

A 2 0 0 1 1 7 5 9 5  
S.E.C. Registration Number

E M P E R A D O R  
I N C .  
(Company's Full Name)

7 / F 1 8 8 0 E A S T W O O D A V E N U E  
E A S T W O O D C I T Y C Y B E R P A R K  
1 8 8 E . R O D R I G U E Z J R . A V E .  
B A G U M B A Y A N Q U E Z O N C I T Y  
(Business Address: No. Street City/ Town/ Province)

DINA D.R. INTING  
Contact Person

8709-2038 to 41  
Company Telephone Number

1 2 3 1  
Month Day  
Fiscal Year

SEC FORM 17-C  
FORM TYPE

Third Monday  
of May  
Month Day  
Annual Meeting

Registration of  
Securities  
Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning

**SECURITIES AND EXCHANGE COMMISSION  
SEC FORM 17-C  
CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE  
AND SRC RULE 17.2(c) THEREUNDER**

1. **14 November 2022**  
Date of Report (Date of earliest event reported)
2. SEC Identification Number **A200117595**    3. BIR Tax Identification No. **214-815-715-000**
4. **EMPERADOR INC.**  
Exact name of issuer as specified in its charter
5. **Philippines**  
Province, country or other jurisdiction of incorporation
6.  (SEC Use Only)  
Industry Classification Code:
7. **7<sup>th</sup> Floor, 1880 Eastwood Avenue, Eastwood City CyberPark  
188 E. Rodriguez Jr. Avenue, Bagumbayan, Quezon City**  
Address of principal office **1110**  
Postal Code
8. **(632)-8709-2038 to 41**  
Issuer's telephone number, including area code
9. **N/A**  
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<b>Common Shares</b>	<b>15,736,471,238</b>
<b>Treasury Shares</b>	<b>505,919,938</b>

11. Indicate the item numbers reported herein: **ITEM 9 (b)**  
Please see attached presentation materials of Emperador Inc. providing investors a business update.

**SIGNATURES**

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

By: **EMPERADOR INC.** 14 November 2022  
  
**DINA D.R. INTING**  
Chief Financial Officer, Compliance Officer and  
Corporate Information Officer



EMPERADOR INC.

# EMPERADOR INC.

Investor Update (9M2022)

November 2022



Whiskies

Brandies



EMPERADOR INC.



1

Company Background

2

9M2022 Financials

3

Outlook

# Emperador Inc is a leading global integrated manufacturer, bottler and distributor of brandy, Scotch whisky and other alcoholic beverages.

- A leading, high growth whisky and brandy company with a truly globally recognized portfolio of brands distributed to 100+ countries and world leading market position

- Principal production facilities across the Philippines, UK, Spain, and Mexico
  - Nine (9) distilleries;
  - Four (4) blending and bottling facilities;
  - 788 hectares of vineyards;
  - A glass manufacturing plant.



*Distillery in the Philippines*



*The Dalmore Distillery in Scotland*



*Vineyard in Spain*



*Bodegas in Spain*

# Emperador Inc. First Phase of Growth

First phase of growth was in the brandy category in the Philippines

1979-2013

- Emperador dominated the Philippine brandy market and is the largest spirits company in the Philippines
- Emperador became the largest brandy company in the world
- Emperador listed on the PSE in 2013

Emperador was a one-product one-country company.

Knowing the risks of Philippine and category specific shocks, Emperador set out to diversify its business.



# Emperador Inc. Diversifies its Business

Emperador added world-renowned whiskies and brandies to its portfolio

2014-2017

- Acquisition of Whyte and Mackay increased Emperador's product offering to include whiskies as well as expand its geographic reach
- Acquisition of Bodegas Fundador cemented Emperador's status as the largest brandy producer in the world



# Emperador Inc. Second Phase of Growth

Emperador is embarking on its second phase of growth

2022

- Emperador completed a secondary listing on the Singapore Exchange, further amplifying its status as a global company
- Full-force implementation of premiumization and internationalization strategy

Now, with some of the most well-renowned and iconic brands in its roster, Emperador is embarking on its 2nd phase of growth – international expansion.





# Emperador Inc. now has an impressive line up of iconic and world-renowned whiskies and brandies

Scotch whisky

WHYTE & MACKAY

Brandy

EMPERADOR BRANDY BODEGAS FUNDADOR CASA Pedro Domecq





EMPERADOR INC.



1

Company Background

2

9M2022 Financials

3

Outlook

# 9M2022 Financials – Highlights

Php 42.6  
billion  
Revenue  
+11% YoY

Php 26.9  
billion  
Brandy Revenue  
+8% YoY



Php 15.8  
billion  
Whisky Revenue  
+17% YoY



Php 7.2  
billion  
Net Profit\*  
-1% YoY

63% Brandy  
37% Whisky  
Revenue Breakdown

# 9M2022 Financials

Continued strong revenue growth for whole group

	3Q22	YoY	9M22	9M21	YoY	Commentary
Revenue	14,585	+12%	42,639	38,357	11.2%	<ul style="list-style-type: none"> <li><u>Strong revenue growth</u></li> <li>Continued growth for both brandy and whisky segment</li> <li>Higher sales due to further easing of restrictions, resumption of on-trade and travel retail</li> </ul>
Gross profit (Margin)	4,690 (31.4%)	+8.5%	13,126 (31.8%)	13,889 (36.9%)	-5.5%	
EBITDA (Margin)	2,924 (20.1%)	-11.1%	10,191 (23.9%)	11,114 (29.0%)	-8.3%	
Net profit (Margin)	1,947 (13.4%)	-10.5%	7,185 (16.9%)	7,259 (18.9%)	-1%	

\* 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

# 9M2022 Financials

Continued strong revenue growth for whole group; GP down due to inflation

	3Q22	YoY	9M22	9M21	YoY	Commentary
Revenue	14,585	+12%	42,639	38,357	11.2%	
Gross profit (Margin)	4,690 (31.4%)	+8.5%	13,126 (31.8%)	13,889 (36.9%)	-5.5%	<ul style="list-style-type: none"> <li>3Q YoY gross profit up due to product mix</li> <li>9M YoY down 5.5% due to increase in COGS caused by an inflationary environment</li> </ul>
EBITDA (Margin)	2,924 (20.1%)	-11.1%	10,191 (23.9%)	11,114 (29.0%)	-8.3%	
Net profit (Margin)	1,947 (13.4%)	-10.5%	7,185 (16.9%)	7,259 (18.9%)	-1%	

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# 9M2022 Financials

Continued strong revenue growth for whole group; EBITDA down due to higher opex

	3Q22	YoY	9M22	9M21	YoY	Commentary
Revenue	14,585	+12%	42,639	38,357	11.2%	<ul style="list-style-type: none"> <li>EBITDA margin down due to increased opex</li> <li>Increase in on-trade activities</li> <li>Increase in promotional and advertising spend</li> </ul>
Gross profit (Margin)	4,690 (31.4%)	+8.5%	13,126 (31.8%)	13,889 (36.9%)	-5.5%	
EBITDA (Margin)	2,924 (20.1%)	-11.1%	10,191 (23.9%)	11,114 (29.0%)	-8.3%	
Net profit (Margin)	1,947 (13.4%)	-10.5%	7,185 (16.9%)	7,259 (18.9%)	-1%	

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# 9M2022 Financials

Continued strong revenue growth for whole group; net profit down due to costs

	3Q22	YoY	9M22	9M21	YoY	Commentary
Revenue	14,585	+12%	42,639	38,357	11.2%	
Gross profit (Margin)	4,690 (31.4%)	+8.5%	13,126 (31.8%)	13,889 (36.9%)	-5.5%	<ul style="list-style-type: none"> <li>Net profit down as costs and expenses increased</li> <li>9M net profit relatively flat YoY; able to maintain net profits due to resilience of whisky segment</li> </ul>
EBITDA (Margin)	2,924 (20.1%)	-11.1%	10,191 (23.9%)	11,114 (29.0%)	-8.3%	
Net profit (Margin)	1,947 (13.4%)	-10.5%	7,185 (16.9%)	7,259 (18.9%)	-1%	

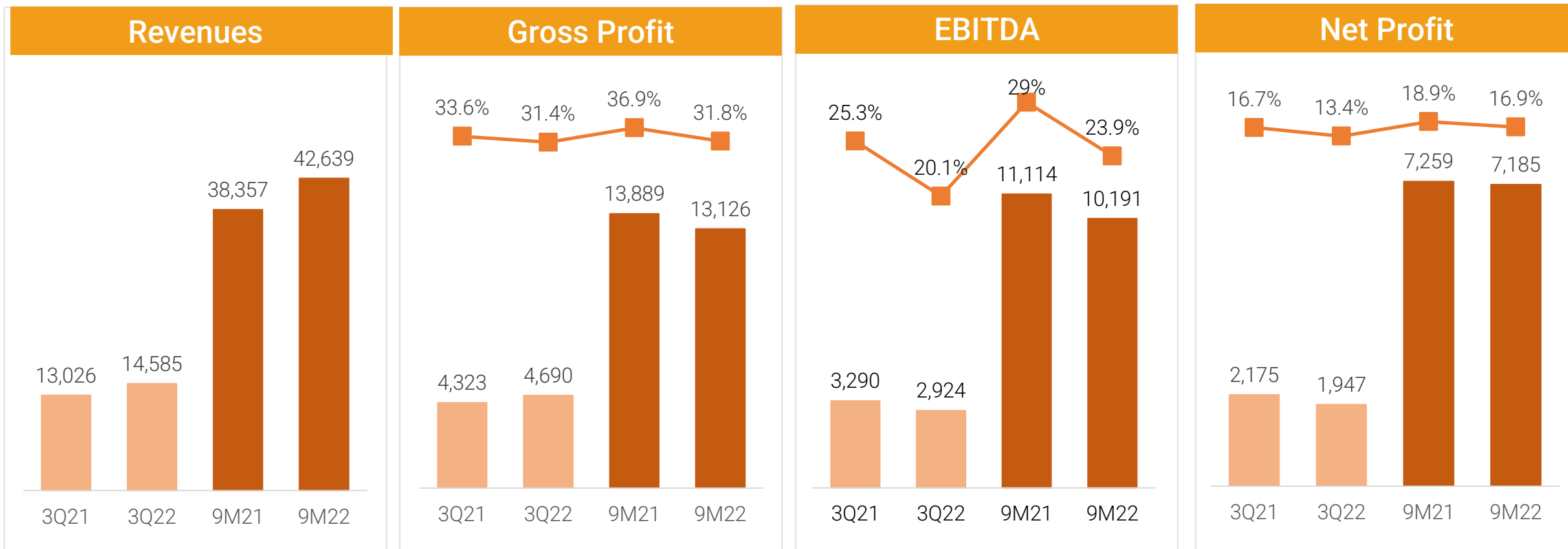
\* In million Php; Revenues net of intersegment; Income attributable to parent

\*\* 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

# 9M2022 Financials

Revenues continue to grow; net profit stable despite headwinds and cost challenges



\* 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



# 9M2022 Financials – Brandy Segment

Revenues continue to increase by high single digit, in line with target

	3Q22	YoY	9M22	9M21	YoY	Commentary
Revenue	8,988	5.8%	26,885	24,840	8.2%	
Gross profit (Margin)	2,432 (25.4%)	-3.4%	6,997 (26.1%)	8,523 (33.9%)	-17.9%	<ul style="list-style-type: none"> <li>• Brandy revenue up</li> <li>• Increased brandy on-trade activities</li> </ul>
EBITDA (Margin)	1,410 (15.6%)	-38%	5,551 (20.3%)	7,535 (29.6%)	-26.3%	
Net profit (Margin)	855 (9.4%)	-40%	3,789 (13.9%)	5,285 (20.7%)	-28.3%	

\* 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

# 9M2022 Financials – Brandy Segment

Increase in revenue; gross margin down due to higher COGS

	3Q22	YoY	9M22	9M21	YoY	Commentary
Revenue	8,988	5.8%	26,885	24,840	8.2%	<ul style="list-style-type: none"> <li>• Brandy gross profit down due to higher COGS</li> <li>• Impacted by higher COGS because of more affordable selling prices</li> <li>• Global headwinds also affect brandy business since inputs are imported</li> </ul>
Gross profit (Margin)	2,432 (25.4%)	-3.4%	6,997 (26.1%)	8,523 (33.9%)	-17.9%	
EBITDA (Margin)	1,410 (15.6%)	-38%	5,551 (20.3%)	7,535 (29.6%)	-26.3%	
Net profit (Margin)	855 (9.4%)	-40%	3,789 (13.9%)	5,285 (20.7%)	-28.3%	

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

\*\* Consolidated revenues including sales and other income

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# 9M2022 Financials – Brandy Segment

Increase in revenue; EBITDA down on higher opex

	3Q22	YoY	9M22	9M21	YoY	Commentary
Revenue	8,988	5.8%	26,885	24,840	8.2%	<ul style="list-style-type: none"> <li>• Brandy EBITDA down due to higher opex</li> <li>• Higher opex on higher advertising spend and promotional spend</li> <li>• Higher opex on more on-trade activities</li> </ul>
Gross profit (Margin)	2,432 (25.4%)	-3.4%	6,997 (26.1%)	8,523 (33.9%)	-17.9%	
EBITDA (Margin)	1,410 (15.6%)	-38%	5,551 (20.3%)	7,535 (29.6%)	-26.3%	
Net profit (Margin)	855 (9.4%)	-40%	3,789 (13.9%)	5,285 (20.7%)	-28.3%	

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

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# 9M2022 Financials – Brandy Segment

Increase in revenue; net profit dampened by increasing costs

	3Q22	YoY	9M22	9M21	YoY	Commentary
Revenue	8,988	5.8%	26,885	24,840	8.2%	<ul style="list-style-type: none"> <li>Brandy net profit down due to higher cost and expenses</li> </ul>
Gross profit (Margin)	2,432 (25.4%)	-3.4%	6,997 (26.1%)	8,523 (33.9%)	-17.9%	
EBITDA (Margin)	1,410 (15.6%)	-38%	5,551 (20.3%)	7,535 (29.6%)	-26.3%	
Net profit (Margin)	855 (9.4%)	-40%	3,789 (13.9%)	5,285 (20.7%)	-28.3%	

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# 9M2022 Financials – Whisky Segment

Whisky segment continues to record stellar top and bottom line performance

	3Q22	YoY	9M22	9M21	YoY	Commentary
Revenue	5,597	23.6%	15,754	13,517	16.6%	
Gross profit (Margin)	2,257 (41.3%)	25%	6,130 (40.8%)	5,366 (40.4%)	14.2%	<ul style="list-style-type: none"> <li>Whisky's robust revenues continue to grow</li> <li>Revenue increased further proving that whisky demand is strong even in inflationary times</li> </ul>
EBITDA (Margin)	1,514 (26.9%)	49%	4,640 (29.3%)	3,579 (26.4%)	29.6%	
Net profit (Margin)	1,092 (19.4%)	45.7%	3,395 (21.5%)	1,974 (14.6%)	72%	

\* In million Php except values in £ ; 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

# 9M2022 Financials – Whisky Segment

Gross margin stable despite inflation due to higher selling prices

	3Q22	YoY	9M22	9M21	YoY	Commentary
Revenue	5,597	23.6%	15,754	13,517	16.6%	
Gross profit (Margin)	2,257 (41.3%)	25%	6,130 (40.8%)	5,366 (40.4%)	14.2%	<ul style="list-style-type: none"> <li>Gross margins up both 3Q and 9M YoY</li> </ul>
EBITDA (Margin)	1,514 (26.9%)	49%	4,640 (29.3%)	3,579 (26.4%)	29.6%	<ul style="list-style-type: none"> <li>Whisky margins able to withstand inflationary environment due to higher selling prices, higher margins</li> </ul>
Net profit (Margin)	1,092 (19.4%)	45.7%	3,395 (21.5%)	1,974 (14.6%)	72%	

\* In million Php except values in £ ; 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

# 9M2022 Financials – Whisky Segment

Strong EBITDA growth despite increase in opex

	3Q22	YoY	9M22	9M21	YoY	Commentary
Revenue	5,597	23.6%	15,754	13,517	16.6%	<ul style="list-style-type: none"> <li>Higher EBITDA for both 3Q and 9M YoY</li> <li>EBITDA grew despite higher opex due to more marketing activities as on-trade and travel retail resume</li> </ul>
Gross profit (Margin)	2,257 (41.3%)	25%	6,130 (40.8%)	5,366 (40.4%)	14.2%	
EBITDA (Margin)	1,514 (26.9%)	49%	4,640 (29.3%)	3,579 (26.4%)	29.6%	
Net profit (Margin)	1,092 (19.4%)	45.7%	3,395 (21.5%)	1,974 (14.6%)	72%	

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

# 9M2022 Financials – Whisky Segment

Whisky segment continues to record stellar top and bottom line performance

	3Q22	YoY	9M22	9M21	YoY	Commentary
Revenue	5,597	23.6%	15,754	13,517	16.6%	<ul style="list-style-type: none"> <li>Higher net margins for both 3Q and 9M YoY</li> </ul>
Gross profit (Margin)	2,257 (41.3%)	25%	6,130 (40.8%)	5,366 (40.4%)	14.2%	
EBITDA (Margin)	1,514 (26.9%)	49%	4,640 (29.3%)	3,579 (26.4%)	29.6%	
Net profit (Margin)	1,092 (19.4%)	45.7%	3,395 (21.5%)	1,974 (14.6%)	72%	

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



# Summary

## Whisky

- Strong revenues and net profit despite unfavorable global inflationary environment
- 9M revenue 17% higher and net profit 72% higher YoY
- Impact of higher COGS is softer due to higher selling prices

## Brandy

- Good sales performance but net profit affected by higher COGS and expenses
- 9M revenue higher by 8% but net profit lower by 28% YoY due to cost pressures
- Increases in COGS had greater impact due to lower selling prices
- Affected by global macroeconomic factors since inputs are imported
- Increased expenses due to marketing efforts as on-trade opens up further

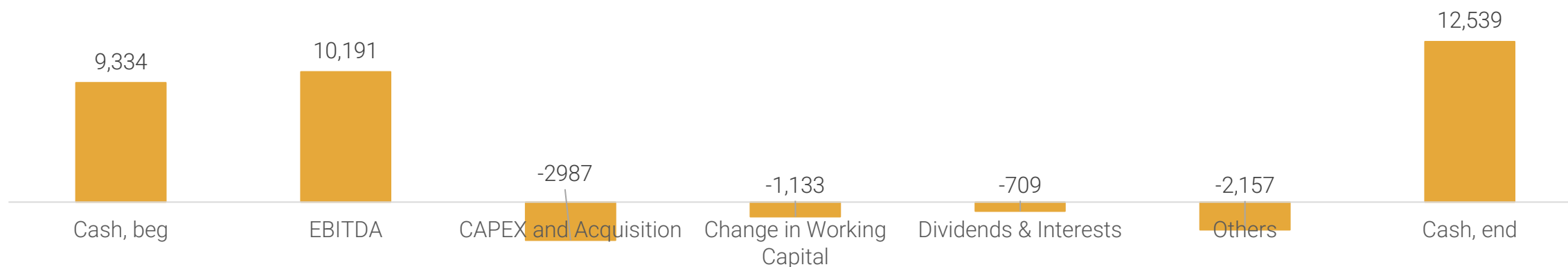
## Total EMI

- Sales show no signs of slowing down as both brandy and whisky continue to record higher revenues
- 9M revenues up 11% YoY; net income relatively flat
- Diversification and premiumization allows EMI to maintain net profits despite increasing costs

# 9M2022 Financials – Cash Position

Maintained strong cash position

	Cash	Debt	Net Debt	Net Debt to Equity	Commentary
9M22	12,539	23,344	10,805	12%	Further improvement in net gearing resulting from higher cash and lower net debt
2021	9,334	24,841	15,508	20%	



\* In million Php



EMPERADOR INC.



1

Company Background

2

9M2022 Financials

3

Outlook

# CPI Strategy

Continue with CPI strategy as diversification through CPI clearly demonstrated its importance in stabilizing earnings

## Contemporize

- Innovate and launch products tailored to specific tastes
- Position brand to appeal to target markets
- Build brand equity among millennials and gen z

## Premiumize

- Single malt focus
- Focus on premium products with higher margins
- Drive premiumization for both brandy and whisky

## Internationalize

- Key focus on China and North America as these are the biggest spirits markets

Management is confident that strategy and goals can be achieved  
Management has proven its ability to execute on a global platform

# Outlook

Taking up price to cover higher costs; can expect higher margins

## Whisky

- Have implemented a 10% (on average) price increase for 2023
- Can expect higher margins

## Brandy

- Have announced price increase of 5% effective Dec 1
- Can expect better margins