



# EMPERADOR INC.

## 2017 ANNUAL STOCKHOLDERS' MEETING

May 15, 2017



EMPERADOR INC.

1 Our Financials

2 Product Initiatives

3 Key Takeaways

# Our Financials

## 2016 Financial Highlights



EMPERADOR INC.

**PHP41b**  
Consolidated  
Revenues

Net Income  
Margin  
**19%**



Revenue Breakdown



**PHP7.7b**  
Consolidated  
Net Income

Net Income  
Growth  
**11%**

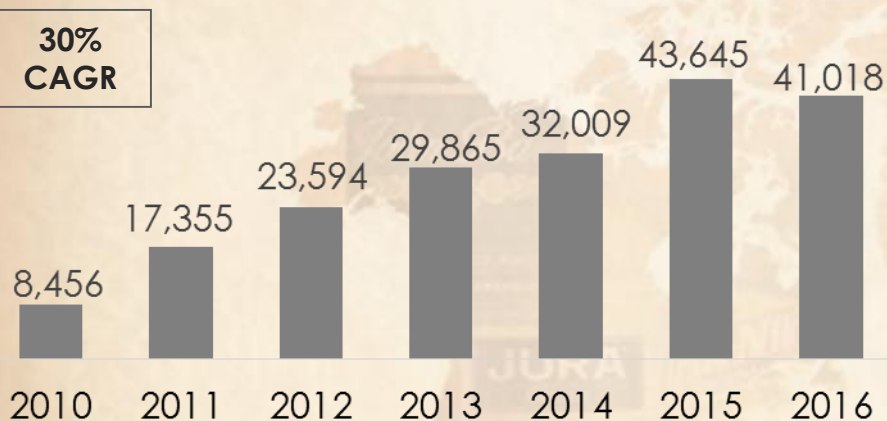
# Our Financials



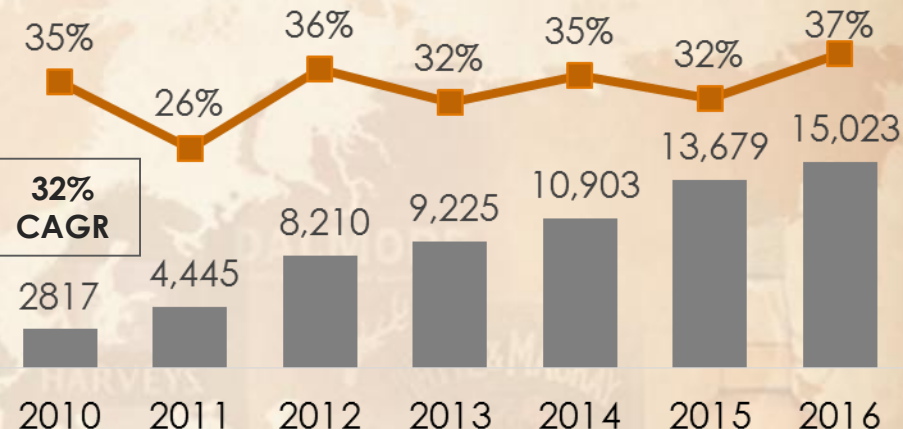
## Financial History

EMPERADOR INC.

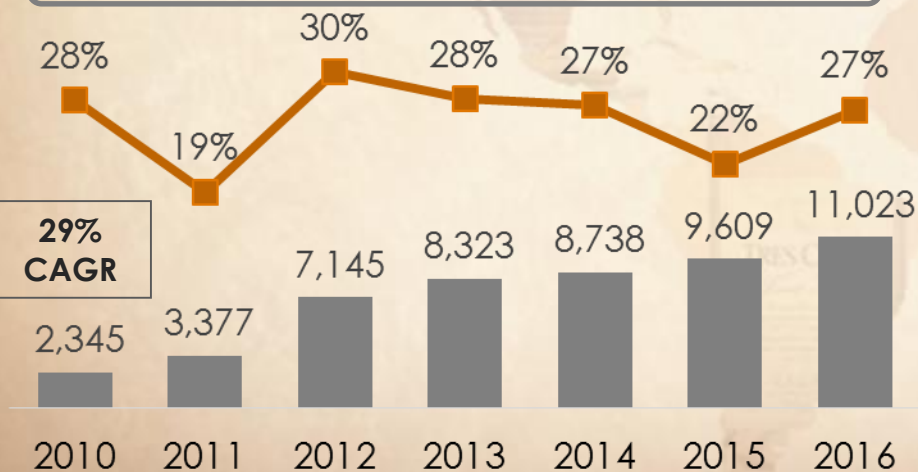
### Revenues\* (PHPm)



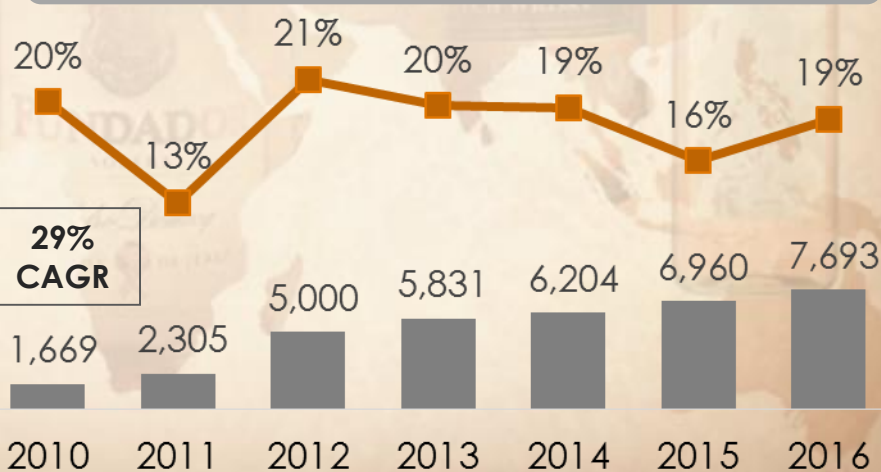
### Gross profit\* & margin



### EBITDA & margin



### Net income & margin



\* Consolidated (sale of goods + other revenues); gross profit on sales



In PHP millions	Revenues		Gross Profit		EBITDA		Net Income	
	2015	2016	2015	2016	2015	2016	2015	2016
Brandy	27,120	30,025	10,423	11,884	8,547	9,790	5,856	6,646
Whisky	16,525	11,469	3,255	3,138	1,062	1,232	1,104	1,047
EMP (consolidated)	43,645	41,018*	13,679	15,023	9,609	11,023	6,960	7,693

\*Net of intersegment

# Our Financials

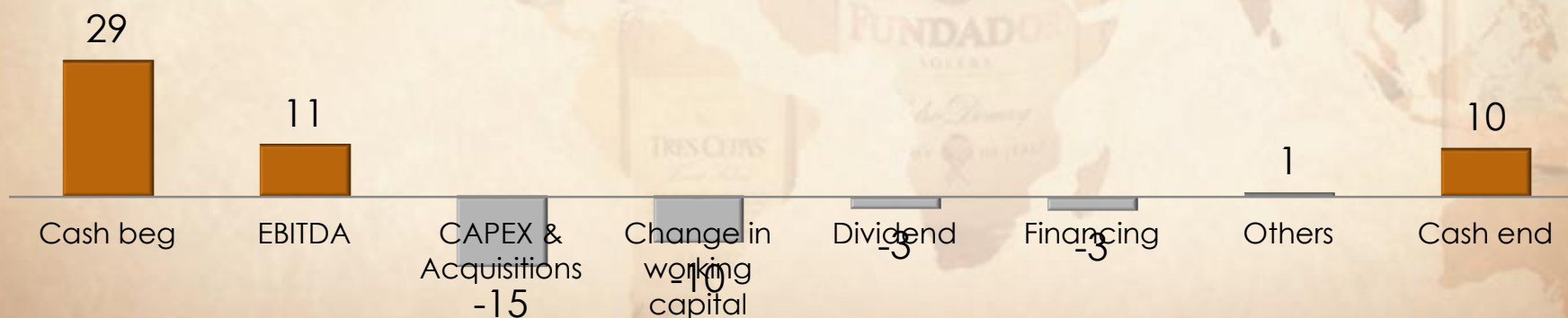
## Solid Capital Position



EMPERADOR INC.

(PHPm)	Cash	Debt	Net Debt	Net Debt to Equity	Commentary
<b>2016</b>	10,174	29,363	19,189	37%	Use of cash to fund acquisitions, debt repayment, dividend payment
	10,174	24,100	13,926	27%	Ex Equity-linked security
<b>2015</b>	29,178	29,159	cash	cash	Additional debt to purchase Bodegas Fundador

### Cash Position (PHPb)





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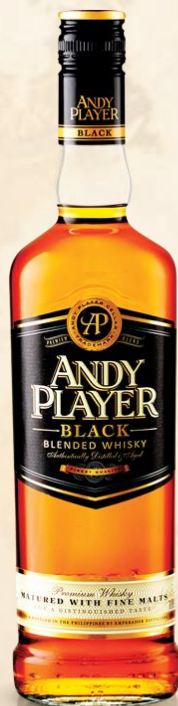


EMPERADOR INC.

Sarap ng  
**COLA**

**SWABE**  
ng Andy Player  
Whisky

**ANDY**  
**COLA**





# Product Initiatives

New Product - Building the Whisky Segment



EMPERADOR INC.

# Cola Goes Swabe



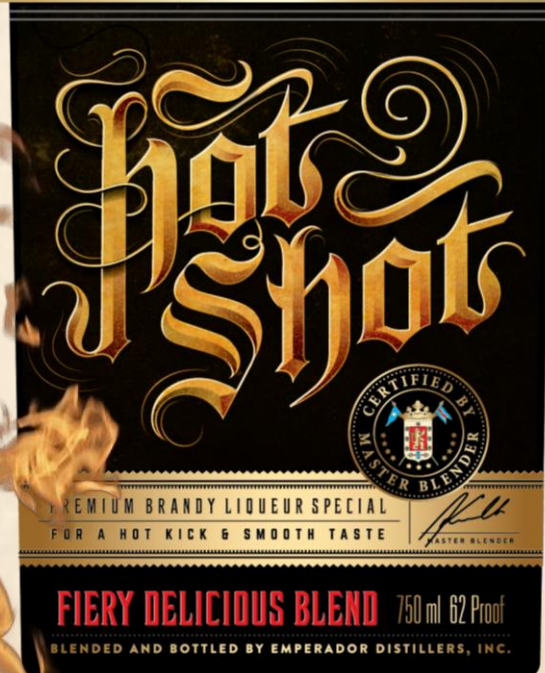
330ml  
USD0.55-0.60/  
PHP27.50-30

# Product Initiatives



EMPERADOR INC.

## EMPERADOR



The hottest Emperador ever

An Emperador like never before

A first of its kind in the Philippines

A fiery delicious blend



## New Product - Shooter and Party Drink



- ❑ World Class Quality
  - #1 brandy in the world from the largest brandy company in the world
  
- ❑ Distinct Taste & Kick
  - Spicy hot cinnamon flavor
  - Strong alcohol kick
  - Extra smooth finish
  
- ❑ Catalyst
  - Emboldens the consumer to break boundaries

750 ml

USD 2.5/PHP120

62 proof; 31% ABV

# Product Initiative

## Emperador 350ml



EMPERADOR INC.



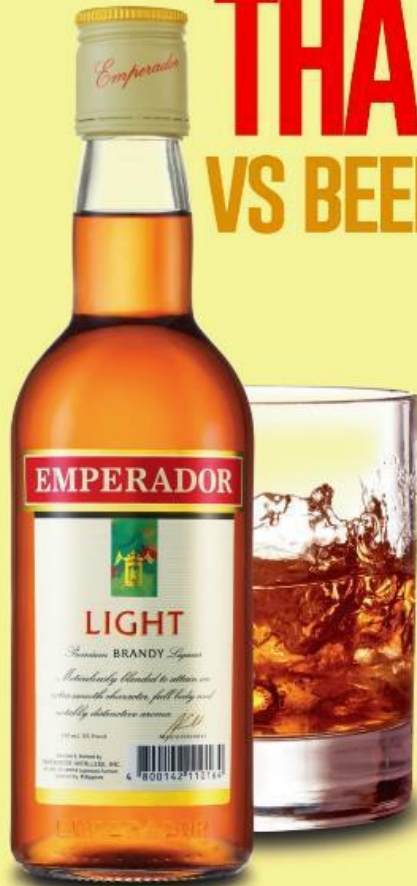
# Product Initiative

Emperador 350ml



EMPERADOR INC.

**6X STRONGER  
THAN BEER!**  
VS BEER OF 5% ABV.



FINEST BLEND  
**EMPERADOR**  
**BUNSO**  
350 mL

DRINK RESPONSIBLY

- ❑ A better alternative to local beer by leveraging its stronger alcohol content
- ❑ Value-for-money alternative to local gin and rum brands of comparable bottle size
- ❑ Compelling radio and TV campaign

350ml  
USD0.84/  
PHP42



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## Dominance, Premiumization, 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.



**END OF PRESENTATION**