



FILIPINO



MANUFACTURING



CUSTOMIZED  
SPECIALTY  
PRODUCTS



B2B2C

D&L's expansion site in  
Batangas, Philippines

**D & L**

**D&L INDUSTRIES**

INVESTOR PRESENTATION

August 2021



**D&L INDUSTRIES** is a Filipino company that makes customized, specialty ingredients for food and chemicals

**%**

Of Proforma 1H21  
Revenue

**%**

Of Proforma 1H21 Net  
Income



#### FOOD INGREDIENTS

Fats, oils and other specialty food ingredients



**60%**  
Revenue

**33%**  
Net Income



**OLEOCHEMICALS & OTHER  
SPECIALTY CHEMICALS**  
Coco-biodiesel, oleochemicals,  
resins and powder coatings



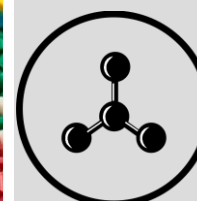
**25%**  
Revenue

**32%**  
Net Income



#### SPECIALTY PLASTICS

Pigment blends, color and additive masterbatches and engineered polymers



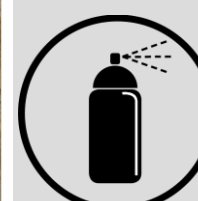
**11%**  
Revenue

**24%**  
Net Income



#### AEROSOLS

Aerosol & non-aerosol products for homecare, personal care and maintenance chemicals



**4%**  
Revenue

**11%**  
Net Income

**D&L**

*Due to rounding, numbers may not add up precisely*

*D&L parent is 0.4% of revenues through Management Service Fees / 1% of Net Income*

*Except for the D&L Industries consolidated balances, which are already net of eliminations, the rest are presented gross of intercompany sales and other elimination*

# KEY BUSINESS STRATEGIES



**Maintain Market  
Leadership**



**Innovate  
Continuously**



**Capitalize on Growing  
Domestic Consumer Market**

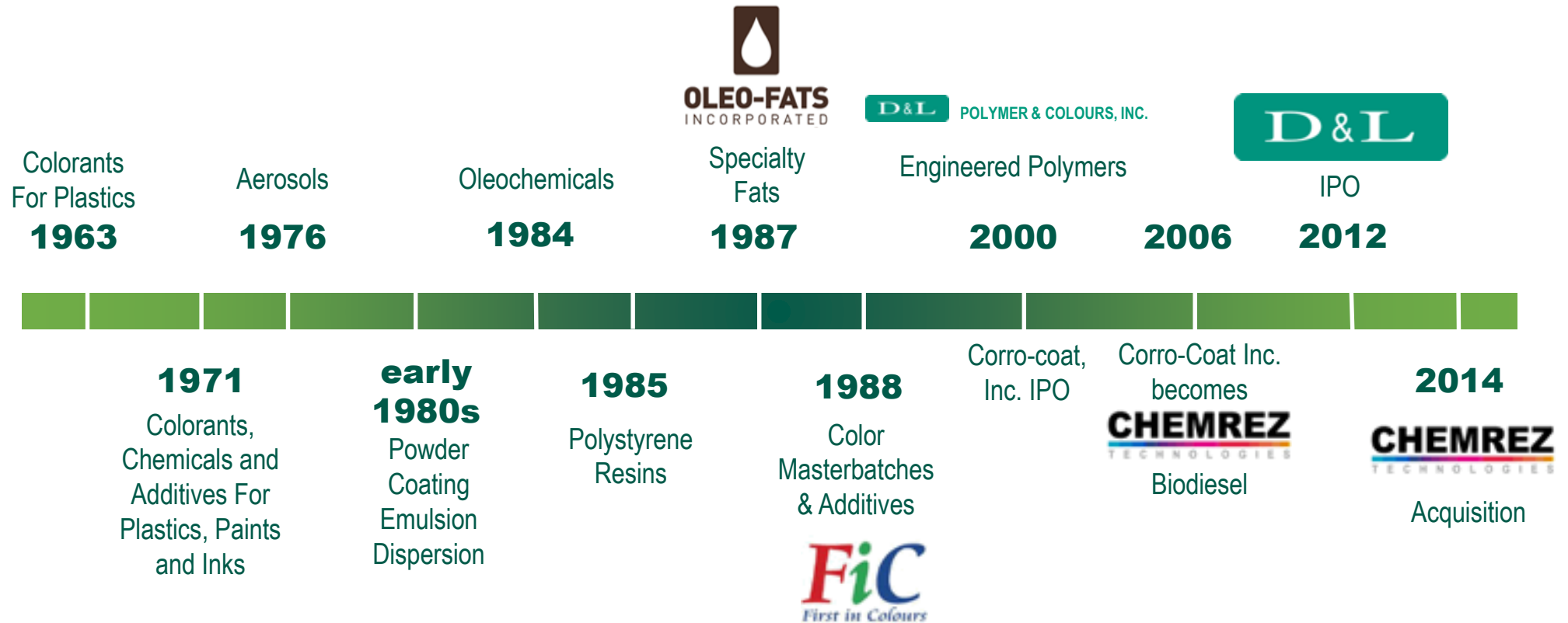


**Enhance Production and  
Business Processes**



**Expand  
Globally**

# Our history of serving customers spans across 50+ years



As the leading B2B2C company in the Philippines, we have longstanding customer relationships with mostly consumer companies

>70%

of sales are to  
consumer companies

### Length of Customer Relationships (in Years)

<b>BOYSEN®</b> The No. 1 PAINT	36
<b>SUMITOMO ELECTRIC</b> <b>YAZAKI</b>	29
<b>Nestlé</b> <b>Monde Nissin CORPORATION</b> <b>UR</b>	25
<b>KFC</b> <b>bench/</b> <b>Jollibee</b> <b>U</b>	21
<b>Max's RESTAURANT</b> <b>McDonald's</b>	17
<b>PETRON</b> <b>3M</b> <b>neumann &amp; mueller</b> <b>PANCAKE HOUSE</b>	13
<b>Shakey's</b> <b>Krumpy Kreme DOUGHNUTS</b>	11
<b>EPSON®</b>	8



Shortening  
Flavored Toppings  
Flavored Glazes  
Icings



Frying Oils  
Gravy Mixes  
Breading  
Dipping Sauces



Body Fragrance  
Sprays  
Insect Control Sprays  
Spray Paints  
Brake Cleaners



Flavored Coatings  
Syrups & Fudges  
Whipped Cream  
Soft Ice Cream  
Mix



Pancake Mix  
Butter Compounds  
Margarines  
Maple Flavored  
Syrups

Majority of the Board are independent directors while 3 out of 7 board members are female – highlights the importance we place on good corporate governance and gender diversity.

## BOARD OF DIRECTORS\*



**Yin Yong L. Lao, 68 years old**  
**Chairman & Director**  
 Trustee - Association of Petrochemical Manufacturers of the Philippines  
 B.A. in General Studies  
*Ateneo de Manila University*  
 Years of D&L experience : 45



**John L. Lao, 66 years old**  
**Vice Chairman**  
 Chairman/President – Aero-Pack  
 B.S. in Business Administration  
*University of the East*  
 Years of D&L experience: 44



**Alvin D. Lao, 50 years old**  
**CEO & President**  
 Director of Axis REIT; Former President of EO Philippine Chapter, member since 2000  
 B.S. in IT (Honours) and Statistics from the *University of Western Australia*  
 MBA from the *MIT Sloan School of Management*.  
 Years of D&L experience: 21

## INDEPENDENT DIRECTORS



**Mercedita Nolleto, 80 years old**  
 Lawyer and CPA  
 Former Senior Managing Director & Corporate Secretary of Ayala Corp.  
 Chairman, BPI Investment Management;  
 Director of Xurpas, Inc. ; Trustee, - Ayala Foundation and BPI Foundation  
 B.S. Business Administration & Bachelor of Laws from the *University of the Philippines*



**Filemon Berba, 83 years old**  
 Member of Institute of Corporate Directors  
 Former President of Globe and Manila Water  
 B.S. Electrical Engineering from the *University of the Philippines*  
 MBA from the *Wharton School of the University of Pennsylvania*



**Corazon S. Dela Paz-Bernardo, 80 years old**  
 CPA  
 Former President & CEO of Social Security System  
 Former Senior Partner and Chair at Joaquin Cunanan & Co (PricewaterhouseCoopers Philippines)  
 First non-European President of the International Social Security Association  
 B.S. Accountancy from *University of the East*  
 MBA from *Cornell University*



**Lydia Balatbat-Echaz, 73 years old**  
 Former President of Far Eastern University  
 Director of Metro Pacific Investments  
 A.B. in Economics and Mathematics from *St. Theresa's College*  
 MBA from *Ateneo de Manila University*  
 DBA from *De La Salle University*



Professional managers and second generation family members with more than 20 years of experience in sales, marketing & business development compose our Senior Management team.

## SENIOR MANAGEMENT



**Franco Diego Lao, 42 years old**  
**Chief Financial Officer, Treasurer, & Chief Compliance Officer**  
Former Group Supply Chain Director at D&L  
Bachelor of Commerce major in Accounting and Marketing from the *University of Western Australia*  
Years of D&L experience: 21



**Joselito P. Rivera, 58 years old**  
**Chief Operating Officer**  
Former Global Head for Leadership at Ericsson Corporate HQ in Sweden  
Lead Adviser for Marikina Local Government Chairperson, Board of Trustees, and OIC  
President of Pamantasan Lungsod ng Marikina  
A.B. Psychology from *Ateneo de Manila University*  
Years of D&L experience: 3



**Dean A. Lao, Jr., 54 years old**  
**Managing Director of Chemrez**  
Chairman - United Coconut Association of the Phils; Director - ASEAN Oleochemical Manufacturing Group, President - Philippine Oleochemical Manufacturers Association & Philippine Biodiesel Association, Advanced Management Program of *Harvard Business School*  
Years of D&L experience: 23



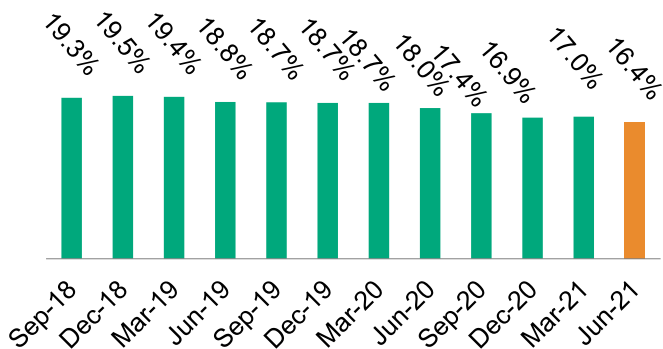
**Lester A. Lao, 52 years old**  
**Managing Director of FIC & DLPC**  
B. A. S. in Information Business from *Edith Cowan University*  
Years of D&L experience: 30



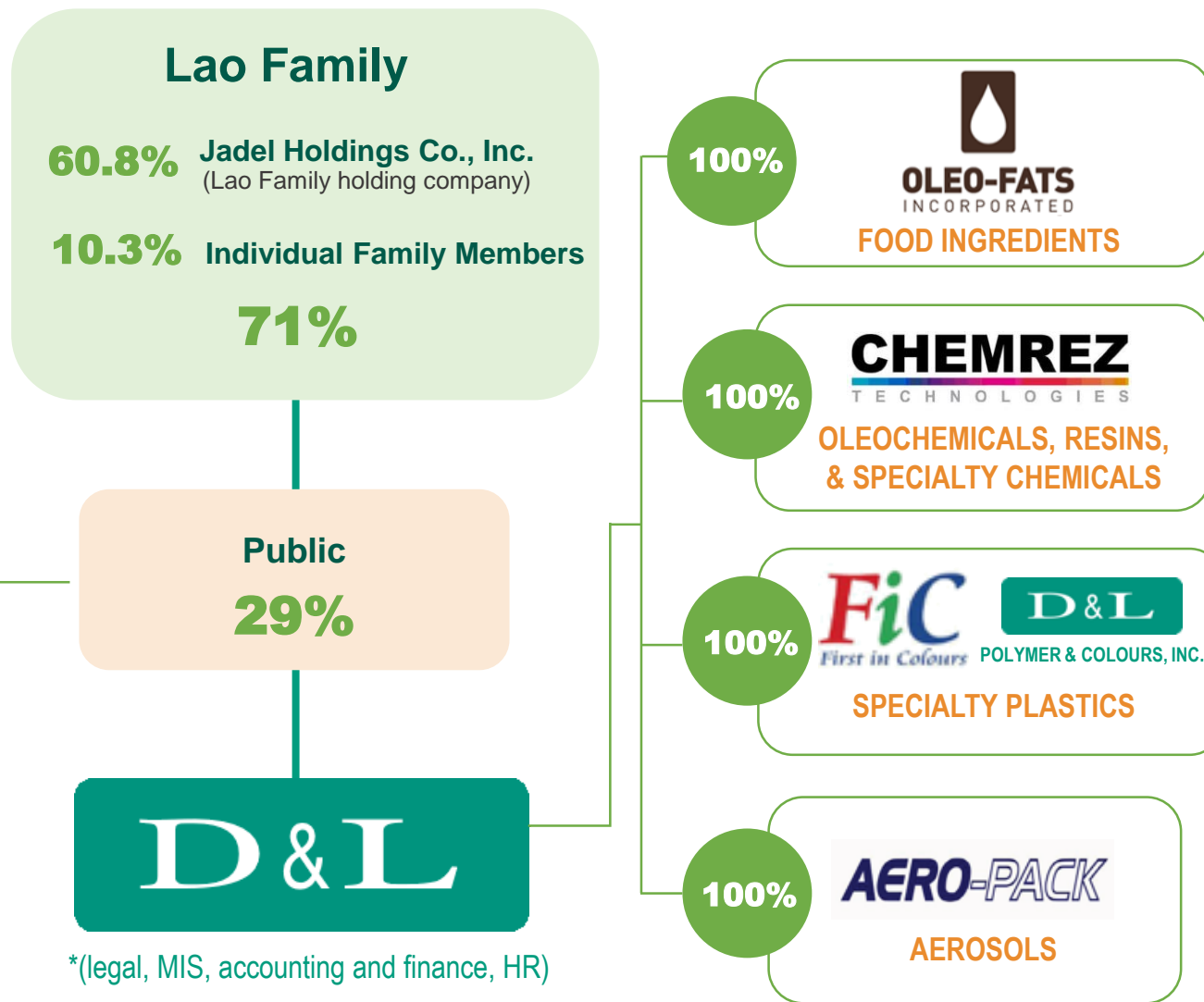
**Vincent D. Lao, 47 years old**  
**Managing Director of Oleo-Fats**  
Previously Assistant Trader at Shuwa Co. Ltd. In Japan ,1994-1995  
B.A. in Economics and Japanese Studies from *the University of Western Australia*  
Years of D&L experience: 25

Our wholly owned subsidiaries are focused on core activities such as R&D, sales, supply chain, and manufacturing, with shared services\* handled by the D&L group

Foreign Ownership as % of Outstanding Shares



Source: Stock Transfer Service Inc.

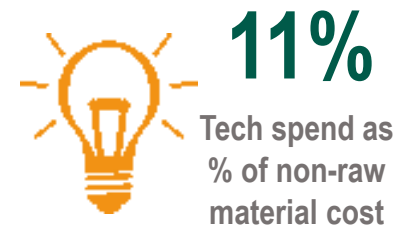
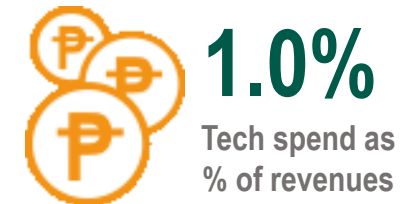
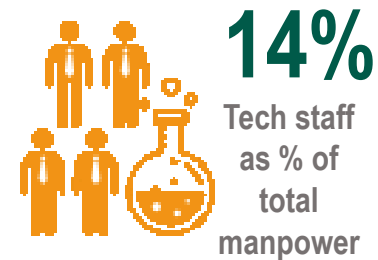




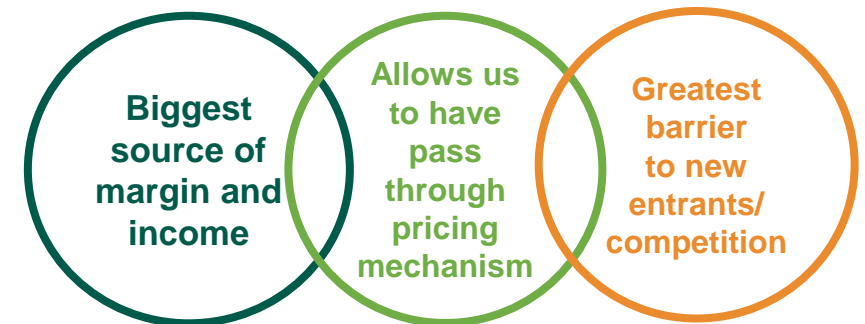
# We are shaped and driven by R&D and disciplined innovation

## OUR MISSION

- We are dedicated to growth. We are not complacent, timid, or satisfied with status quo
- We are committed to increase productivity and profitability, but not at the expense of ethics
- We will continuously enhance our reputation for quality and value. Our products and services must always represent good value for money and be competitive in the market place
- We will maintain our market leadership through creativity, innovation and excellence in performance tempered with experience
- We are proud of our employees. We consider them as our most valuable asset. We will maintain an atmosphere where our people can develop their abilities and potential while working together enthusiastically to achieve our goal
- We will contribute to the well-being of the communities in which we operate, and accept our responsibilities as citizens of the Philippines



We are research-oriented. We will keep abreast of the latest technology and have our fingers on the pulse of the market to identify the market needs that must be met



# We have an integrated supply chain that maximizes efficiency of working capital management



## FLEET OF BARGES

Direct access to fleet of 6 barges with an aggregate capacity of 10,000 metric tons to transport crude oils and raw materials to its refineries and storage tanks near the port



## STORAGE CAPABILITY

Ability to store 33,000 metric tons of oil; refining facility of 300,000 metric tons per annum is strategically located near port, optimizing transportation efficiency



## INTERCONNECTED GROUND TRANSPORT SYSTEM

Superior ground logistics of 42 road tankers with total capacity of over 1,064 metric tons; ensures just-in-time delivery to customer, thereby increasing supply chain efficiency

## Key Benefits of Supply Chain Process

- Know-how of entire supply chain process ensures that the company can anticipate and allocate the optimal resources for transportation of its products
- Not dependent upon third-parties to provide logistics

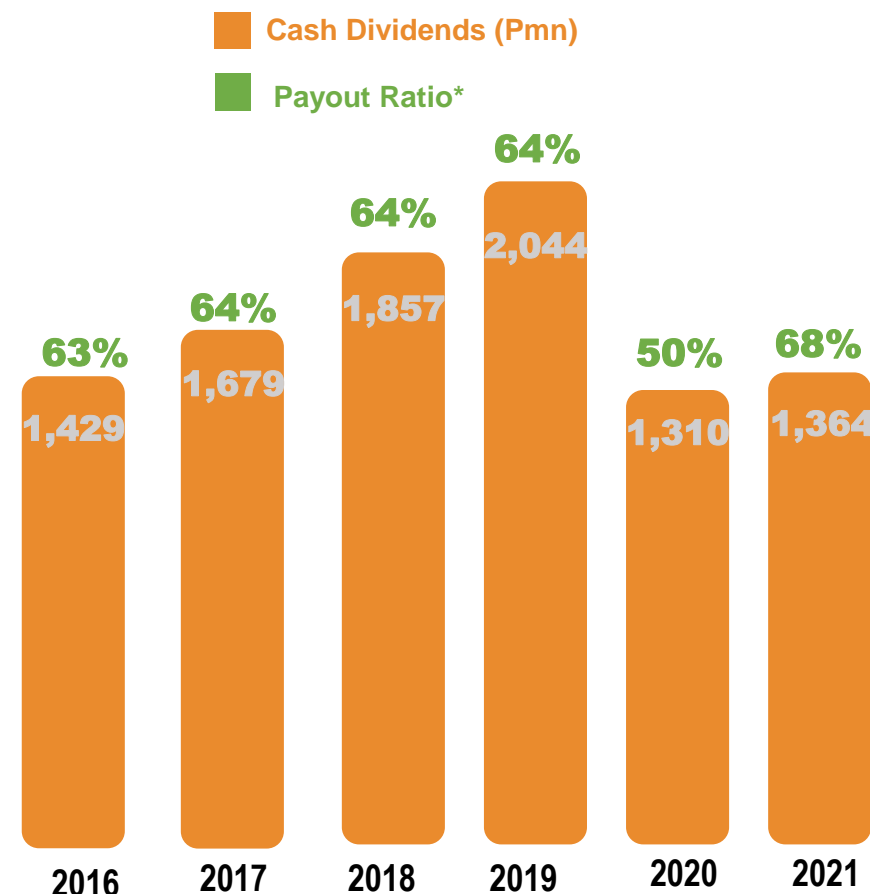
# ASSET-LIGHT MODEL

Rental expenses (paid to affiliates)	Management and Shared Service Fees (MSSF)
land, facilities, warehouses, and barges	D&L provides management and shared services to its subsidiaries and affiliates, including executive management and admin support such as legal, MIS, accounting, human resource, and finance
	MSSF from subsidiaries are eliminated in consolidation
<b>1H21: P169 mn</b> 1% of total costs and expenses	<b>1H21: 49 mn</b> 0.4% of total revenues

Our dividend policy increased from a 25% to 50% payout ratio\* (effective 2016)

Dividend Per Share	2016	2017	2018	2019	2020	2021
Total	P0.20	P0.235	P0.26	P0.286	P0.183	P0.191
Regular	P0.16	P0.185	P0.205	P0.223	P0.183	P0.141
Special	P0.04	P0.05	P0.055	P0.063	-	P0.05

Dividends	Cash
Ex-Date	June 16, 2021
Record Date	June 21, 2021
Payment Date	July 15, 2021





# INVESTOR RELATIONS

#47

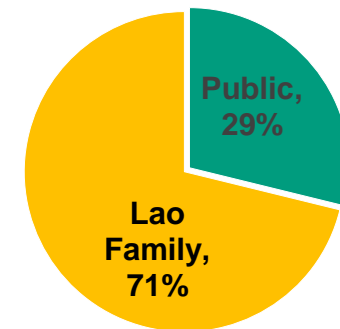
**P57 bn\***

Rank 47 among  
Philippines'  
largest companies  
by market cap

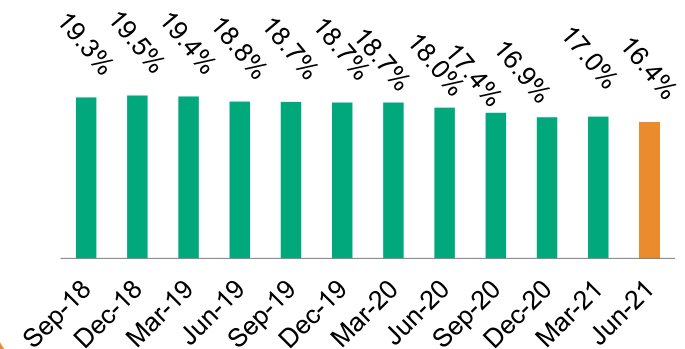
12-Month Daily Trading Average\*

**US\$532k**

Ownership as of  
June 2021



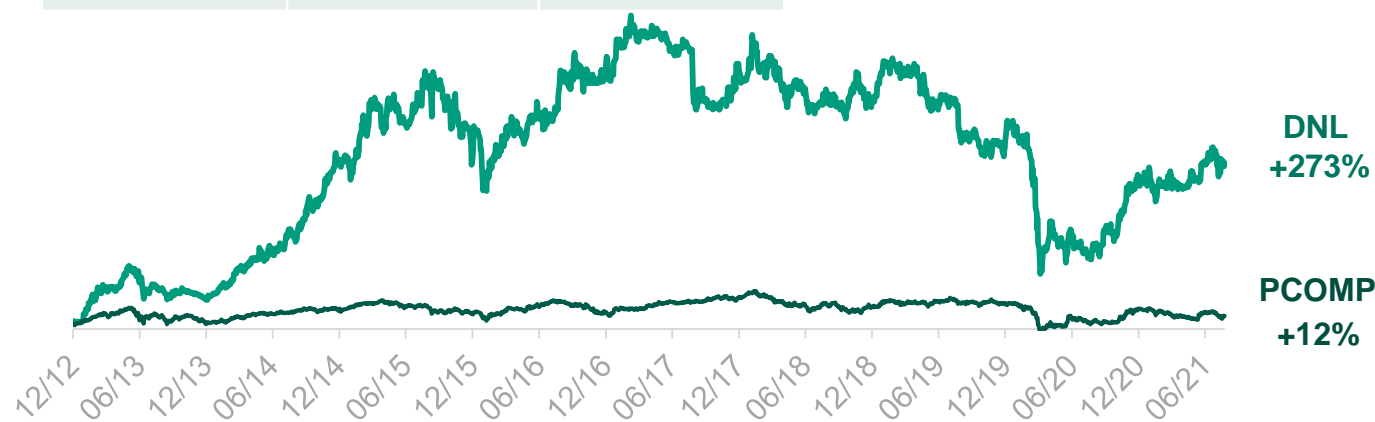
Foreign Ownership as %  
of Outstanding Shares



# INVESTOR RELATIONS

Return since IPO as of 08/06/2021

	Price Change	Total Return
DNL PM	+273%	+353%
PCOMP Index	+12%	+27%



Price as of 08/06: P8.03  
 Market Cap as of 08/06: P57bn  
 USD 1.1bn (USD1:P50.375)  
 Outstanding Shares: 7,142,857,990

**DLNDY:US**  
 Un-sponsored ADR  
 (BNY Mellon & Citi)  
 1ADR = 25 Ordinary

DATE	EVENT	VENUE
September 28 -30, 2021	JP Morgan Rising Dragons Conference	Virtual
October 12 – 13, 2021	Jefferies & Regis Partners PH Corp Access	Virtual
November 18, 2021	UBS PH Consumer Day	Virtual

We have been awarded and recognized both locally and internationally

## Institutional Investor

**2020** – ASEAN Honored Company; Alvin D. Lao as Best CEO in Phils; Crissa Bondad as 2<sup>nd</sup> Best Investor Relations Professional in the Philippines; 3<sup>rd</sup> Best IR Team, 3<sup>rd</sup> Best ESG

**2019** – ASEAN Honored Company; Alvin D. Lao as Best CEO in Phils, ranked 2<sup>nd</sup> in ASEAN; Best Investor Relations Program in Phils; Crissa Bondad as 3<sup>rd</sup> Best Investor Relations Professional in the Philippines; 2<sup>nd</sup> Best ESG and Corporate Governance initiatives  
**2017** – Most Honored Company; Alvin D. Lao as Best CEO; 3<sup>rd</sup> Best Investor Relations Program

campden **FB**

**2017** – Top 50 Global Challengers (2<sup>nd</sup> place)

**ASIAMONEY**

**2014**- Best Managed Company– Small Cap Category (Philippines) candidate

**2021** – Most Outstanding Company in the Philippines (Industrial Sector)

**MSCI**

**2013** - Global Small Cap Index

**CLSA**

**2014** - Top 10 Corporate Governance and Sustainability Report

**FTSE**

**2015** - Global Equity Index Asia Pacific ex Japan All Cap & Small Cap

## Finance Asia

**2019** – Best Mid-Cap Company, 7<sup>th</sup> Best Investor Relations

**2018** – 2<sup>nd</sup> Best Mid-Cap Company  
**2015 & 2016** – Best Mid-Cap Company

**2015** –Alvin D. Lao as Best CFO – 2<sup>nd</sup> Place; Best Investor Relations – 9<sup>th</sup> place

**2014** – 3<sup>rd</sup> Best Mid-Cap

**IR**  
magazine

**2015** – Alvin D. Lao, CFO Best IR by a senior management team Small & mid-cap – South East Asia

**ADB**

ASIAN DEVELOPMENT BANK

**2014 & 2015** - Top 50 Best Performing Philippine-listed Companies - ASEAN Corporate Governance Scorecard

**DOWJONES**

**2013**- Islamic Market ASEAN Index

Forbes  
**Best Under A Billion**

**2016 & 2015** - Asia's 200 Best Under a Billion

# CORPORATE SOCIAL RESPONSIBILITY



LAO FOUNDATION

1%

of D&L's annual net income is committed to corporate social responsibility programs through the foundation

2020

## AREAS OF FOCUS



Education



Values formation

**P21M**

Committed amount from D&L

**164**

Direct scholars in 4 communities

**272**

Educational Assistance scholars supported through partners

**P10M**

Donated to COVID-related relief efforts



## Our CSR projects focus on education and values formation

PROGRAM	BENEFICIARIES
Partner Based Educational Program	College, TechVoc, High School, Elementary and Hearing Impaired students nationwide
Community Based Educational Program	Various communities and elementary schools where D&L plants are located
ELL Teachers Welfare Program	Sponsoring stipends of retired teachers of Grace Christian High School
LBL Educational Program	Scholarships for the Most In-Need Children & Dependents of D&L Employees Educational Excellence Grants for Children of D&L employees

# 1H21 Results

# 1H21 Highlights

1

Strong earnings recovery continued with 1H21 income +74% YoY and 2Q21 income +134% YoY

2

2Q21 and 1H21 income already at pre-COVID levels

3

HMSP volume rebounded sharply in 2Q21, up 36% YoY

4

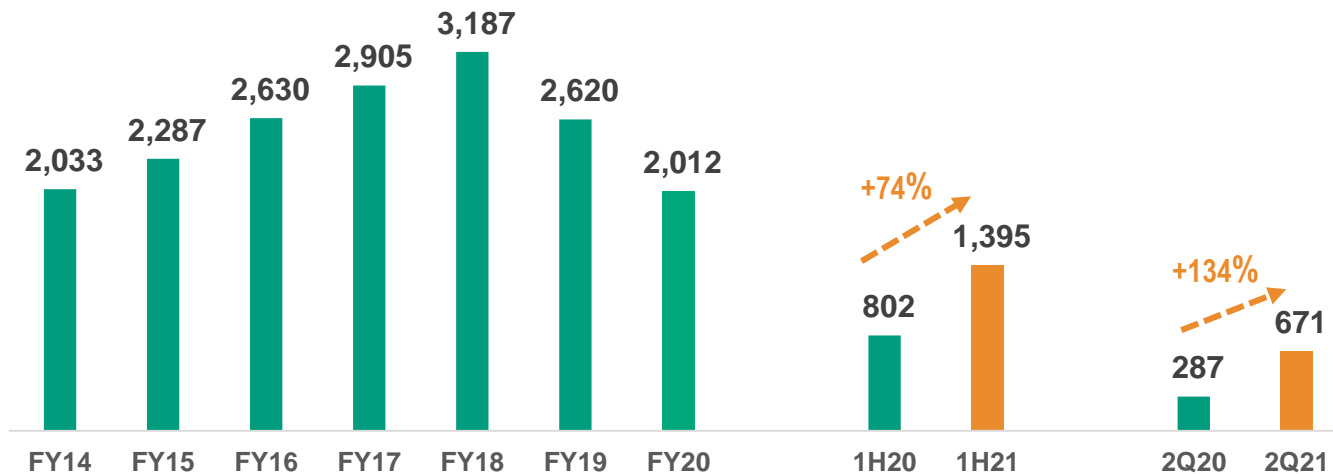
All segments posted significant recovery YoY

5

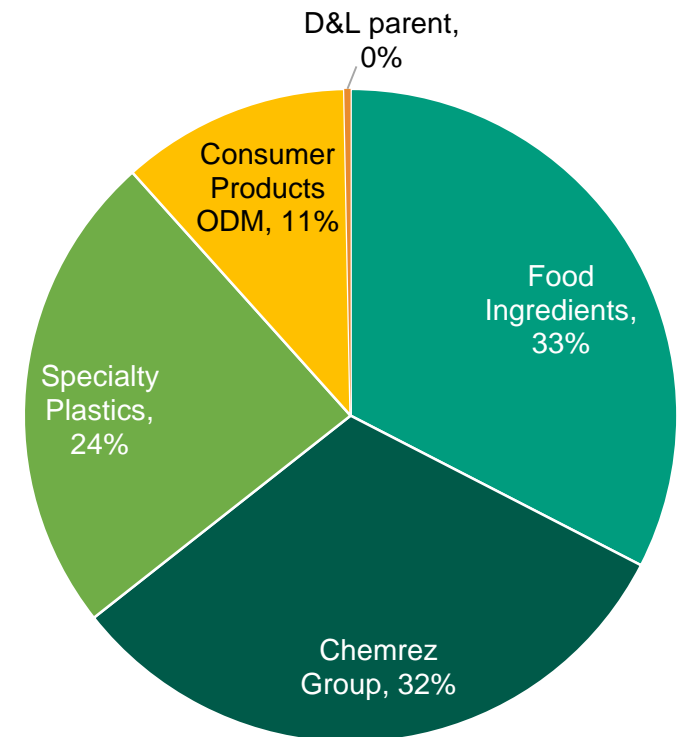
Exports sales +70% YoY in 1H21;  
export contribution to total sales reached 33%

# Strong earnings recovery continued with 1H21 income +74% YoY and 2Q21 income +134% YoY

Net Income (Php mn)



Net income breakdown





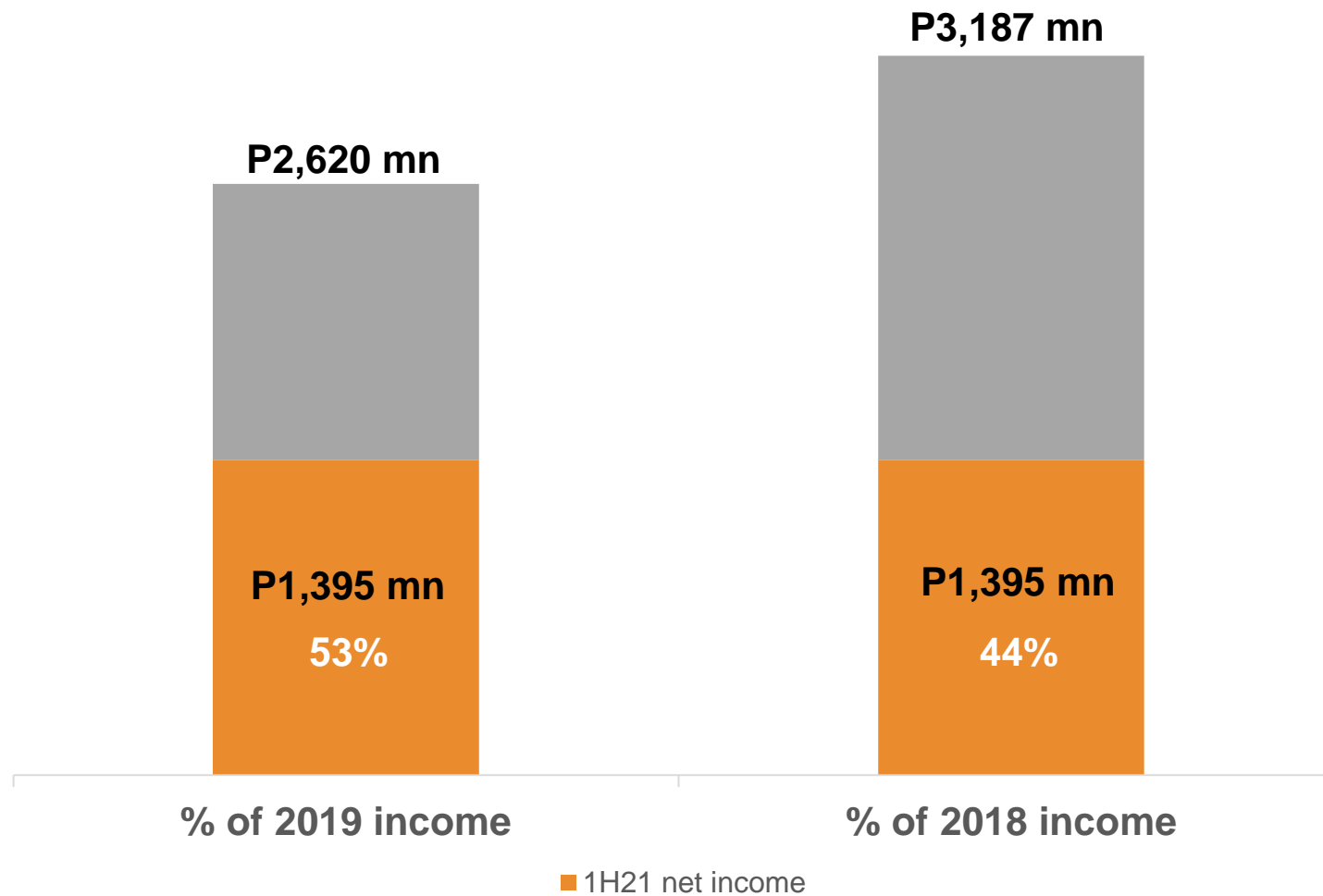
# 1H21 income already at pre-COVID level

2Q21 earnings at +1% vs 2Q19 and 1H21 earnings at -1% vs 1H19

(In P mn)	1H YoY			2Q YoY			QoQ			vs 2019			vs 2019		
	1H21	1H20	% change	2Q21	2Q20	% change	2Q21	1Q21	% change	2Q21	2Q19	% change	1H21	1H19	% change
Sales	13,905	10,173	37%	6,901	4,501	53%	6,901	7,004	-1%	6,901	5,160	34%	13,905	11,036	26%
COGS & Cost of Service	(11,592)	(8,477)	37%	(5,757)	(3,798)	52%	(5,757)	(5,835)	-1%	(5,757)	(3,996)	44%	(11,592)	(8,638)	34%
Gross Profit	2,313	1,696	36%	1,144	703	63%	1,144	1,169	-2%	1,144	1,163	-2%	2,313	2,398	-4%
Operating expenses	(596)	(517)	15%	(295)	(227)	30%	(295)	(300)	-2%	(295)	(270)	9%	(596)	(553)	8%
Other operating income	23	(6)	-495%	13	(22)	-159%	13	10	29%	13	(12)	-208%	23	5	388%
Interest expense	(75)	(94)	-20%	(43)	(49)	-13%	(43)	(33)	30%	(43)	(32)	31%	(75)	(98)	-23%
Profit before tax	1,666	1,079	54%	819	405	102%	819	846	-3%	819	848	-3%	1,666	1,752	-5%
Income tax	(271)	(277)	-2%	(148)	(118)	26%	(148)	(123)	21%	(148)	(183)	-19%	(271)	(338)	-20%
<b>Net Income</b>	<b>1,395</b>	<b>802</b>	<b>74%</b>	<b>671</b>	<b>287</b>	<b>134%</b>	<b>671</b>	<b>724</b>	<b>-7%</b>	<b>671</b>	<b>665</b>	<b>1%</b>	<b>1,395</b>	<b>1,414</b>	<b>-1%</b>
Gross Profit Margin	16.6%	16.7%	(0.03)	16.6%	15.6%	1.0	16.6%	16.7%	(0.1)	16.6%	22.5%	(6.0)	16.6%	21.7%	(5.1)
Net Profit Margin	10.0%	7.9%	2.1	9.7%	6.4%	3.3	9.7%	10.3%	(0.6)	9.7%	12.9%	(3.2)	10.0%	12.8%	(2.8)

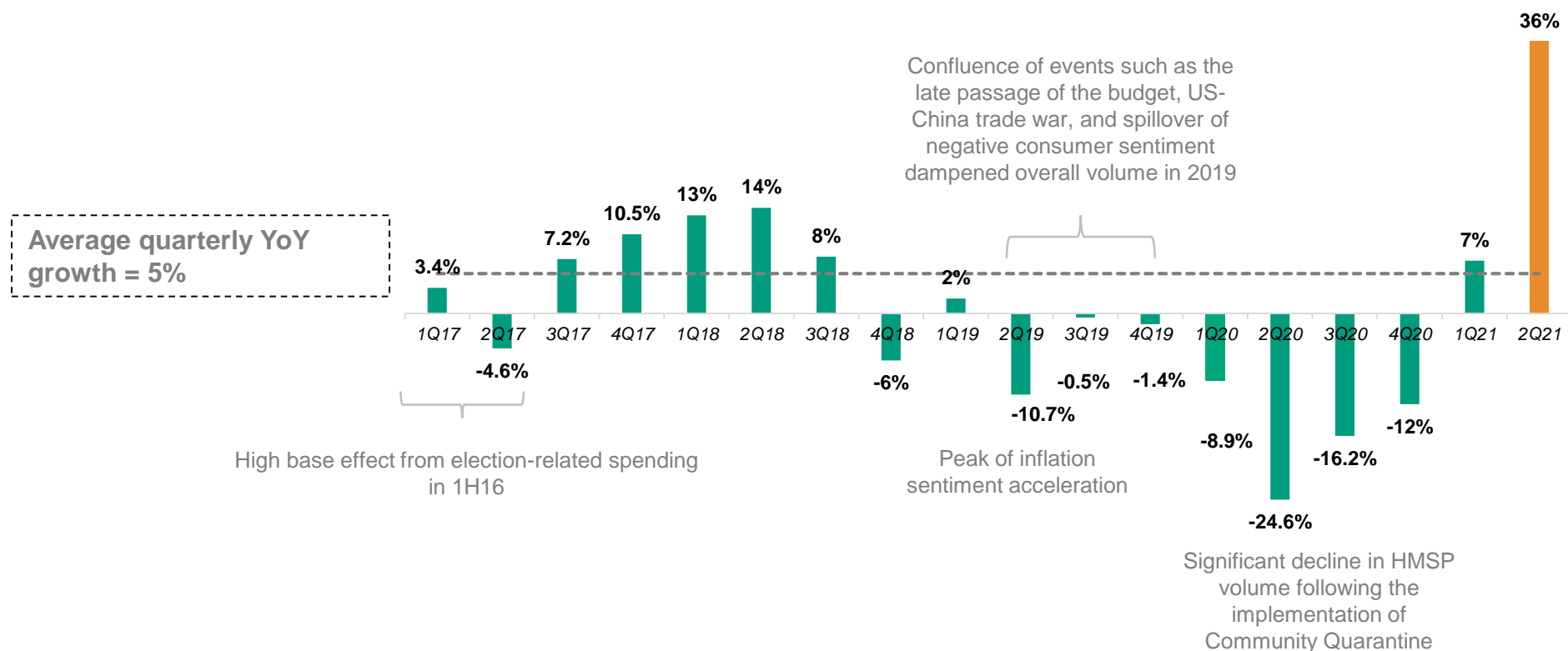
## 1H21 income tracking ahead of FY19 income but slightly behind FY18 income

1H21 Income as % of FY19 & FY18 Income



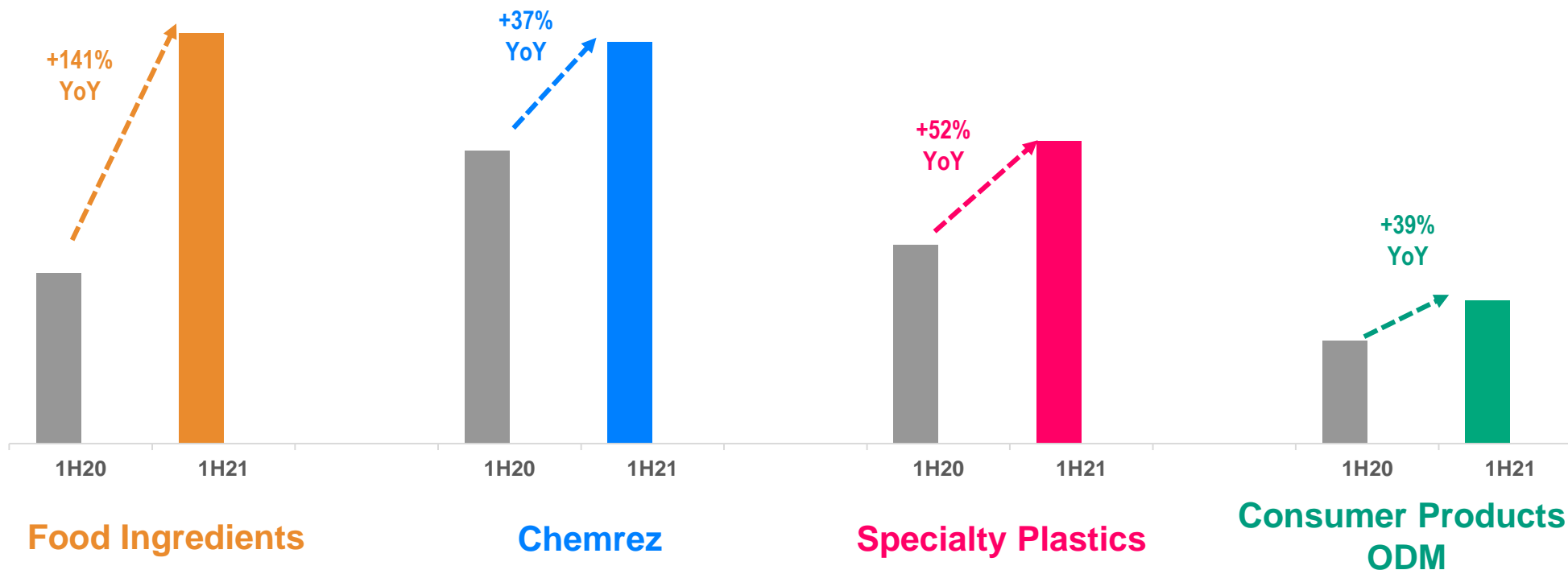
# HMSP volume rebounded sharply in 2Q21, up 36% YoY

## HMSP volume growth (YoY)



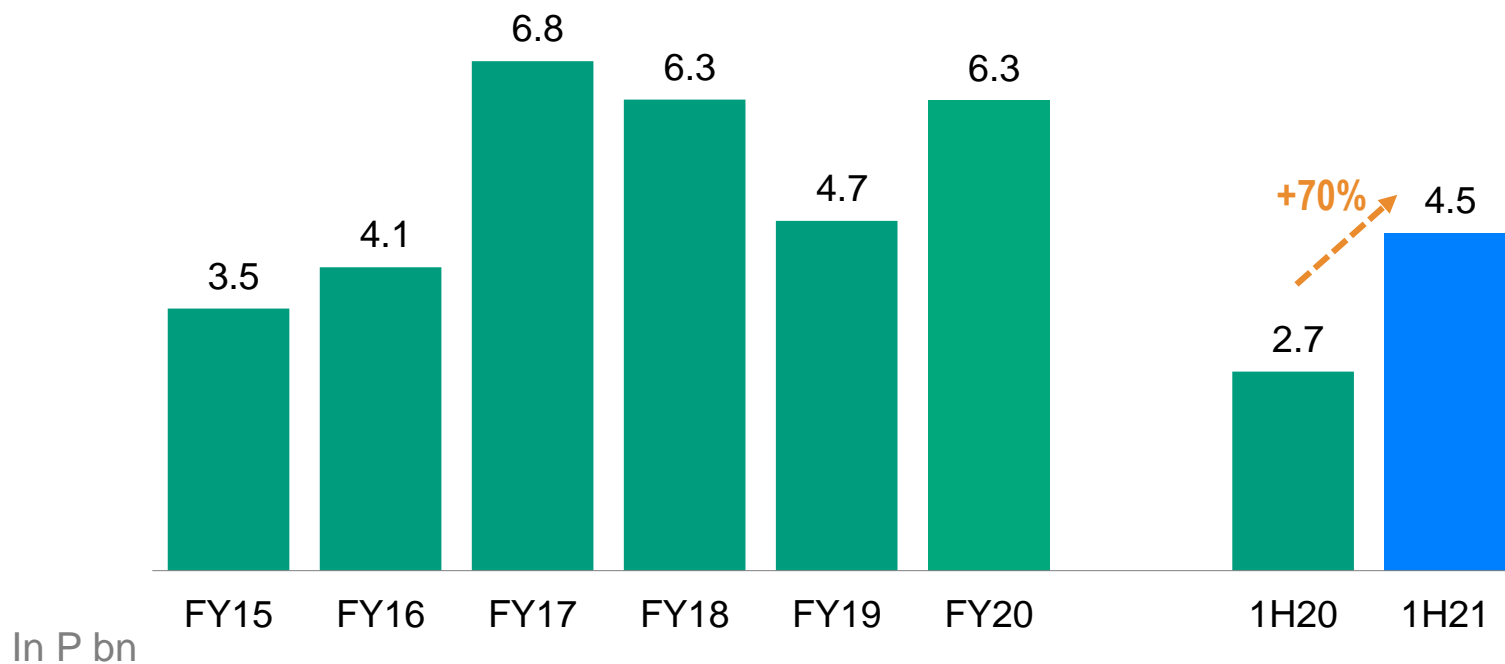
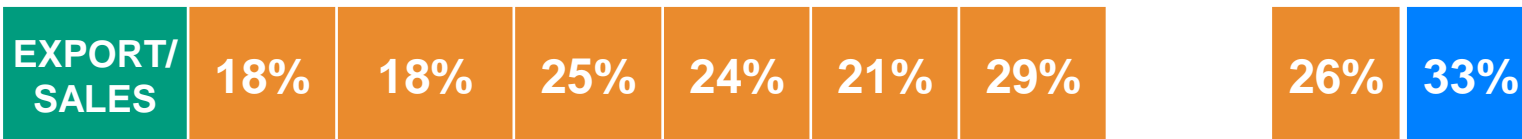
# All segments posted significant recovery vs last year

Segment net income YoY  
(in P mn)

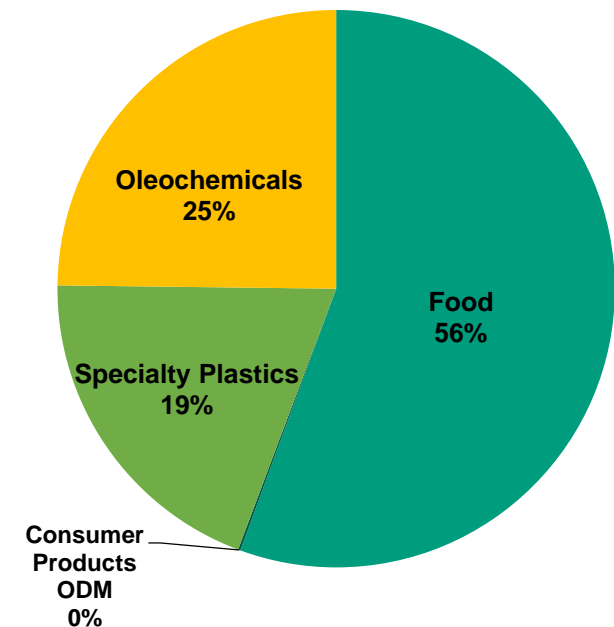




# Exports contribution stood at 33% in 1H21



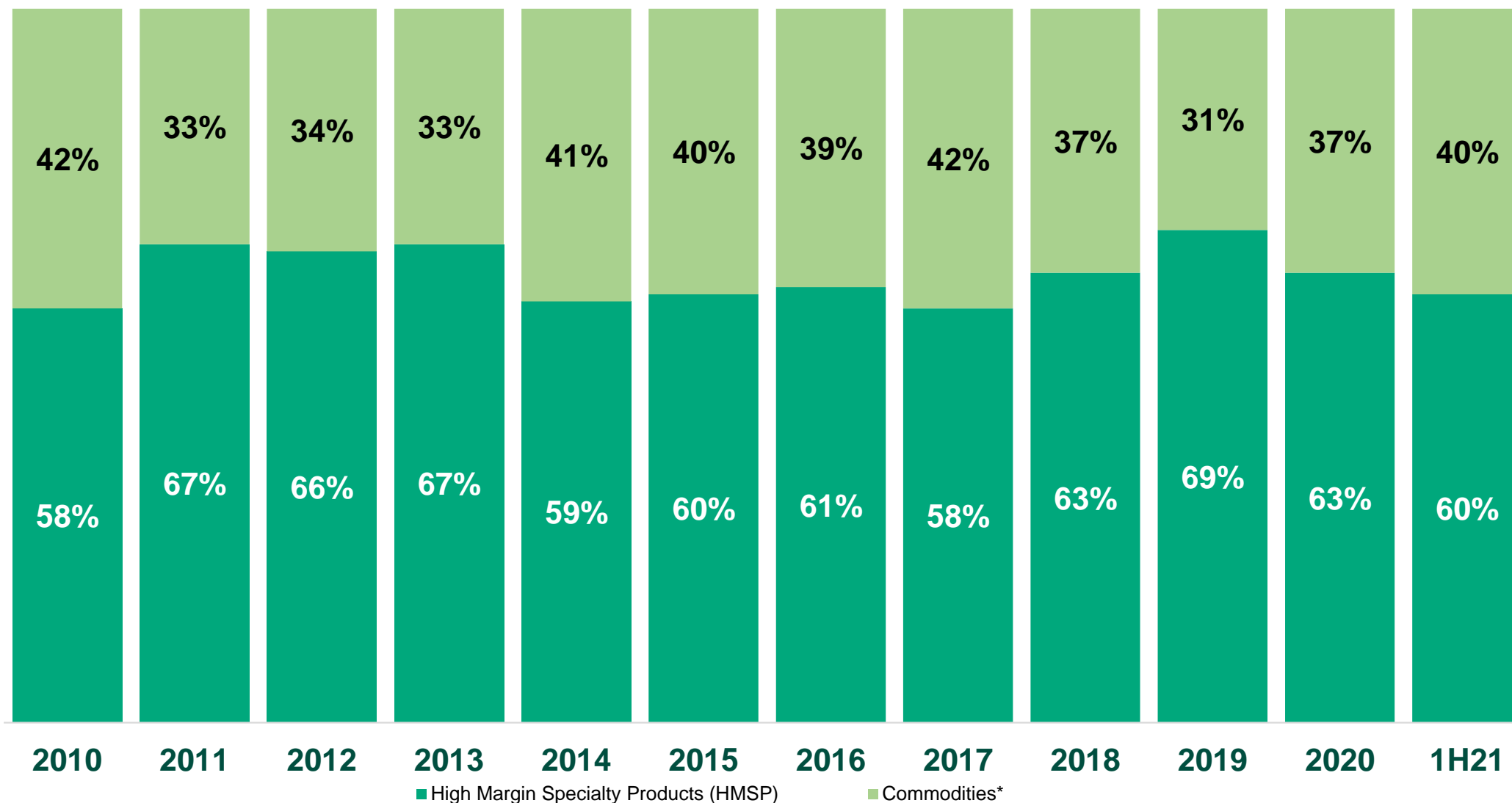
## Breakdown of exports



# Sales mix

## REVENUES

% share to total group revenues

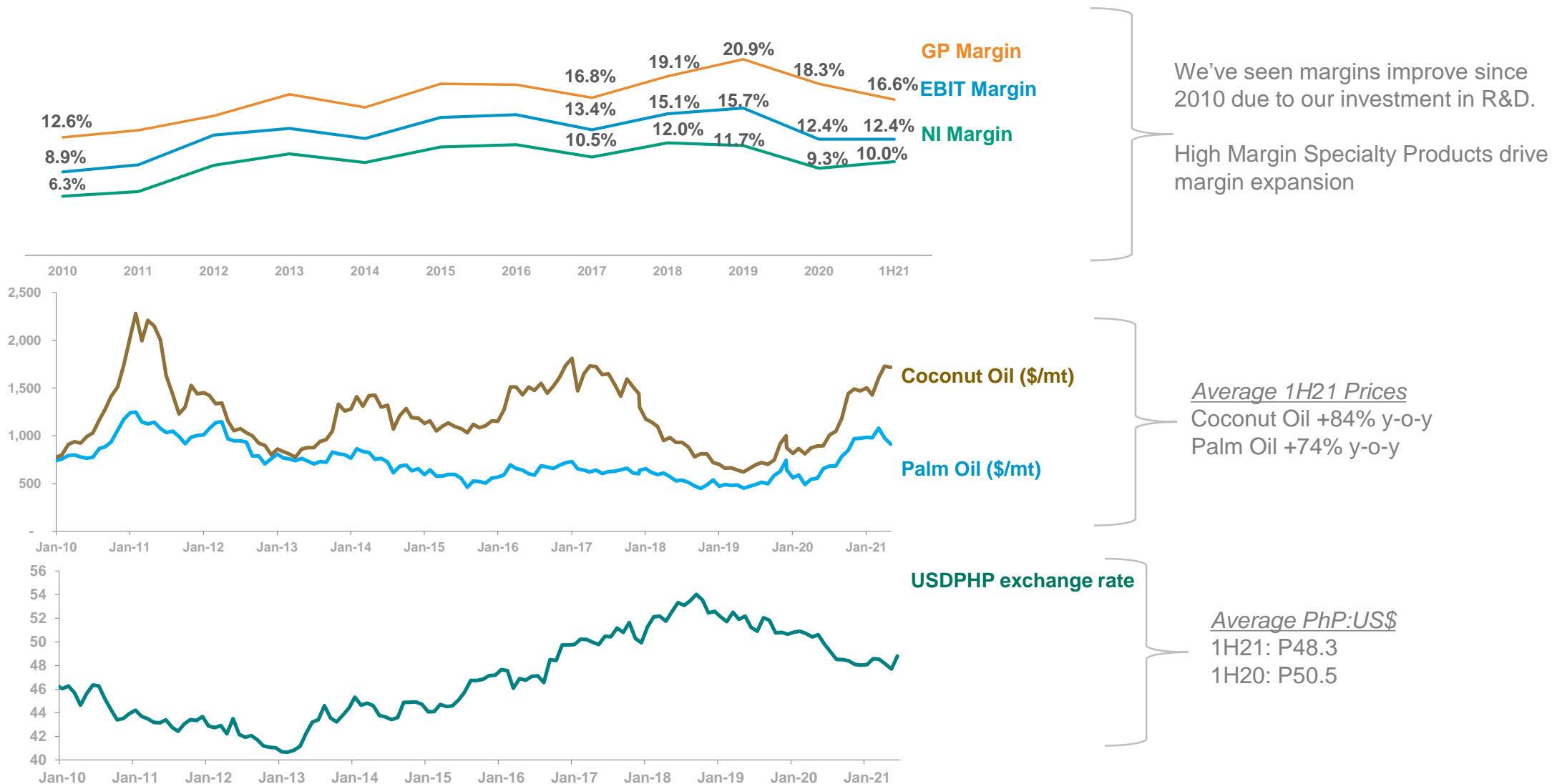


# Financial & Operating Highlight



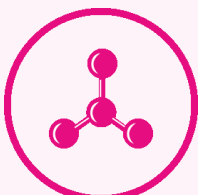


## Condensed Statement of Cash Flows

In PMN	1H21	FY20
EBITDA	2,096	3,387
Interest Received	6	13
Paid taxes	(168)	(558)
Non cash items	(19)	60
Change in working capital	(1,806)	(688)
<b>Net Operating Cash Flow</b>	<b>110</b>	<b>2,214</b>
Capex	(1,318)	(2,119)
<b>Free Cash Flow</b>	<b>(1,208)</b>	<b>95</b>

# Pass-through pricing mechanism as natural hedge against volatility in forex and commodity prices

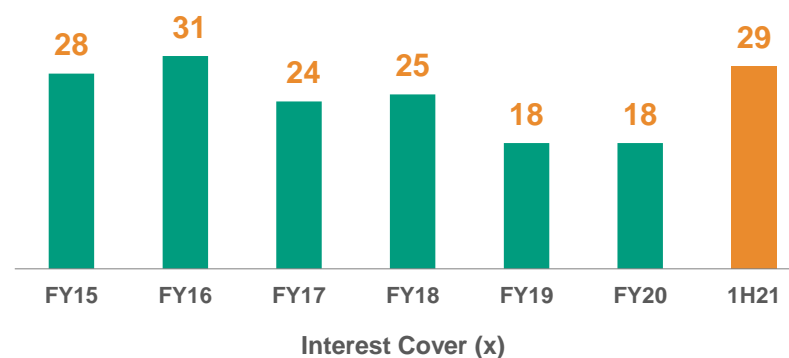
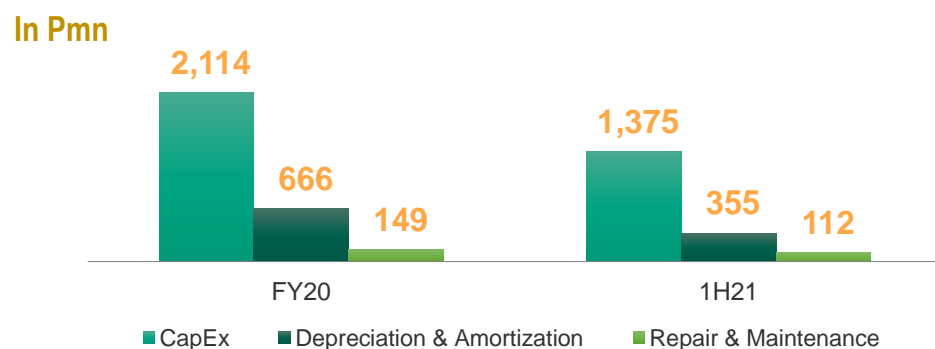


# 1H21 Group Results

	 <b>Food Ingredients</b>	 <b>Oleochemicals &amp; Other Specialty Chemicals</b>	 <b>Specialty Plastics</b>	 <b>Consumer Products ODM</b>	 <b>D&amp;L Industries - Consolidated</b>
<b>% change in Revenues</b>	<b>36%</b>	<b>42%</b>	<b>45%</b>	<b>25%</b>	<b>38%</b>
<b>% change in Net Income</b>	<b>141%</b>	<b>37%</b>	<b>52%</b>	<b>39%</b>	<b>74%</b>

## Balance Sheet remains robust

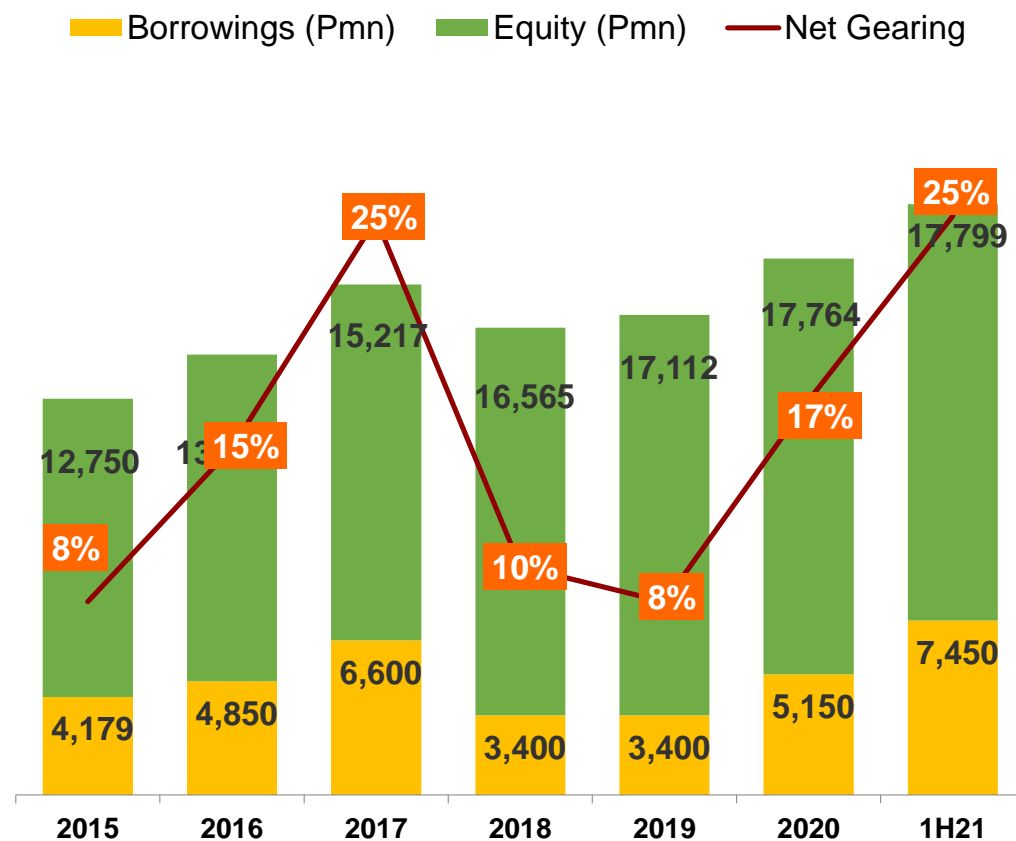
In Pmn	As of end Jun-21	As of end Dec-20	In Pmn	As of end Jun-21	As of end Dec-20
Cash	3,044	2,137	Book Value	17,799	17,767
Current Assets	17,913	14,829	BVPS <sup>1</sup> (in P)	2.49	2.49
Total Assets	29,254	25,392	Debt-to-equity (Borrowings/ Equity)	0.42x	0.29x
Borrowings	7,450	5,150	Return on Equity	15.7%	11.3%
Total Liabilities	11,455	7,625	Return on Invested Capital <sup>2</sup>	14.3%	12.9%





# Capital Structure

Balance sheet in a solid position to withstand external pressure



**29x**

interest  
cover

**P4.4**  
Billion

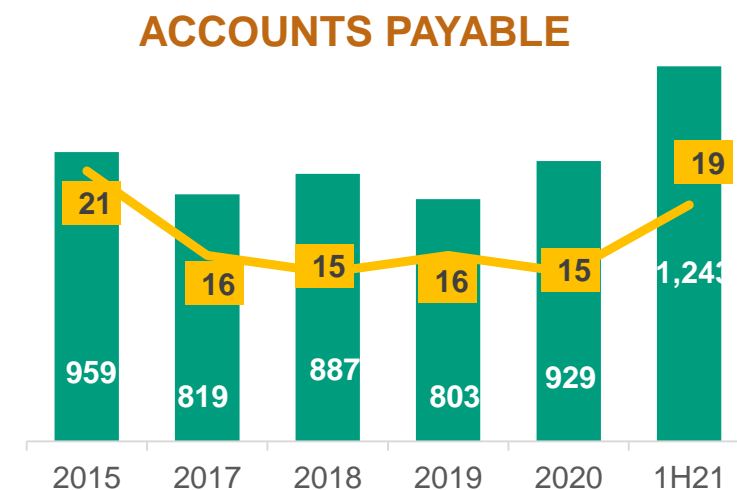
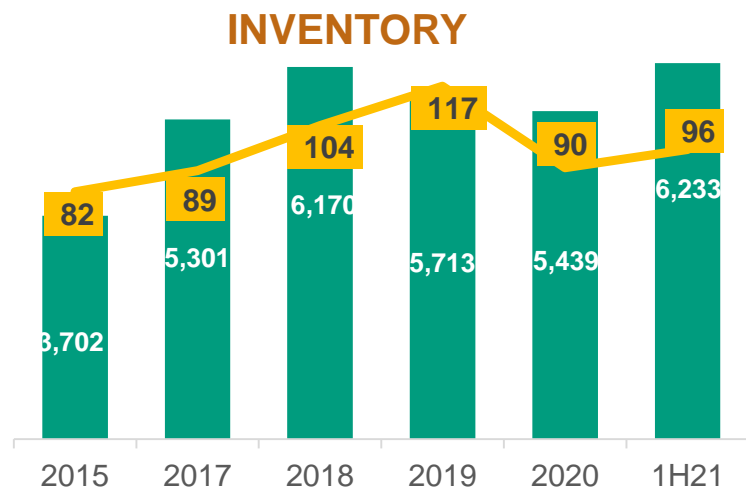
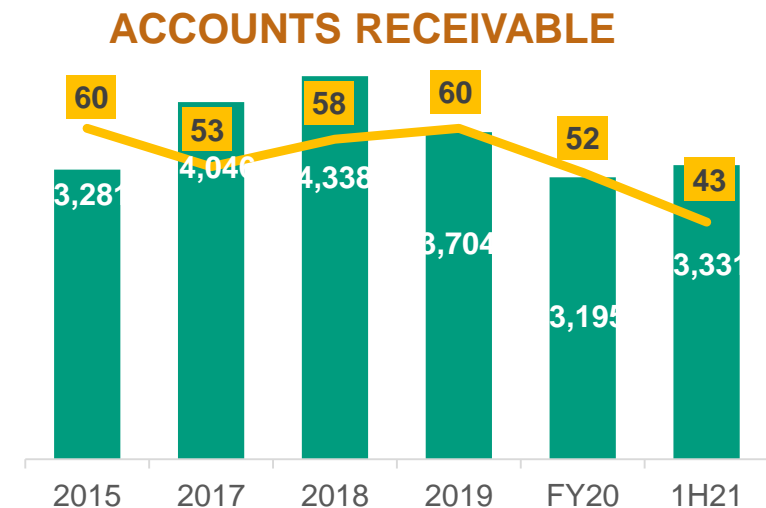
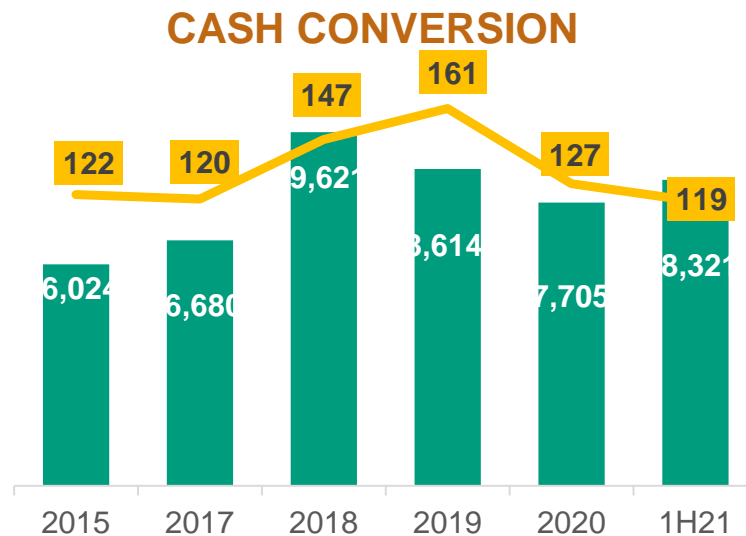
net  
debt

**~2.77%**  
p.a.

average  
cost of debt\*

# Working Capital Cycle

Cash conversion cycle better with improvements in A/R and inventory days



Average balance (P mn)
  Cycle (in days)

# Foundation of future growth

High value, high margin products:  
Expansion in export zones & “Pack at source” initiative

# FIT expansion progress

Photo taken last April 28, 2021



Premium foods  
expansion area

Natura Aeropack

D&L Premium Foods

Natura Aeropack  
expansion area

Natura Aeropack



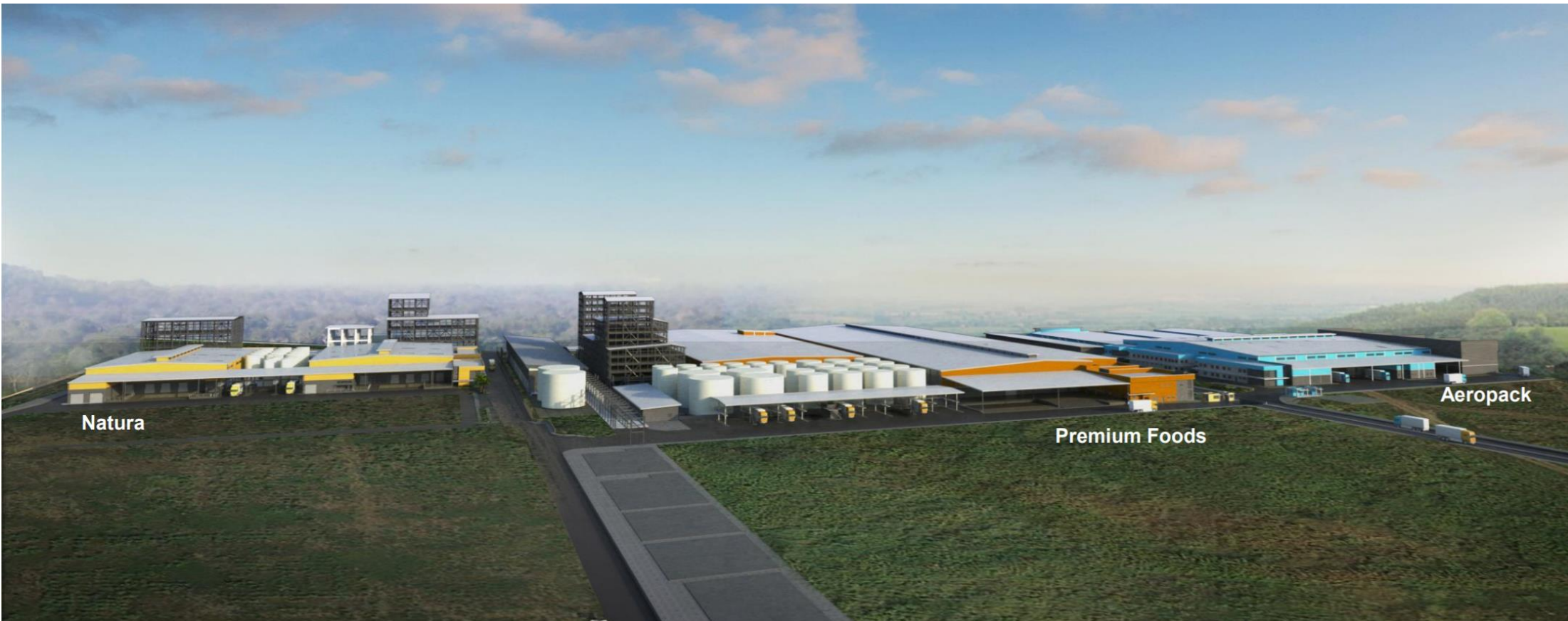
# FIT expansion progress

Photo taken last July 29, 2021





# FIT expansion perspective; to rise in 2021





# APPENDIX

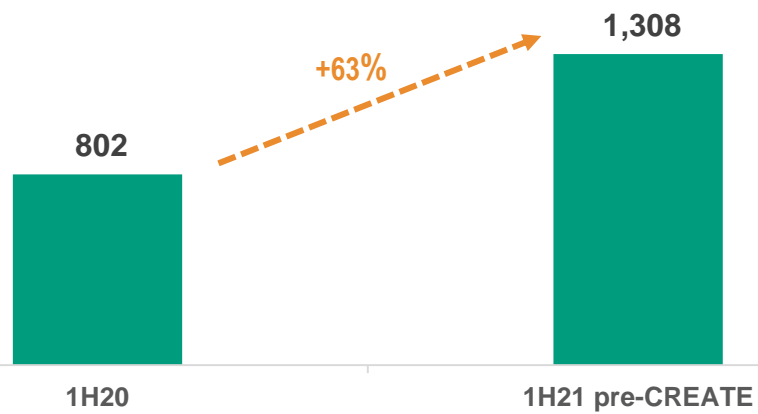
# Metro Manila Quarantine Status

ECQ 3/17 – 5/15 59 days	MECQ 5/16 – 5/31 15 days	GCQ 6/1 – 8/3 63 days	MECQ 8/4 – 8/18 14 days	GCQ 8/19 – 12/31 134 days	ECQ '21 3/28 – 4/11 14 days	MECQ '21 4/12 – 5/13 32 days	GCQ WER 5/14 -8/5 82 days	ECQ '21 8/6 -8/20 14days
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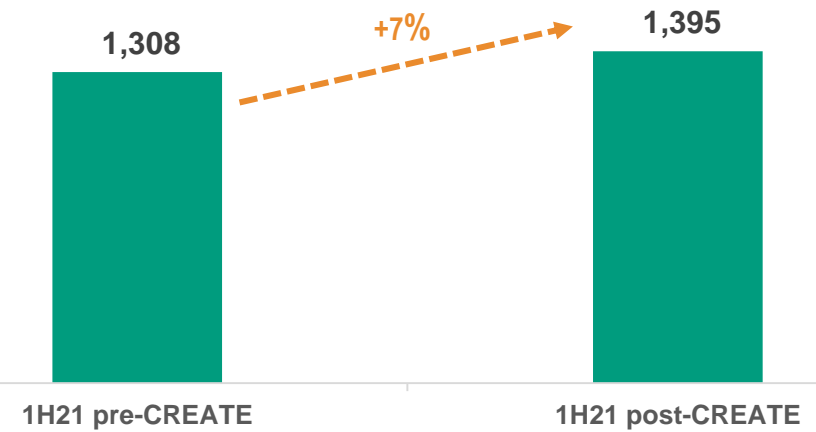
	ECQ	ECQ '21	MECQ	MECQ '21	GCQ	GCQ – WER	MGCQ
<b>Manufacturing</b>	50-100% capacity for essential goods & services  Non-essential goods & services not allowed	50-100% capacity for essential goods & services  Non-essential goods & services not allowed	100% capacity for essential goods & services  50% capacity for non-essential goods & services	100% capacity for essential goods & services  50% capacity for non-essential goods & services	100%	100%	100%
<b>Public Transportation</b>	Not allowed	Limited capacity allowed	Not Allowed	Limited capacity allowed	Limited capacity allowed	Limited capacity allowed	Limited capacity allowed
<b>Food establishments</b>	Take-out & Delivery only	Take-out & Delivery only	Take-out & Delivery only	10% capacity for dine-in services	30% or 50% capacity for dine-in services (LGU discretion)	Indoor dine-in at 20% ; outdoor dine-in at 50%.	75% capacity for dine-in services
<b>Salons &amp; Barbershops</b>	Not allowed	Not allowed	Not allowed	30% capacity	30% or 50% capacity (LGU discretion)	30% capacity	75% capacity
<b>Gym &amp; Fitness Studios</b>	Not allowed	Not allowed	Not allowed	30 % capacity	Limited capacity allowed	30% capacity	50% capacity

# CREATE Act Impact

1H YoY income comparison before CREATE impact



CREATE impact on 1H21 earnings



# NEWS AND DEVELOPMENTS

# 2017

## APPOINTMENT OF NEW INDEPENDENT DIRECTORS



**Corazon S. Dela Paz-Bernardo, 76 years old**

CPA

Former President & CEO of Social Security System

Former Senior Partner and Chair at Joaquin Cunanán & Co (PricewaterhouseCoopers Philippines)

First non-European President of the International Social Security Association

B.S. Accountancy from *University of the East*

MBA from *Cornell University*



**Lydia Balatbat-Echaz, 69 years old**

Former President of Far Eastern University

Director of Metro Pacific Investments

A.B. in Economics and Mathematics from *St. Theresa's College*

MBA from *Ateneo de Manila University*

DBA from *De La Salle University*

# NEWS AND DEVELOPMENTS

## 2016

<b>OLEO-FATS (FOOD INGREDIENTS)</b>	Distribution agreement with <b>Bunge Limited</b> (NYSE:BG)	premium soft oils, including coconut oil (under Bunge's Farm Origin brand)	<ul style="list-style-type: none"> <li>• Exports within Asia Pacific</li> <li>• Food service and retail</li> </ul>
<b>Management Changes</b>	<b>Effective August 1</b>	<ul style="list-style-type: none"> <li>• Dean L. Lao, one of D&amp;L's founders, stepped down as Director. He remains as Chairman Emeritus.</li> <li>• John L. Lao stepped down as President and Chief Executive Officer. He remains as Director.</li> <li>• Alvin D. Lao is the new President and CEO and joins the board as Director.</li> <li>• Amorsolo M. Rosario is the new CFO.</li> </ul>	
	<b>Effective April 4</b>	<ul style="list-style-type: none"> <li>• Mercedita S. Nollado joins the Board of Directors as Independent Director</li> </ul>	

# BUNGE SOFT OIL PRODUCTS





# NEWS AND DEVELOPMENTS

## 2015

### INCREASE IN CAPITAL STOCK

Capital Stock	Pre - Inc in ACS	Post - Inc in ACS
Authorized	₱4,000,000,000	₱18,000,000,000
Subscribed	₱3,571,428,995	₱7,142,857,990
Paid-up	₱6,826,595,440	₱10,398,024,435
Issued & Outstanding Shares	3,571,428,995	7,142,857,990

Dividends taken from retained earnings as of March 31, 2015

No changes in equity

Issued and Outstanding shares doubled effective September 17, 2015

Non-recurring gain of P83 million from sale of land booked in 4Q2015

### SALE OF CHEMREZ PROPERTY

66 INDUSTRIA – 6,000 sqm

# NEWS AND DEVELOPMENTS

## 2014

ACQUISITION OF CHEMREZ	Transaction Details	<ul style="list-style-type: none"> <li>• buying 65.3% of Chemrez for P6/share</li> <li>• Chemrez now wholly-owned subsidiary</li> <li>• funded with 2/3s short-term debt, 1/3 cash</li> </ul>	Strategic Rationale	<ul style="list-style-type: none"> <li>• Taking Chemrez private for competitive reasons</li> <li>• New product innovations with large potential for margin improvement</li> </ul>
	Financial Rationale	<ul style="list-style-type: none"> <li>• Valued Chemrez at 13x 2015 PER</li> <li>• Offer price at 24% premium over Chemrez's 60-day moving average before the announcement (Aug 29)</li> </ul>	Status	<ul style="list-style-type: none"> <li>• Transaction completed on October 10</li> <li>• D&amp;L now owns 99.7% of Chemrez Technologies</li> <li>• Full consolidation started October 7</li> </ul>
OLEO-FATS (FOOD INGREDIENTS)	Supply contract with Ventura Foods (US)	specialty fats and oils & specialty ingredients	<ul style="list-style-type: none"> <li>• Exports within Asia Pacific</li> <li>• Food service</li> </ul>	



FILIPINO



MANUFACTURING



CUSTOMIZED  
SPECIALTY  
PRODUCTS



B2B2C

D&L's expansion site in  
Batangas, Philippines

**D & L**

**D&L INDUSTRIES**

INVESTOR PRESENTATION

May 2021