



EMPERADOR INC.

# EMPERADOR INC.

## 2021 Results Briefing

26 April 2022





EMPERADOR INC.



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## 2021 Normalized Net Profit at Php10.8bn

“

Normalized net profit at Php10.8bn,  
up 35% y-o-y; normalized earnings  
to owners at Php10.6bn, up 34%

”





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# 2021 Financials – Highlights

Php55.9  
billion

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Revenue

+6%

Revenue Growth

Php10.6  
billion

Normalized Net Profit\*  
+34% YoY

67% Brandy  
33% Whisky

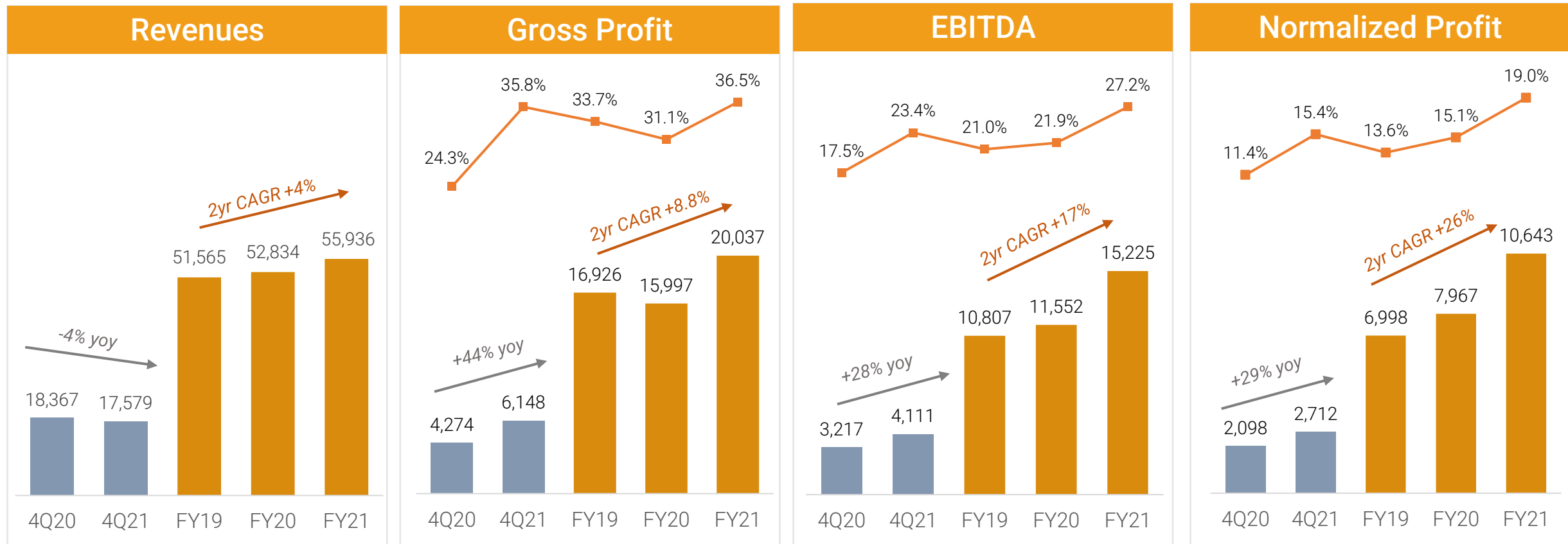
Revenue  
Breakdown

Php10.0  
billion

Reported Net Profit\*  
+25% YoY

# 2021 Financials

Stellar Performance Showing Resilience Amidst a Pandemic



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

# 2021 Financials

## Record Performance

	4Q21	YoY	2020	2021	YoY	Commentary
Revenue	17,579	-4%	52,834	55,936	+6%	Strong whisky sales
Gross profit (Margin)	6,148 (35.8%)	+44%	15,997 (31.1%)	20,037 (36.5%)	+25%	Improved product mix and less promotional expenses
EBITDA (Margin)	4,111 (23.4%)	+28%	11,552 (21.9%)	15,225 (27.2%)	+32%	Effective cost management
Normalized net profit (Margin)	2,712 (15.4%)	+29%	7,967 (15.1%)	10,643 (19.0%)	+34%	Higher earnings growth vs sales growth due to higher GP margins

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

# 2021 Financials

## Record Performance

	4Q21	YoY	2020	2021	YoY	Commentary
Normalized net profit (Margin)	2,712 (15.4%)	+29%	7,967 (15.1%)	10,643 (19.0%)	+34%	Due to higher revenues and GP margins
Impact of tax change for WMG	0			672		Extraordinary non-cash deferred tax expense due to the statutory tax rate change from 19% to 25%
Net profit (Margin)	2,712 (15.4%)	+29%	7,967 (15.1%)	9,971 (17.8%)	+25%	



# 2021 Financials – Brandy Segment

Sustained Growth In Premium Brandy Sales Amidst a Pandemic

	4Q21	YoY	2020	2021	YoY	Commentary
Revenue	12,393	-8%	36,891	37,232	+1%	Led by strong premium brandy sales
Gross profit (Margin)	4,114 (34.4%)	+66%	10,229 (28.3%)	12,637 (34.1%)	+24%	Better product mix and lower promos
EBITDA (Margin)	3,178 (25.5%)	+17%	8,473 (22.5%)	10,713 (28.2%)	+26%	Effective opex management
Net profit (Margin)	2,118 (17.0%)	+14%	5,715 (15.2%)	7,403 (19.5%)	+30%	Due to higher GP and EBITDA margins

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

# 2021 Financials – Whisky Segment

Persistently Growing Across The Globe

	4Q21	YoY	2020	2021	YoY	Commentary
Revenue	£76 5,186	+4%	£249 15,943	£275 18,704	+17%	Growth mainly driven by North America, Europe as well as Asia, led by Greater China.
Gross profit (Margin)	2,034 (38.4%)	14%	5,768 (36.1%)	7,400 (39.9%)	+28%	Better product mix
EBITDA (Margin)	932 (17.9%)	+83%	3,079 (19.2%)	4,512 (24.0%)	+46%	Higher EBITDA due to cost efficiency
Normalized net profit (Margin)	£9 594 (11.4%)	+147%	£36 2,252 (14.1%)	£48 3,240 (17.3%)	+44%	Higher margins led to strong profit growth

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

# 2021 Financials – Whisky Segment

Php2.6b In Earnings, Up 14%, Ex-Extraordinary Non-Cash Deferred Tax Expense

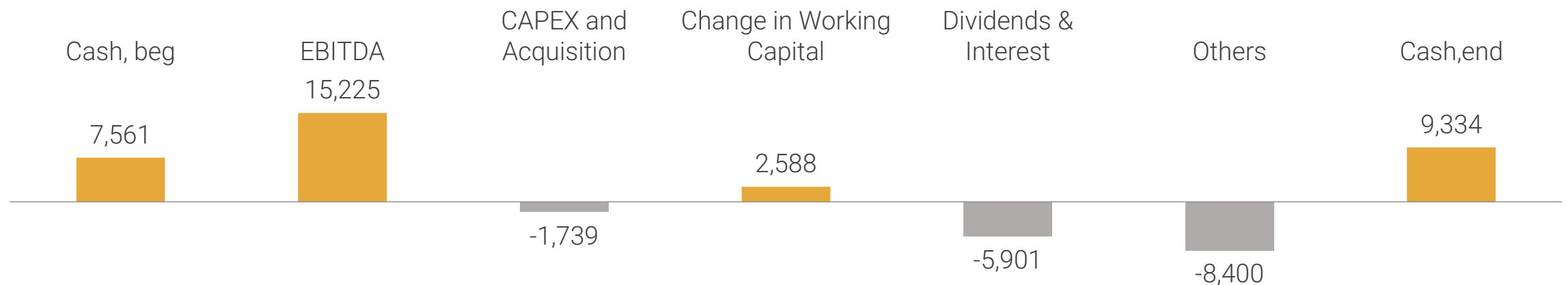
	4Q21	YoY	2020	2021	YoY	Commentary
Normalized net profit (Margin)	£9 594 (11.4%)	+147%	£36 2,252 (14.1%)	£48 3,240 (17.3%)	+44%	
Impact of tax change for WMG	0			672.4		Extraordinary non-cash deferred tax expense due to the statutory tax rate change from 19% to 25%
Net profit (Margin)	£9 594 (11.4%)	+147%	£36 2,252 (14.1%)	£38 2,568 (13.7%)	+14%	

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

# 2021 Financials – Cash Position

## Strong Liquidity And Cash Position

	Cash	Debt	Net Debt	Net Debt to Equity	Commentary
2021	9,334	24,841	15,508	20%	Significant improvement in gearing due to ELS deletion
2020	7,561	33,824	26,263	39%	



\* In million Php



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# 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

- ❑ Global spirits multinational champion with an outreach to >100 countries
- ❑ Expand globally into key focus markets targeting >50% of sales and profits outside the Philippines by 2025



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Whiskies

Brandies