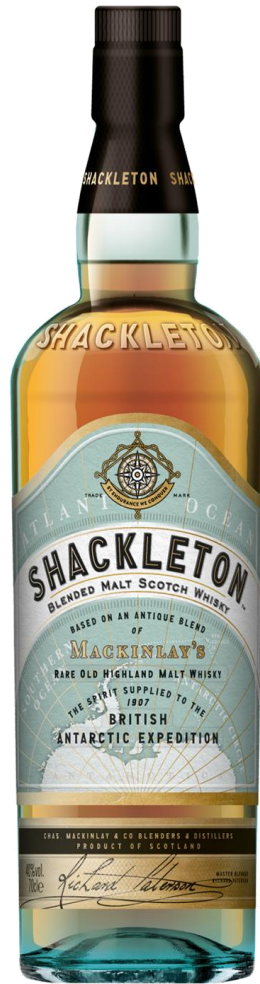
c. Php260



c. Php350

# UPDATES

## Malt Hierarchy



c. Php1,250



c. Php1,700



c. Php1,900



c. Php2,500



c. Php3,580

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# KEY TAKEAWAYS

## Future-proofing, Premiumization and Profitability

### Future-proofing dominance

We want to secure our dominance in Philippine liquor while making a dent on global liquor.

### Premiumization

We are best positioned to do premiumization in the Philippines.

### Profitability

We want margin sustainability and stability.



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