

D&L's expansion site in
Batangas, Philippines



FILIPINO



MANUFACTURING



CUSTOMIZED
SPECIALTY
PRODUCTS



B2B2C

D & L

D&L INDUSTRIES

Investor Presentation

March 2024

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

FY23

P33.5B *Revenues*

P2.3B *Net Income*



FOOD INGREDIENTS

Fats, oils and other specialty food ingredients



61%
Revenue

31%
Net Income



**OLEOCHEMICALS & OTHER
SPECIALTY CHEMICALS**

Coco-biodiesel, oleochemicals, resins and powder coatings



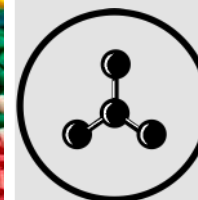
26%
Revenue

27%
Net Income



SPECIALTY PLASTICS

Pigment blends, color and additive masterbatches and engineered polymers



10%
Revenue

31%
Net Income



CONSUMER PRODUCTS ODM

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



4%
Revenue

12%
Net Income

KEY BUSINESS STRATEGIES



**Maintain Market
Leadership**



**Innovate
Continuously**



**Capitalize on Growing
Domestic Consumer Market**

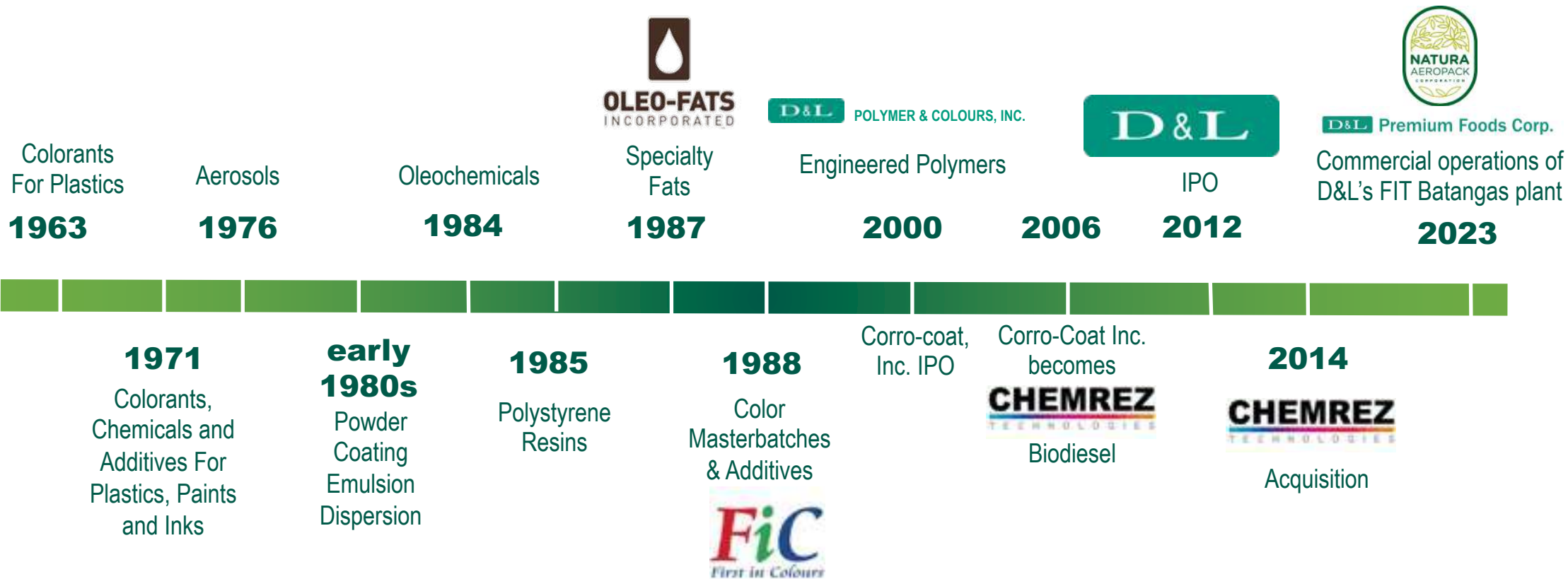


**Enhance Production and
Business Processes**



**Expand
Globally**

Our history of serving customers spans across 60 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)



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, 70 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, 68 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, 52 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 Nolleddo, 82 years old
Lawyer and CPA
Former Senior Managing Director & Corporate Secretary of Ayala Corp.
Chairman, BPI Investment Management; Trustee, - Ayala Foundation and BPI Foundation
B.S. Business Administration & Bachelor of Laws from the *University of the Philippines*



Karl Kendrick Chua, 44 years old
Former World Bank Senior Economist for the Philippines
Former Secretary of the National Economic and Development Authority
Former Undersecretary for Strategy, Economics, and Results at the Department of Finance
Recipient of the 2018 Outstanding Young Men and Women of the Philippines (TOYM) Award in the field of Economic Development



Corazon S. Dela Paz-Bernardo, 82 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, 75 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*

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, 44 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: 23



Dean A. Lao, Jr.
55 years old
President & CEO 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: 25



Lester A. Lao,
54 years old
President & CEO of FIC & DLPC
B. A. S. in Information Business from *Edith Cowan University*
Years of D&L experience: 32



Vincent D. Lao,
50 years old
President & CEO 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: 27

D&L Ownership Structure

Lao Family

62.2% Jadel Holdings Co., Inc.
(Lao Family holding company)

10.4% Individual Family Members

72.6%

Public

27.4%

D&L

*(legal, MIS, accounting and finance, HR)

FOOD INGREDIENTS



**D&L
PREMIUM
FOODS**

100%

OLEOCHEMICALS, RESINS, & SPECIALTY CHEMICALS

**CHEMREZ
TECHNOLOGIES**



100%

SPECIALTY PLASTICS

Fic

**D&L
POLYMER & COLOURS, INC.**

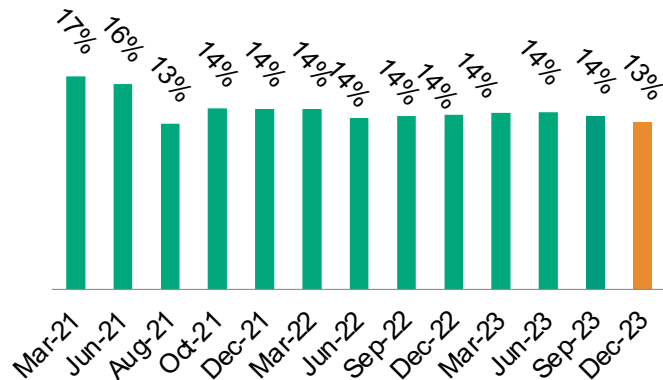
100%

AEROSOLS

AERO-PACK

100%

Foreign Ownership as %
of Outstanding Shares

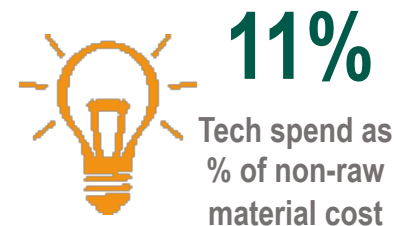
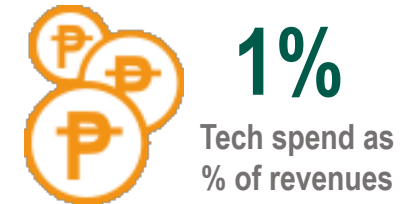
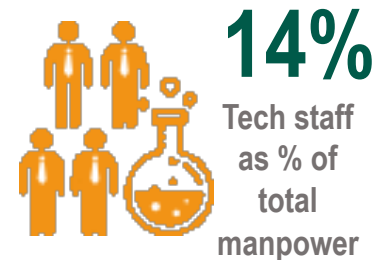


Source: Stock Transfer Service Inc.

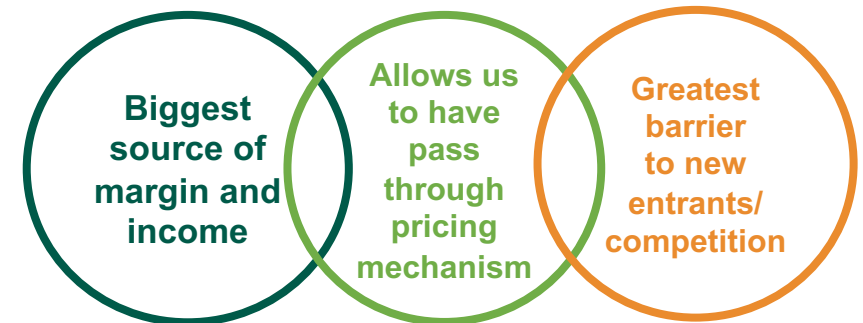
We are shaped and driven by R&D and disciplined innovation

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

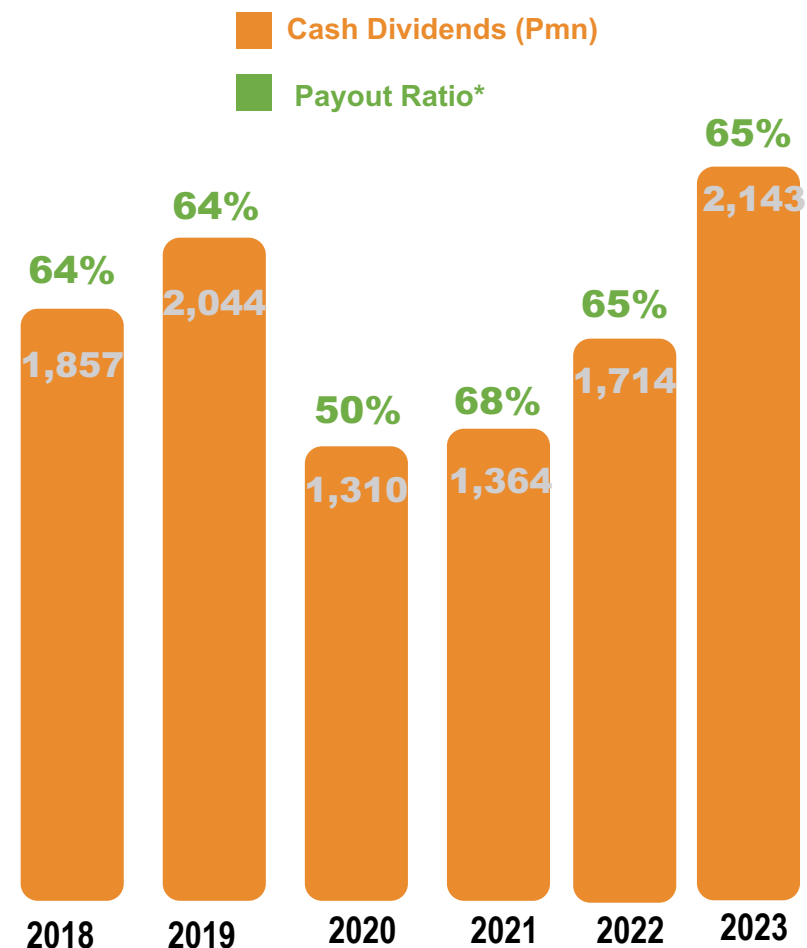
ASSET-LIGHT MODEL

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
FY23: P645 mn 2% of total costs and expenses	FY23: P103 mn 0.3% of total revenues

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

Dividend Per Share	2018	2019	2020	2021	2022	2023
Total	P0.26	P0.286	P0.183	P0.191	P0.24	P0.30
Regular	P0.205	P0.223	P0.183	P0.141	P0.185	P0.24
Special	P0.055	P0.063	-	P0.05	P0.055	P0.06

Dividends	Cash
Ex-Date	June 15, 2023
Record Date	June 20, 2023
Payment Date	July 14, 2023



INVESTOR RELATIONS



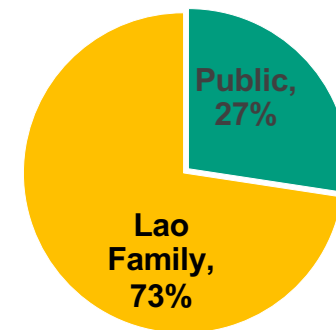
P50 bn*

Ranked 50th
among
Philippines'
largest companies
by market cap

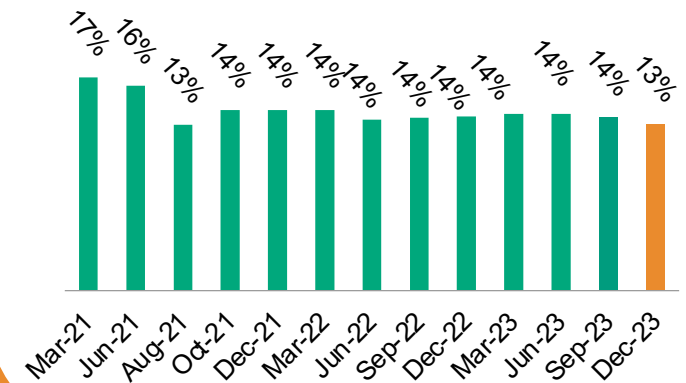
12-Month Daily Trading Average*

US\$254k

**Ownership as of
December 2023**



**Foreign Ownership as %
of Outstanding Shares**



INVESTOR RELATIONS

Return since IPO

	Price Change	Total Return
DNL PM	+223%	+328%
PCOMP Index	+18%	+33%



Price as of 02/26: P6.95
 Market Cap as of 02/26: P50bn
 USD 886 mn (USD1:P56.09)
 Outstanding Shares: 7,142,857,990

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

DATE	EVENT	VENUE
June 6-7, 2023	Nomura Investment Forum Asia	Singapore (in-person)
June 8, 2023	NDR	Singapore (in-person)
October 11-12, 2023	Jefferies & Regis PH Conference	Manila (in-person)

We have been awarded and recognized both locally and internationally

Institutional Investor

2022 – ASEAN Honored Company; Crissa Bondad as Best Investor Relations

Professional in Asia ex-China, Japan, Consumer Staples Sector

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

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

2017 – Most Honored Company; Alvin D. Lao as Best CEO; 3rd Best Investor Relations Program



2017 – Top 50 Global Challengers (2nd place)



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

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



2013 - Global Small Cap Index



2014 - Top 10 Corporate Governance and Sustainability Report



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

Finance Asia

2019 – Best Mid-Cap Company, 7th Best Investor Relations

2018 – 2nd Best Mid-Cap Company
2015 & 2016 – Best Mid-Cap Company

2015 –Alvin D. Lao as Best CFO – 2nd Place; Best Investor Relations – 9th place

2014 – 3rd Best Mid-Cap



2013- Islamic Market ASEAN Index



2023, 2016 & 2015 - Asia's 200 Best Under a Billion



2021 – Crissa Bondad, IR Rising Star

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



ASIAN DEVELOPMENT BANK

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

CORPORATE SOCIAL RESPONSIBILITY



LAO FOUNDATION

1%

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

2023

AREAS OF FOCUS



Education



Values formation

P24.5M

Committed amount from D&L

93

Direct scholars in 5 communities

267

Educational Assistance scholars supported through partners

15,295

Total beneficiaries across all LFI Programs in 2021

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

FY23 Results

FY23 Highlights

1

FY23 earnings at P2.3 bn; higher interest expense and opex relating to the new plant in Batangas lowered earnings

2

As of February 2024, Batangas plant has already surpassed its first-year export commitment to the Philippine Economic Zone Authority (PEZA)

3

Green shoots are starting to emerge with HMSP volume growth positive across the board. In 4Q23 alone, HMSP volume was up 40% YoY

4

With lower inflation and interest rate prospects, management is more optimistic in 2024. Longer-term, the Batangas plant puts D&L in a very good position to capitalize on global recovery

5

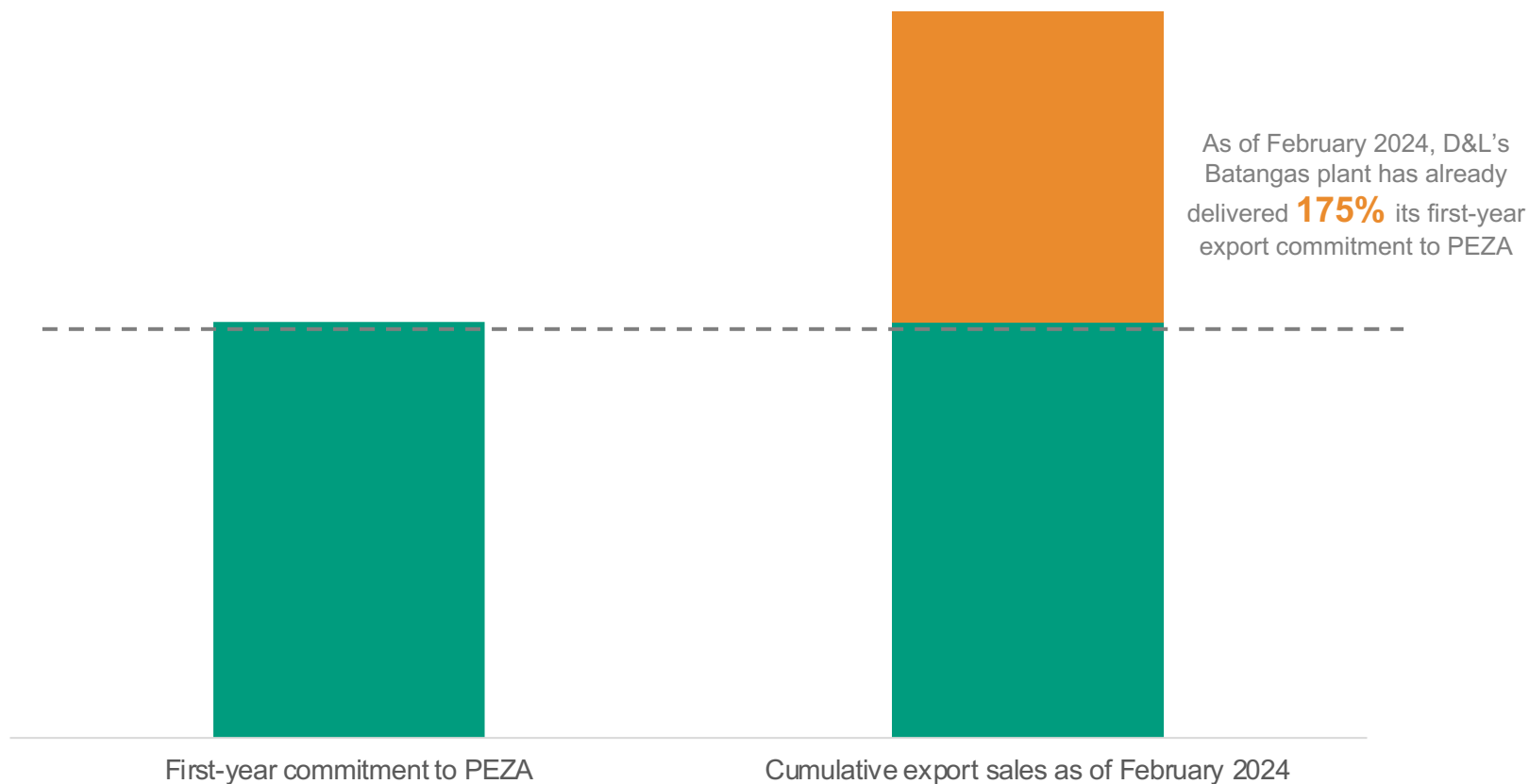
With the normalization in capex together with the improvement in FCF, D&L has the highest confidence in its ability to service bonds maturing this year and in 2026

Batangas Plant – D&L's next leg of growth



Batangas plant has already surpassed its first-year export commitment to PEZA

Batangas plant export revenues

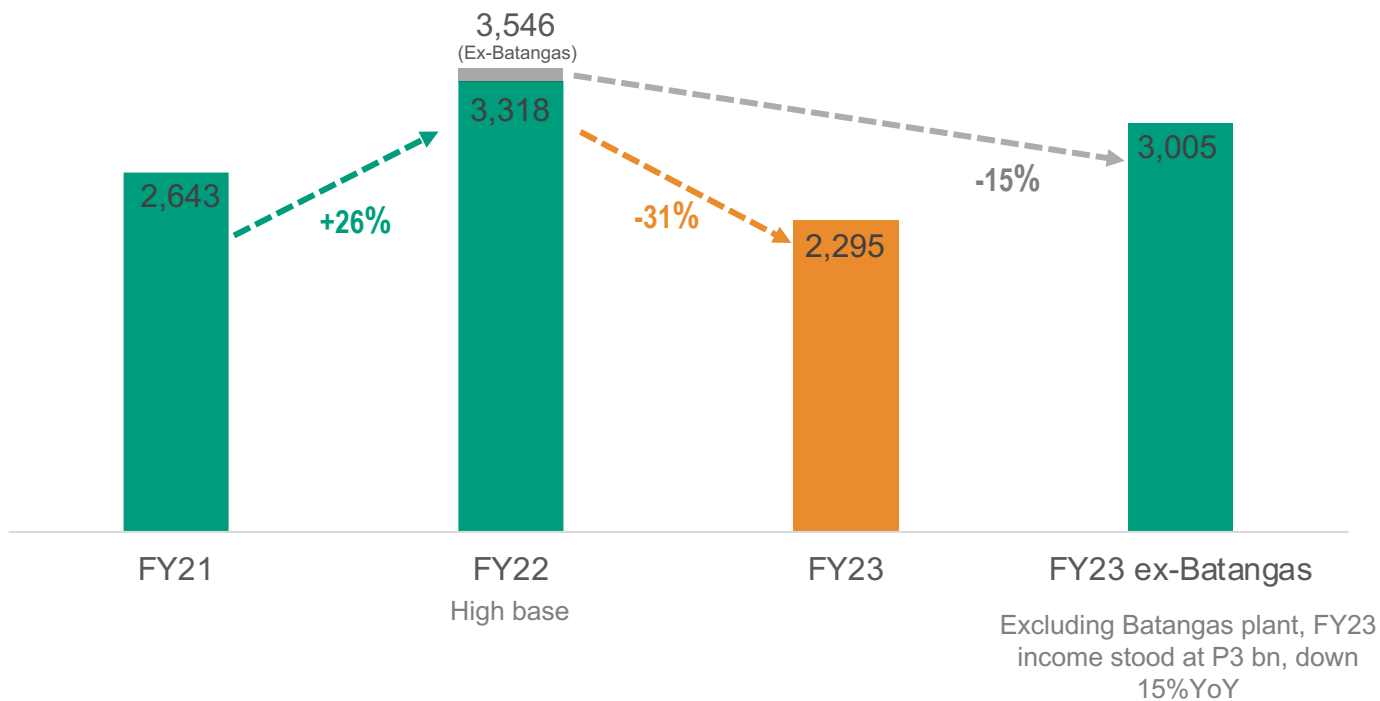


Key Figures Summary

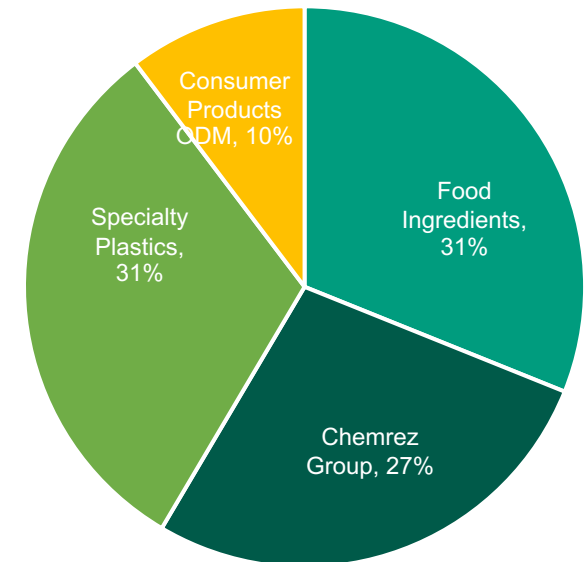
	FY23			4Q YoY			4Q QoQ		
(In Pmn)	FY23	FY22	%change	4Q23	4Q22	% change	4Q23	3Q23	% change
Sales	33,502	43,485	-23%	8,787	9,582	-8%	8,787	8,485	4%
Gross Profit	5,713	6,066	-6%	1,409	1,649	-15%	1,409	1,439	-2%
Net Income	2,295	3,318	-31%	503	777	-35%	503	552	-9%
Net Income (ex-Batangas plant)	3,005	3,546	-15%	656	909	-28%	656	867	-24%
EPS (in centavos)	32.1	46.4	-31%	7.0	10.9	-35%	7.0	7.7	-9%
Gross Profit Margin	17.1%	13.9%	3.1 pts	16.0%	17.2%	-1.2 pts	16.0%	17.0%	-0.9 pts
HMSP Contribution	62%	51%	11 pts	61%	53%	8 pts	61%	61%	0 pts
Free Cash Flows	1,827	(1,724)		(657)	475		(657)	457	
Net Gearing	69%	59%	10 pts	69%	59%	10 pts	69%	55%	14 pts

FY23 Income has yet to reflect new plant's potential

Net Income (Php mn)



Net income breakdown*



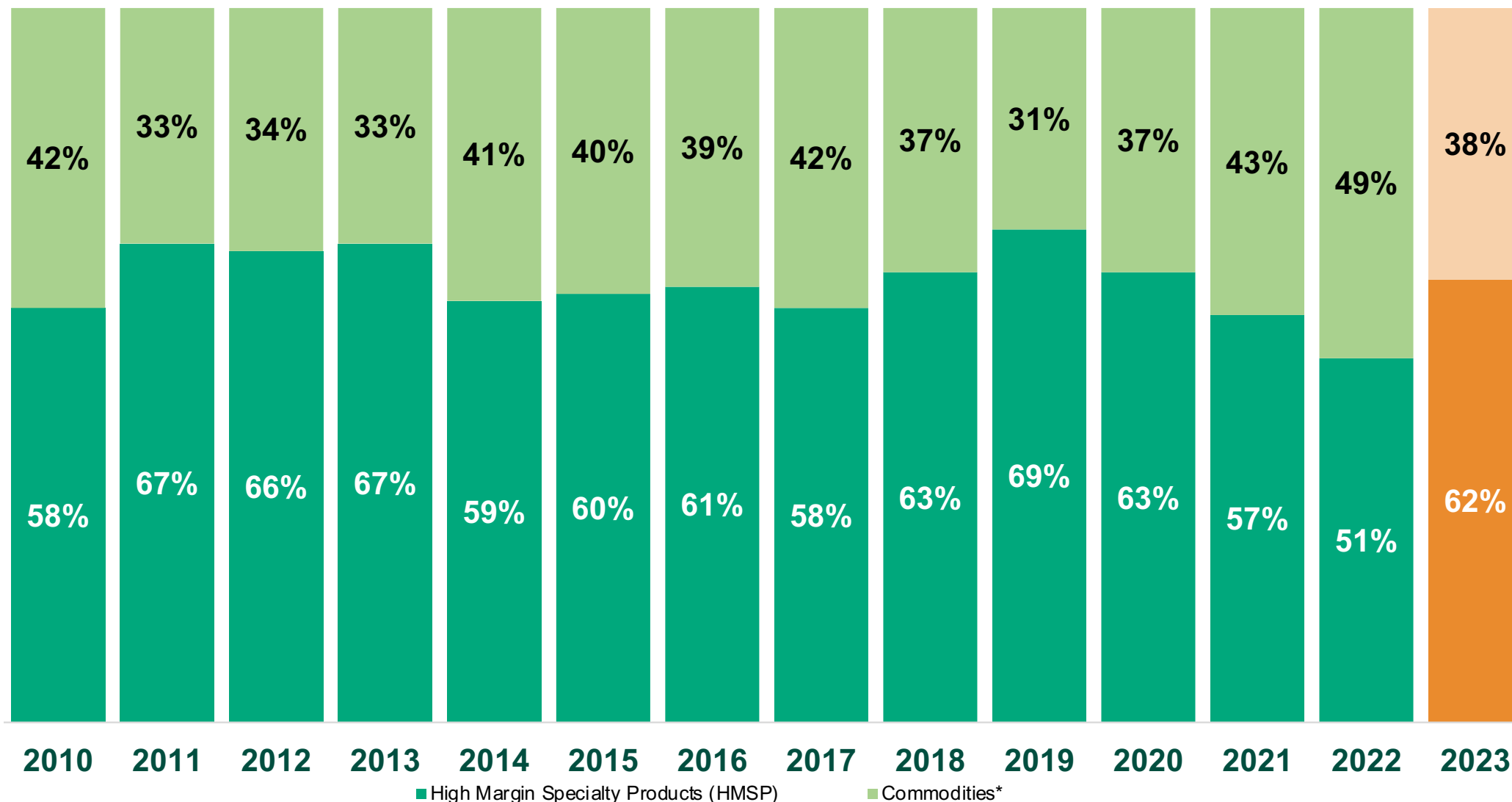
Condensed Income Statement

(In P mn)	FY23			4Q YoY			4Q QoQ		
	FY23	FY22	%change	4Q23	4Q22	% change	4Q23	3Q23	% change
Sales	33,502	43,485	-23%	8,787	9,582	-8%	8,787	8,485	4%
COGS & Cost of Service	(27,789)	(37,418)	-26%	(7,378)	(7,934)	-7%	(7,378)	(7,046)	5%
Gross Profit	5,713	6,066	-6%	1,409	1,649	-15%	1,409	1,439	-2%
Operating expenses	(2,114)	(1,960)	8%	(586)	(566)	3%	(586)	(461)	27%
Other operating income	34	225	-85%	(21)	(58)	-63%	(21)	19	-209%
Interest expense	(613)	(236)	160%	(225)	(94)	139%	(225)	(192)	17%
Profit before tax	3,020	4,095	-26%	577	931	-38%	577	806	-28%
Income tax	(725)	(777)	-7%	(74)	(153)	-52%	(74)	(253)	-71%
Net Income	2,295	3,318	-31%	503	777	-35%	503	552	-9%
<i>Net Income (ex-Batangas plant)</i>	3,005	3,546	-15%	656	909	-28%	656	867	-24%
Gross Profit Margin	17.1%	13.9%	3.1	16.0%	17.2%	(1.2)	16.0%	17.0%	(0.9)
Net Profit Margin	6.9%	7.6%	(0.8)	5.7%	8.1%	(2.4)	5.7%	6.5%	(0.8)
EPS* (in cents)	32.1	46.4	-31%	7.0	10.9	-35%	7.0	7.7	-9%

Sales mix back to pre-pandemic level

REVENUES

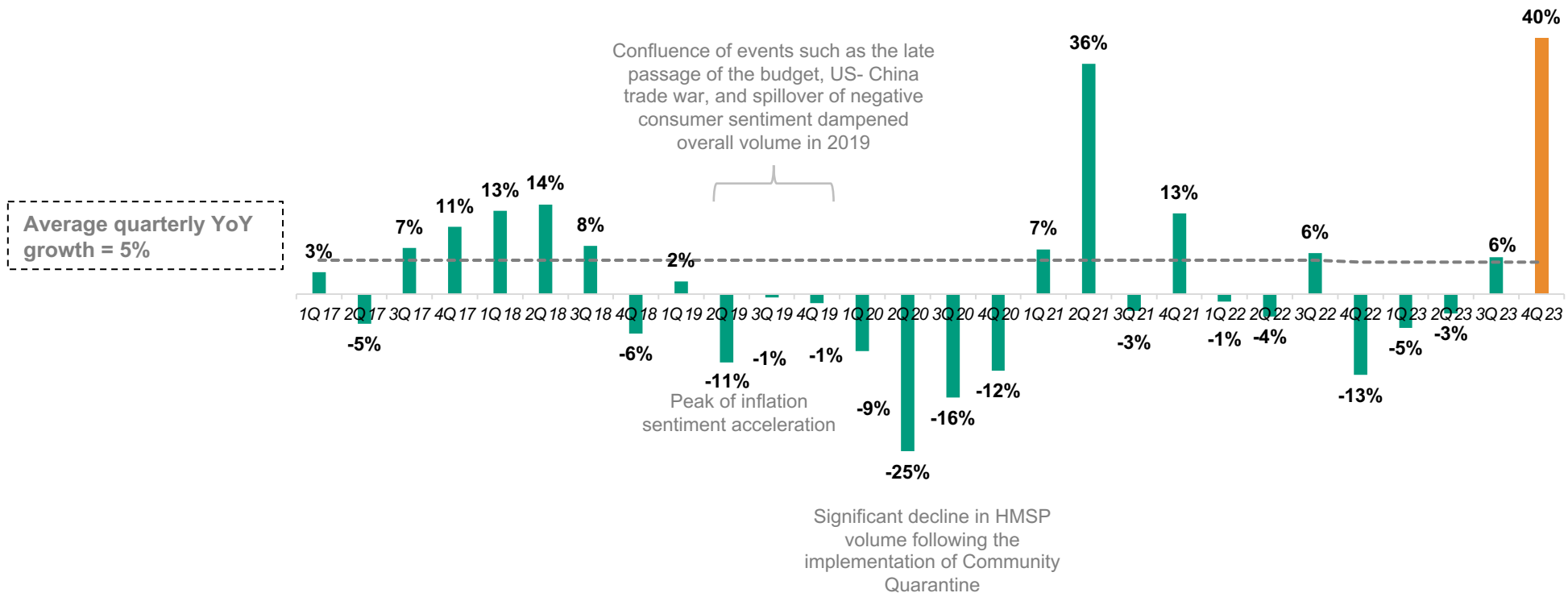
% share to total group revenues



HMSP Volume Growth (YoY)

Significant pick up in HMSP volumes in 4Q with the commercial operations of Batangas plant

HMSP volume growth (YoY)



Exports sales

EXPORT/
SALES

25%

24%

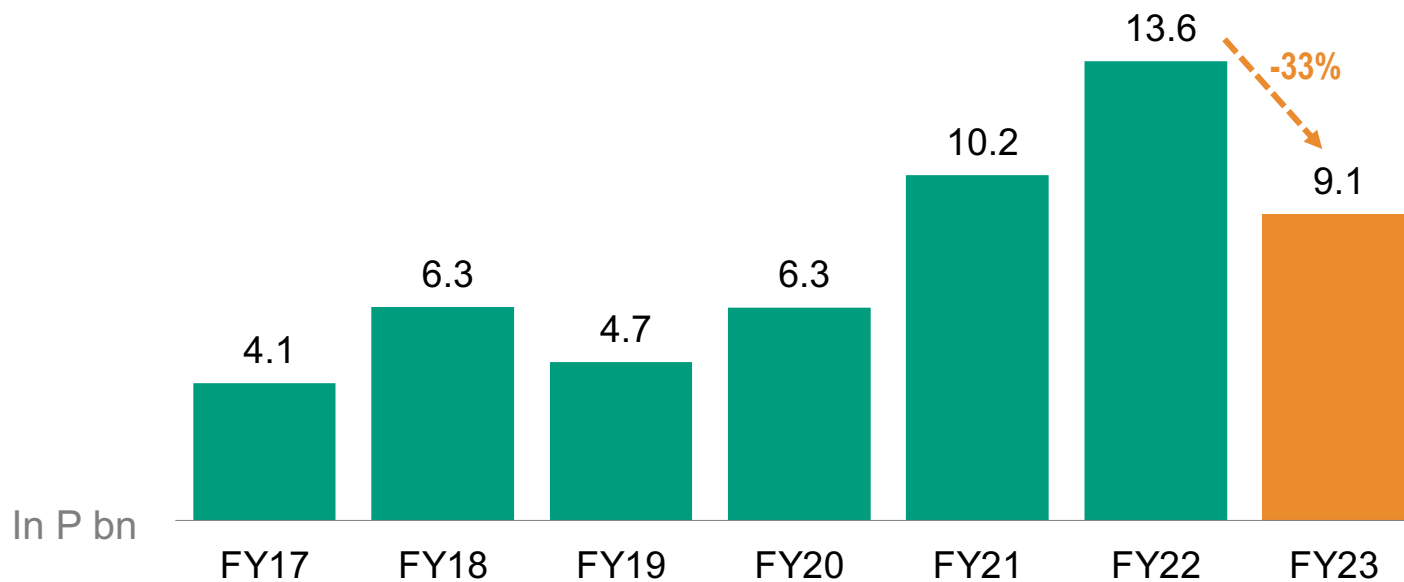
21%

29%

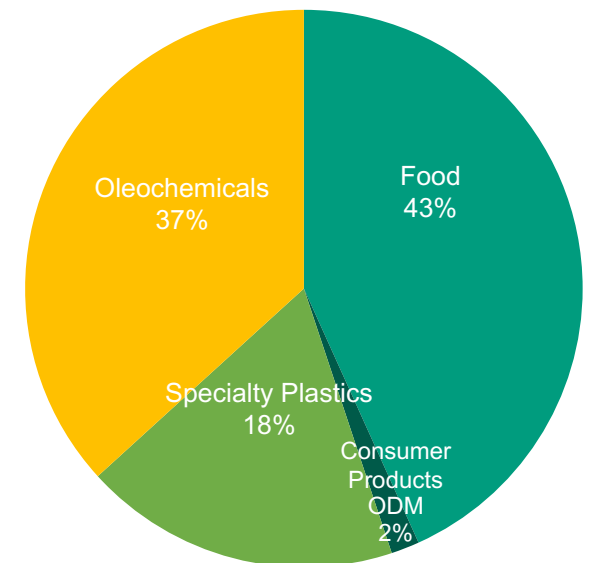
33%

31%

27%



Breakdown of exports



Condensed Statement of Cash Flows

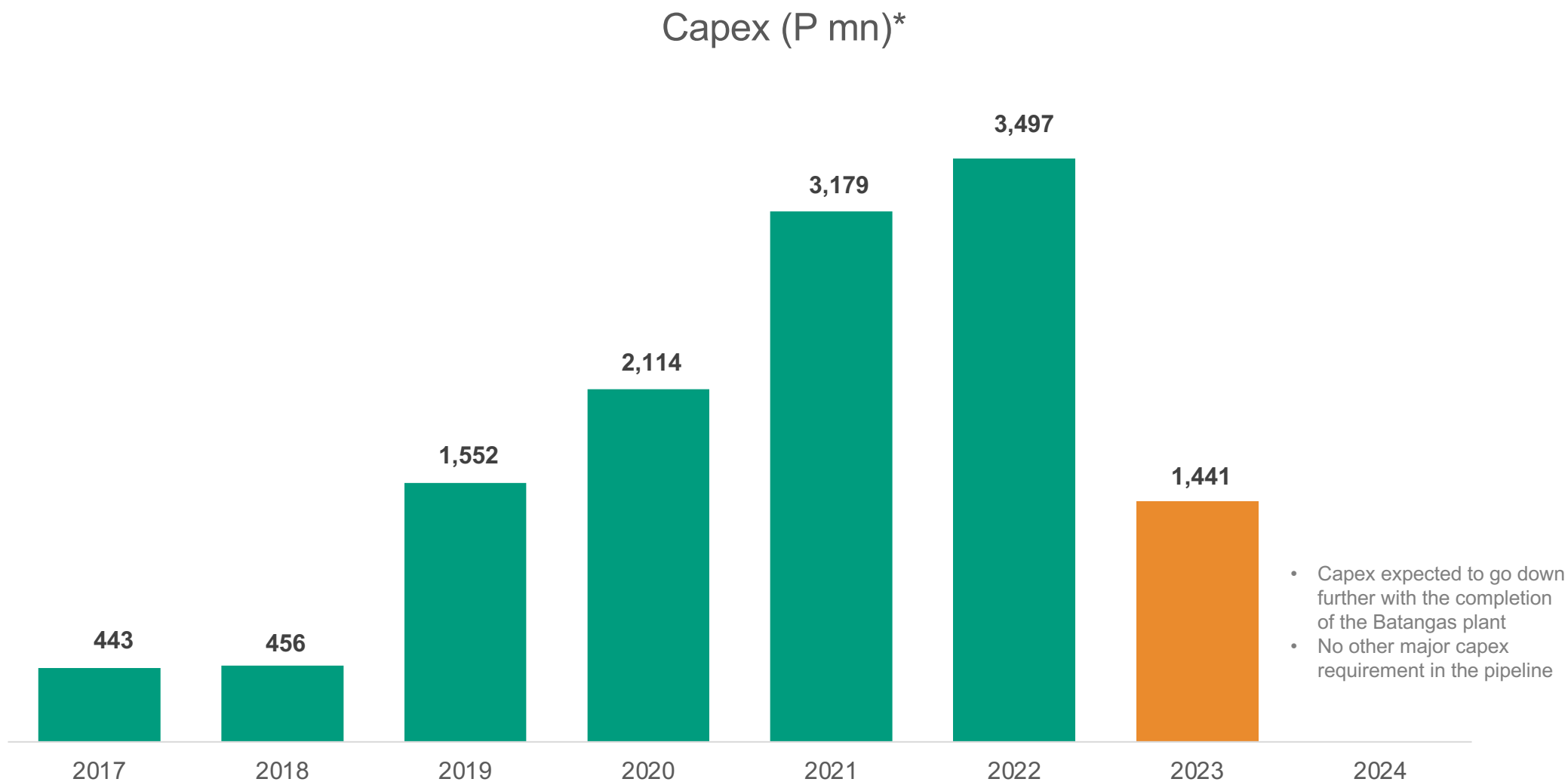
FCF turned positive

With the commercial operations of the Batangas plant, the company has started ramping up investing in raw materials inventory

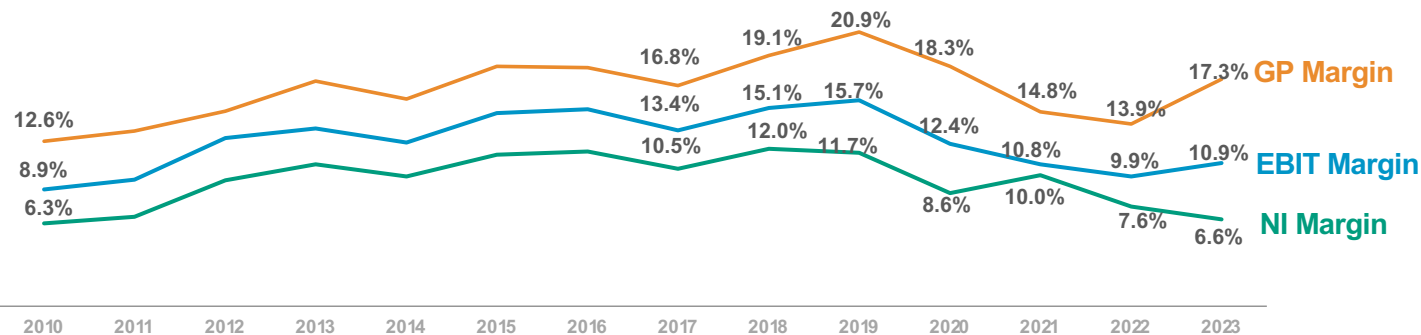
FCF turned positive with commodity prices and CAPEX on the downtrend

In PMN	FY23	FY22
EBITDA	4,460	5,139
Interest Received	16	169
Paid taxes	(560)	(807)
Non cash items	(35)	(46)
Change in working capital	(619)	(2,711)
Net Operating Cash Flow	3,262	1,734
Capex	(1,435)	(3,707)
Free Cash Flow	1,827	(1,724)

Capex

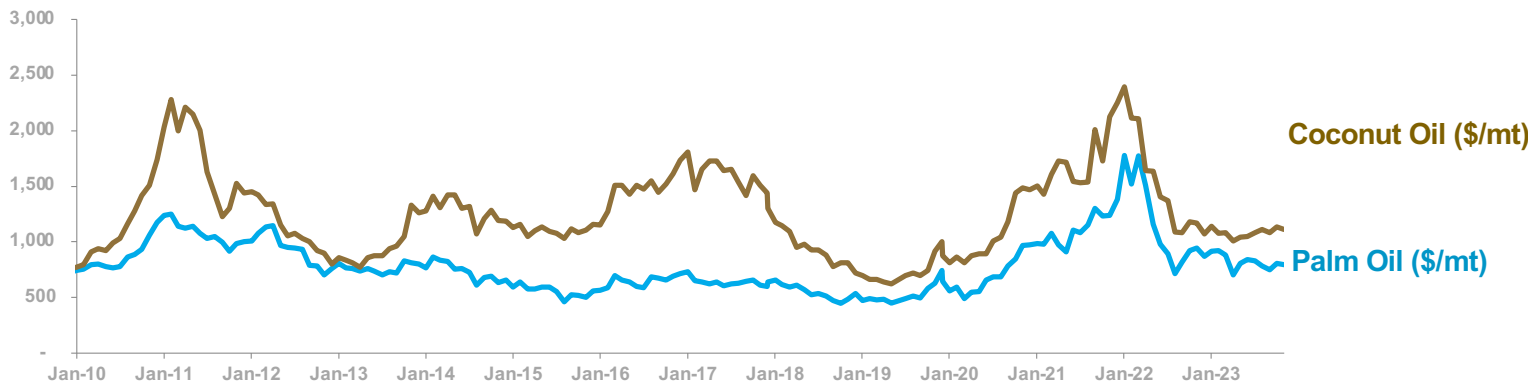


Pass-through pricing mechanism as natural hedge against volatility in forex and commodity prices



Rapid increase in raw material prices resulted in a temporary margin contraction

We expect margins to continue to improve over time as we further invest in R&D



Average FY23 Prices
Coconut Oil -33% y-o-y
Palm Oil -31% y-o-y

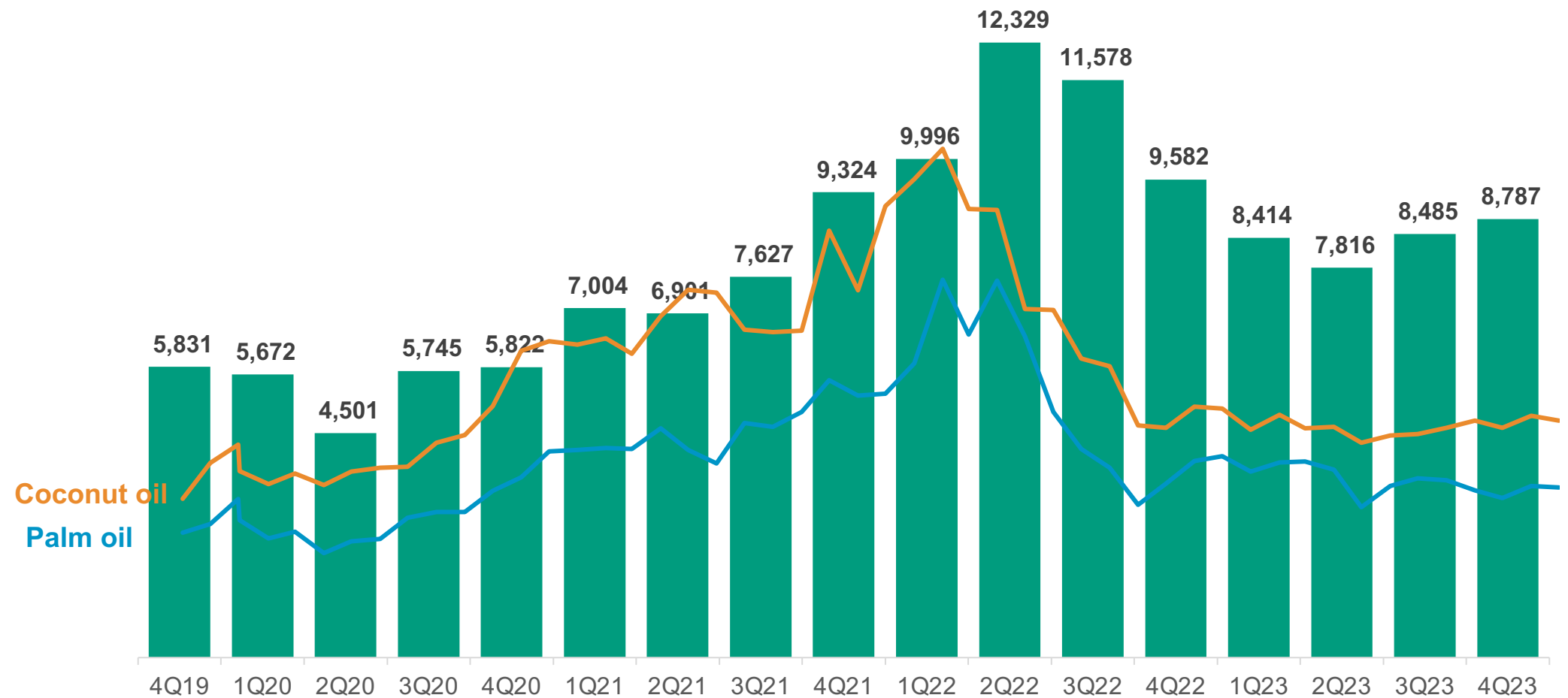


Average PhP:US\$
FY23: P55.57
FY22: P54.48


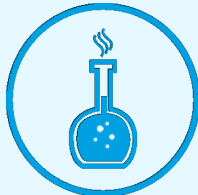
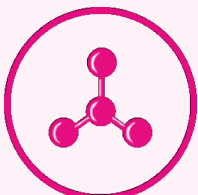


Quarterly revenues reflecting movements in commodity prices

Evidencing the company's ability to pass on raw material prices

Sales (P mn)



FY23 Group Results

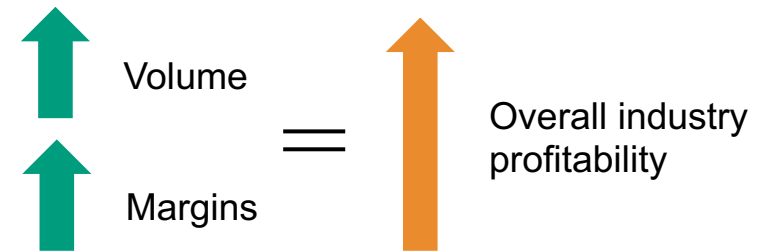
	 Food Ingredients	 Oleochemicals & Other Specialty Chemicals	 Specialty Plastics	 Consumer Products ODM	 D&L Industries - Consolidated
% change in Revenues	(28%)	(-22%)	+2%	+20%	(23%)
% change in Net Income*	(18%)	(-50%)	+3%	+12%	(31%)

DOE plans to increase Biodiesel blend to 3% (B3) from 2% (B2) effective July 1, 2024

Biofuels industry short overview

- 2006 – Biofuels law was passed with the intention of a **5% biodiesel blend (B5)**
- 2007 – implementation of **1% blend (B1)**
- 2009 – implementation of **2% blend (B2)**
- After 15 years
- 2024 – blend to increase to **3% (B3)**

Impact of a higher biodiesel blend to the industry



Other benefits:

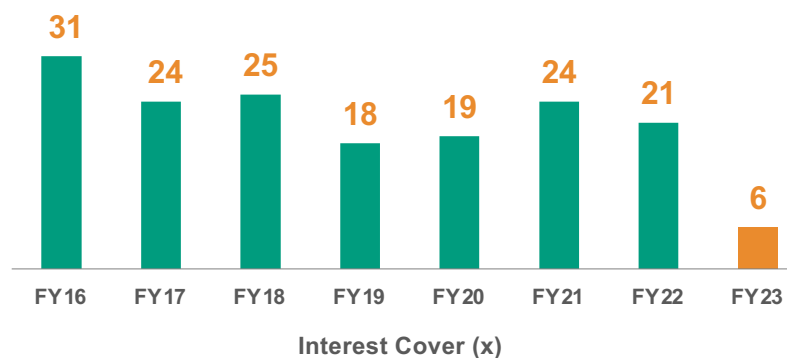
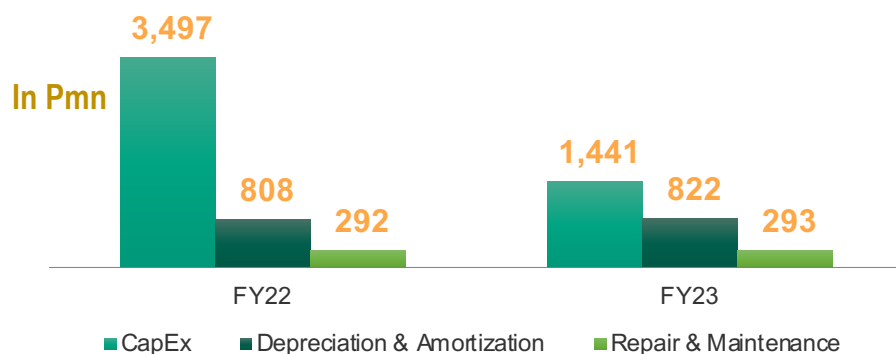
- Lower pollution
- Import substitution
- Value adding of coconut oil
- Mileage improvement

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
FY23: P645 mn 2% of total costs and expenses	FY23: P103 mn 0.3% of total revenues

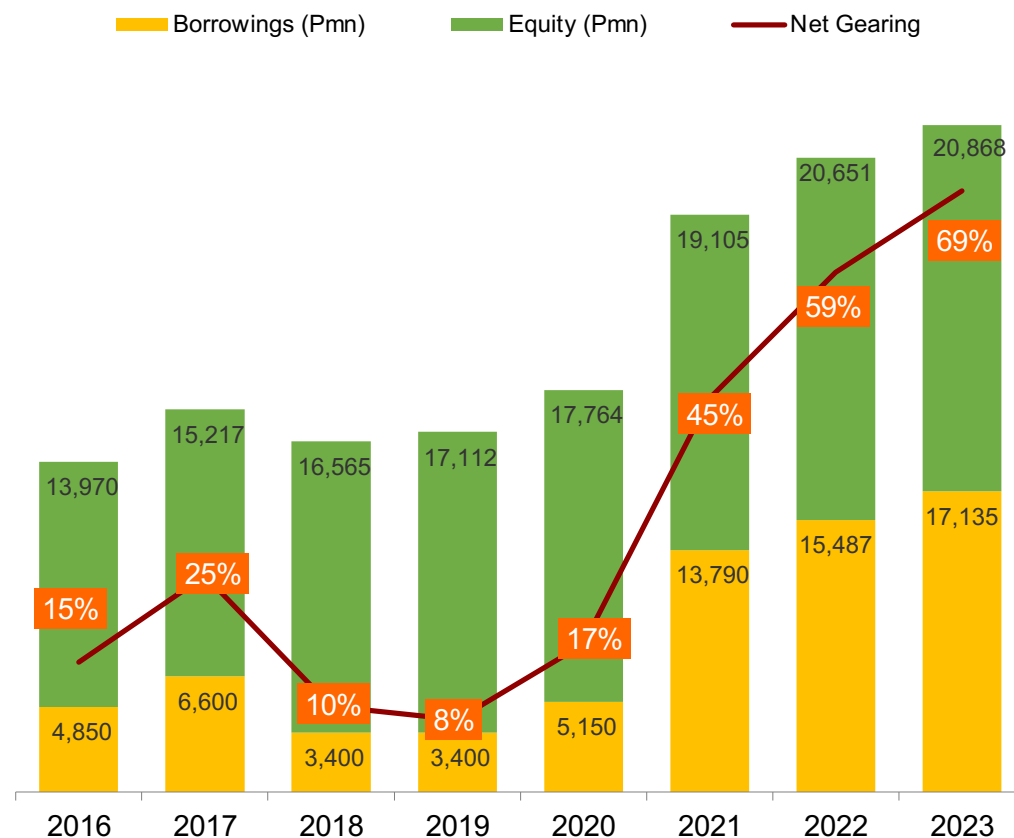
Balance Sheet remains robust

In Pmn	As of end Dec-23	As of end Dec-22	In P mn	As of end Dec-23	As of end Dec-22
Cash	2,844	3,250	Book Value	20,868	20,651
Current Assets	22,583	22,036	BVPS ¹ (in P)	2.92	2.89
Total Assets	42,594	40,760	Debt-to-equity (Borrowings/Equity)	0.82x	0.75x
Borrowings	17,135	15,478	Return on Equity	11%	16.1%
Total Liabilities	21,727	20,109	Return on Invested Capital ²	10.1%	12.8%



Capital Structure

Balance sheet in a solid position to withstand external pressure



6x

interest
cover

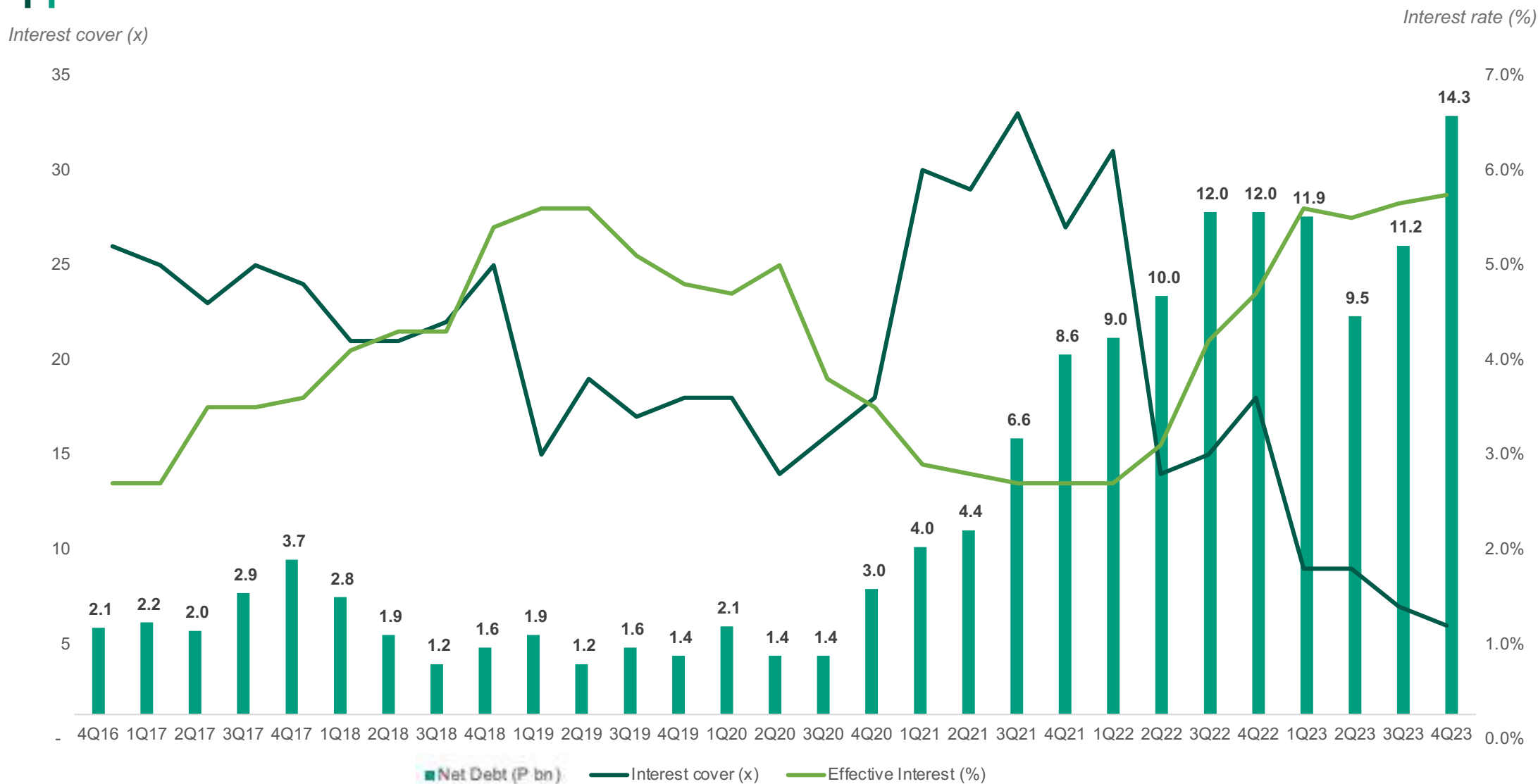
P14.3
Billion

net
debt

~5.74%
p.a.

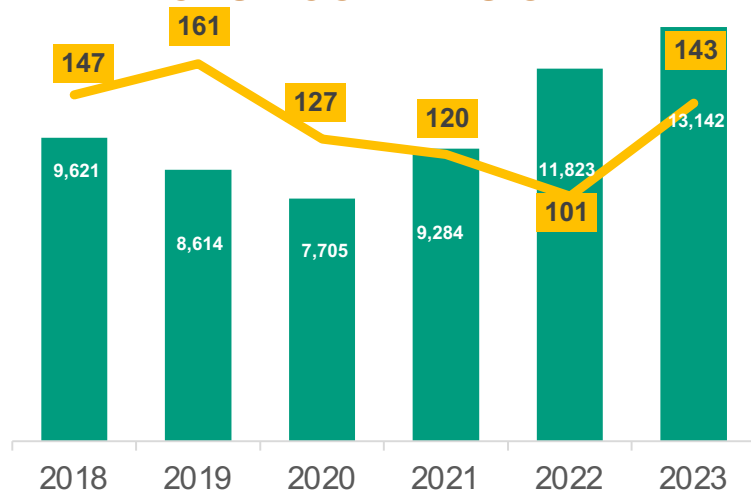
average
cost of debt*

Net debt, effective interest rate, and interest cover

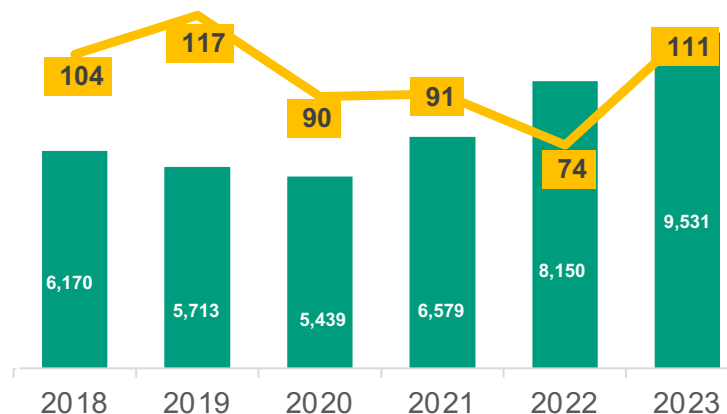


Working Capital Cycle

CASH CONVERSION

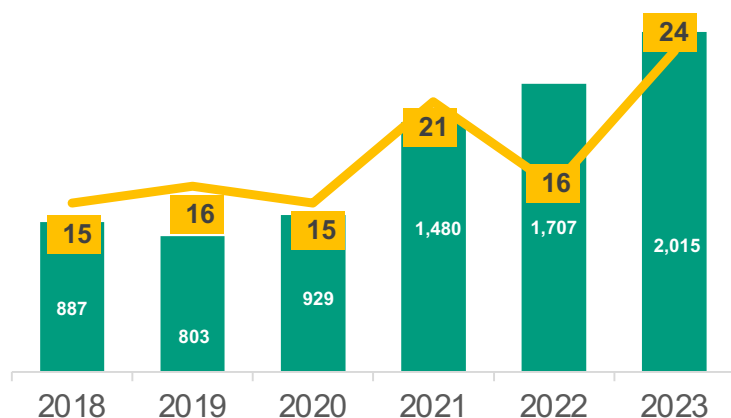


INVENTORY

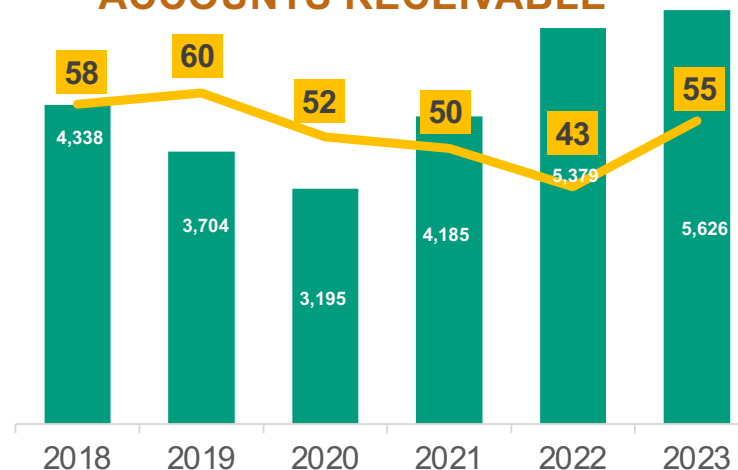


With the commercial operations of the Batangas plant, the company has started ramping up investing in raw materials inventory

ACCOUNTS PAYABLE



ACCOUNTS RECEIVABLE



■ Average balance (P mn) — Cycle (in days)

INVESTOR RELATIONS



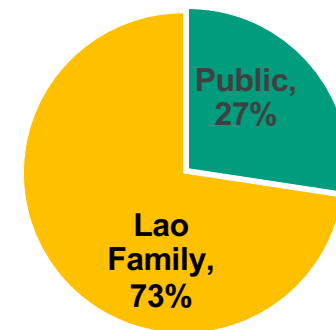
P50 bn*

Ranked 50th
among
Philippines'
largest companies
by market cap

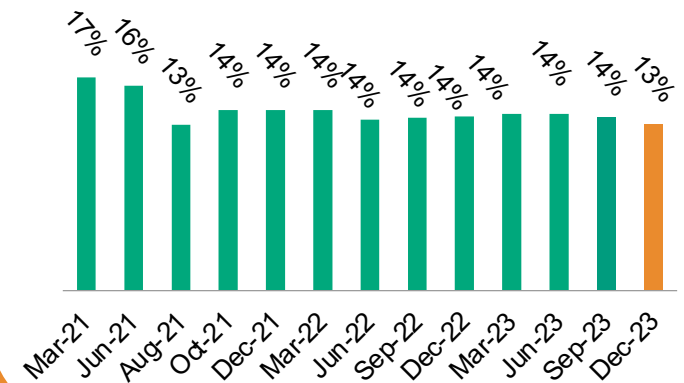
12-Month Daily Trading Average*

US\$254k

**Ownership as of
December 2023**



**Foreign Ownership as %
of Outstanding Shares**



INVESTOR RELATIONS

Return since IPO

	Price Change	Total Return
DNL PM	+223%	+328%
PCOMP Index	+18%	+33%



Price as of 02/26: P6.95
 Market Cap as of 02/26: P50bn
 USD 886 mn (USD1:P56.09)
 Outstanding Shares: 7,142,857,990

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

DATE	EVENT	VENUE
June 6-7, 2023	Nomura Investment Forum Asia	Singapore (in-person)
June 8, 2023	NDR	Singapore (in-person)
October 11-12, 2023	Jefferies & Regis PH Conference	Manila (in-person)

Appendix

Foundation of future growth

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

FIT Expansion



CNO & CPO 1-yr Price Chart



CNO & CPO 2-yr Price Chart





MAIDEN BOND OFFERING

***Awarded Best New Bond (Philippines) by the Asset Magazine**

Offer Size

Base offer: **P3bn** (Series A)

Oversubscription option: **P2bn** (Series B)

Interest Rate

2.7885% p.a.

3.5962% p.a.

Tenor

3 years

5 years

Spread over BVAL

+50 bps

+60 bps

Bond Rating **PRS Aaa with Stable Outlook**

Use of Proceeds **Financing of Batangas expansion & repayment of bridge loans**

Other Terms & Conditions

- Date of listing: September 14, 2021
- Issue price at 100% of face value
- Interest payment: payable quarterly in arrears
- Covenants
 - D/E of not more than 2.5x
 - Current ratio of not less than 1.0x

3yr and 5yr BVAL rates



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 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-Echauz, 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

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

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

Investor Relations Contact

Crissa Bondad

Investor Relations Manager – D&L Industries, Inc.

crissabondad@dnl.com.ph | ir@dnl.com.ph

<https://dnl.com.ph/investors/>

+63 917 816 4772