



D&L's expansion site in
Batangas, Philippines



FILIPINO



MANUFACTURING



CUSTOMIZED
SPECIALTY
PRODUCTS



B2B2C



D&L INDUSTRIES

Investor Presentation

May 2025

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

1Q25

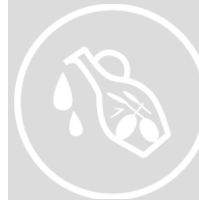
P14B *Revenues*

P681M *Net Income*



FOOD INGREDIENTS

Fats, oils and other specialty food ingredients



66%
Revenue

38%
Net Income



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



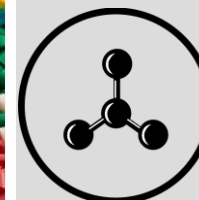
25%
Revenue

28%
Net Income



SPECIALTY PLASTICS

Pigment blends, color and
additive masterbatches and
engineered polymers



6%
Revenue

30%
Net Income



CONSUMER PRODUCTS ODM

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



2%
Revenue

3%
Net Income

KEY BUSINESS STRATEGIES



**Maintain Market
Leadership**



**Innovate
Continuously**



**Capitalize on Growing
Domestic Consumer Market**

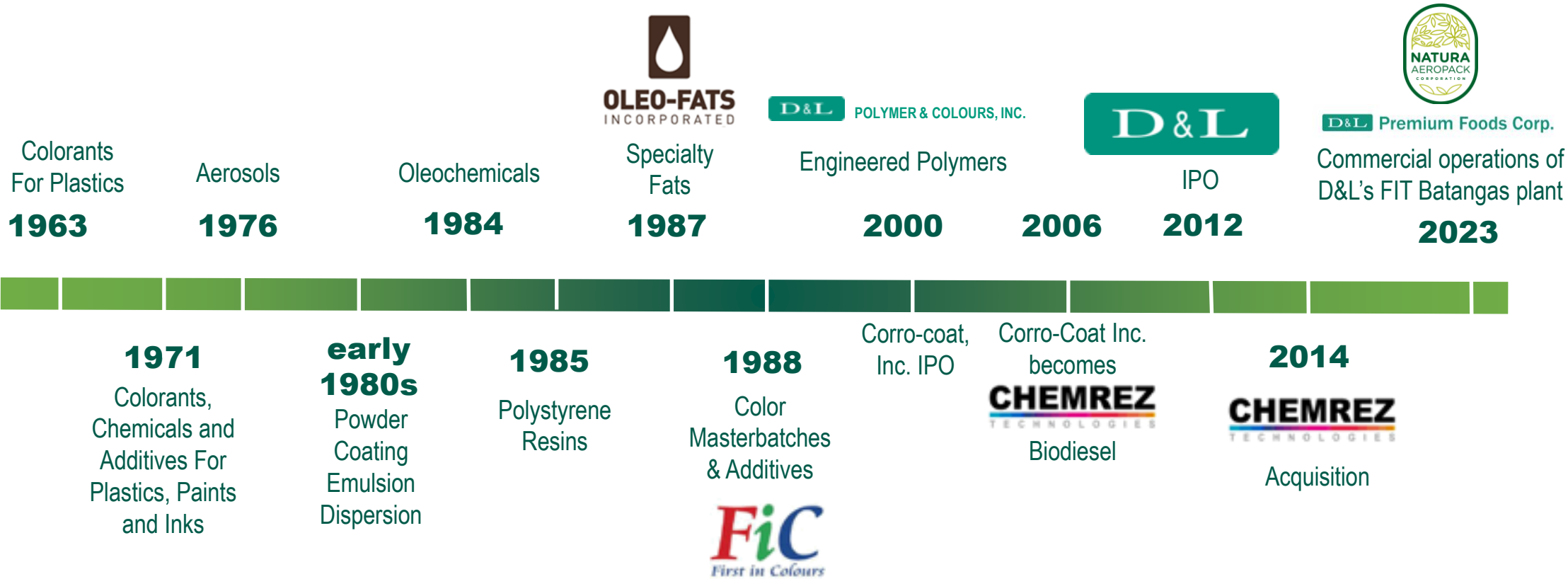


**Enhance Production and
Business Processes**



**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)

BOYSEN® The No. 1 PAINT	38
SUMITOMO ELECTRIC YAZAKI	31
Nestlé Monde Nissin CORPORATION UR	26
KFC bench/ Jollibee U	23
Max's RESTAURANT McDonald's	19
PETRON 3M neumann & mueller philippines, inc. PANCAKE HOUSE	15
Shakey's PIZZA PARLOR Krumpy Kreme DOUGHNUTS	13
EPSON®	10



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, 53 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-Echauz, 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

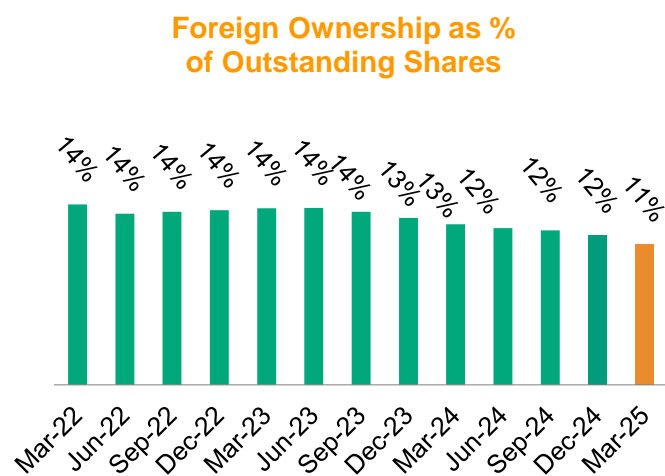


Lester A. Lao,
54 years old
President & CEO of FIC & DLPC
B. A. S. in Information Business from *Edith Cowan University*
Years of D&L experience: 32

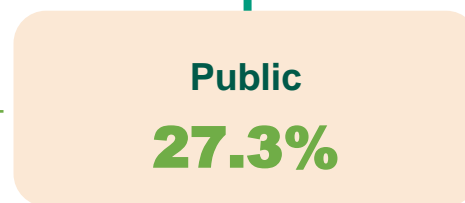
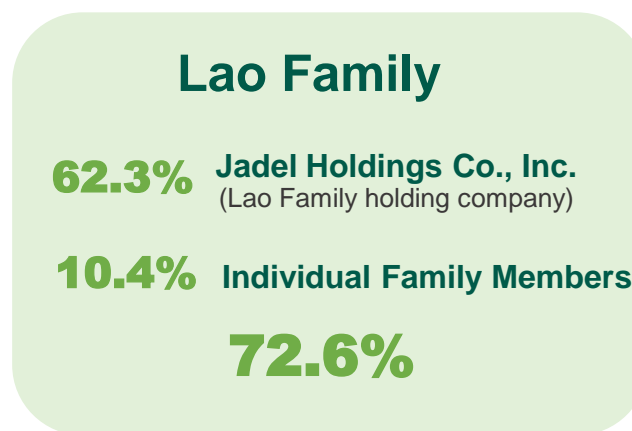


Vincent D. Lao,
50 years old
President & CEO of Oleo-Fats
Previously Assistant Trader at Shuwa Co. Ltd. In Japan ,1994-1995
B.A. in Economics and Japanese Studies from the *University of Western Australia*
Years of D&L experience: 27

D&L Ownership Structure



Source: Stock Transfer Service Inc.



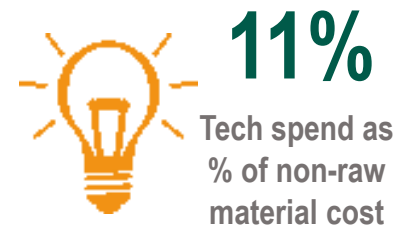
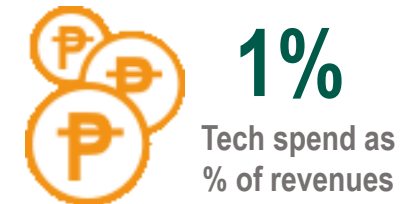
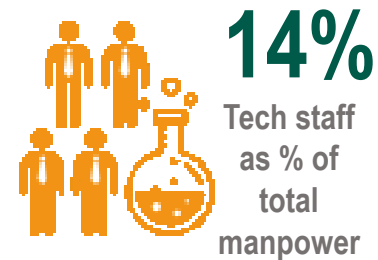
*(legal, MIS, accounting and finance, HR)



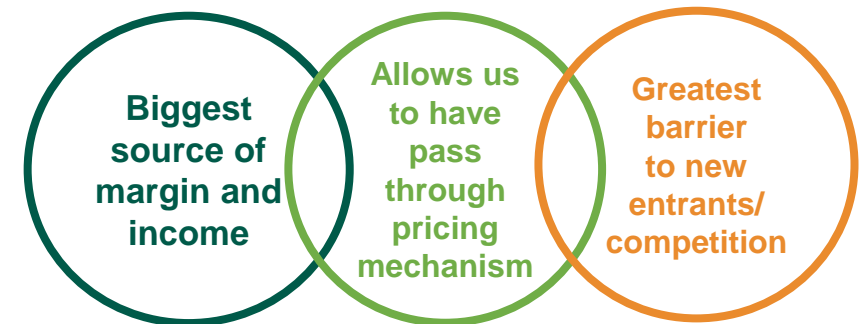
We are shaped and driven by R&D and disciplined innovation

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

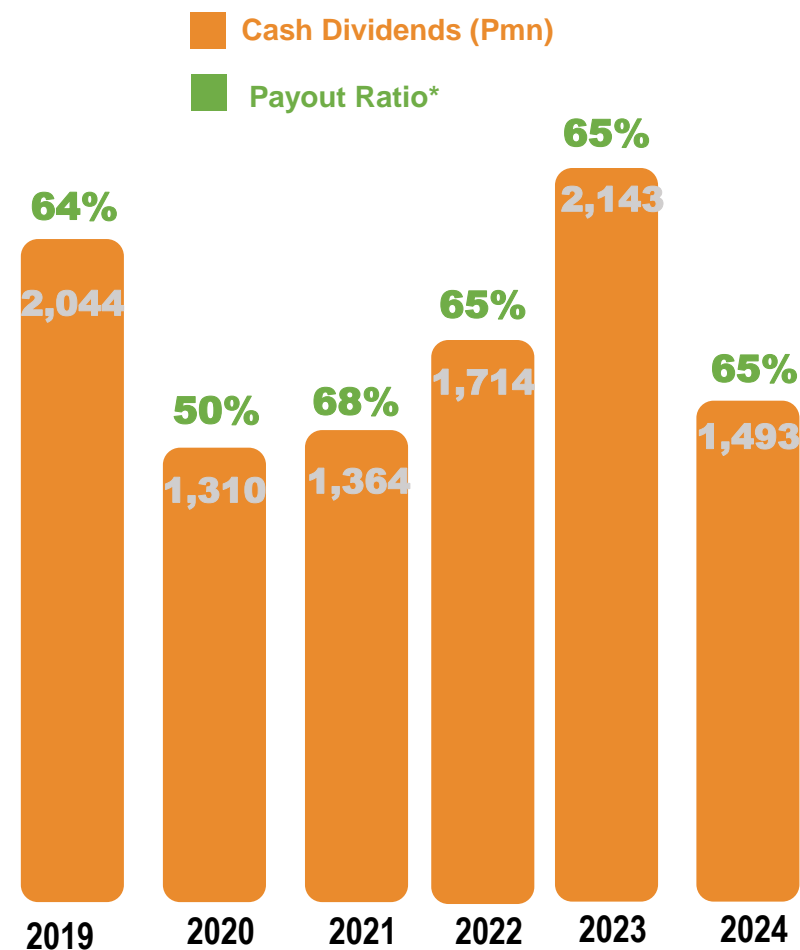
ASSET-LIGHT MODEL

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
1Q25: P175 mn 1% of total costs and expenses	1Q25: P21 mn 0.1% of total revenues

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

Dividend Per Share	2019	2020	2021	2022	2023	2024
Total	P0.286	P0.183	P0.191	P0.24	P0.30	P0.209
Regular	P0.223	P0.183	P0.141	P0.185	P0.24	P0.161
Special	P0.063	-	P0.05	P0.055	P0.06	P0.048

Dividends	Cash
Ex-Date	June 18, 2024
Record Date	June 19, 2024
Payment Date	July 03, 2024



INVESTOR RELATION



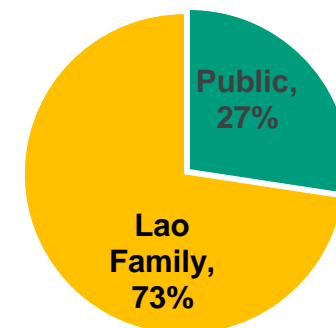
P41 bn*

Ranked 56th
among
Philippines'
largest companies
by market cap

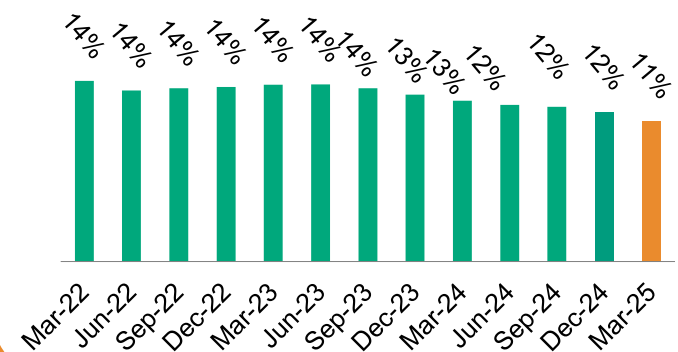
12-Month Daily Trading Average*



Ownership as of
March 2025



Foreign Ownership as %
of Outstanding Shares



INVESTOR RELATIONS

Return since IPO

	Price Change	Total Return
DNL PM	+165%	+279%
PCOMP Index	+10%	+25%



Price as of 05/02: P5.70
 Market Cap as of 05/02: P41bn
 USD 732 mn (USD1:P55.59)
 Outstanding Shares: 7,142,857,990

DLNDY:US
 Unsponsored ADR
 (BNY Mellon & Citi)
 1ADR = 25 Ordinary

DATE	EVENT	VENUE
March 20, 2025	PSE Inaugural Philippine Investor Conference	Manila
June 17, 2025	Non Deal Roadshow <i>(to be confirmed)</i>	Hong Kong

We have been awarded and recognized both locally and internationally

Institutional Investor

2024 – ASEAN Honored Company; Crissa Bondad as 3rd Best Investor Relations Professional in Asia ex-China, Japan, Consumer Staples Sector

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

campden **FB**

2017 – Top 50 Global Challengers (2nd 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, 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

DOWJONES

2013- Islamic Market ASEAN Index

Forbes Asia Best Under A \$Billion

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

IR
magazine

2021 – Crissa Bondad, IR Rising Star

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

CORPORATE SOCIAL RESPONSIBILITY



LAO FOUNDATION

1%

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

2024

AREAS OF FOCUS



Education



Values formation

P31.2M

Committed amount from D&L

103

Direct scholars in 5 communities

388

Educational Assistance scholars supported through partners

16,872

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

1Q25 Results

1Q25 Highlights

1

1Q25 earnings up 10% YoY to P681 mn as Batangas plant continues to ramp up operations

2

Total volume for the quarter was up 33% YoY although rapid increase in commodity prices tempered potential boost to earnings

3

Export sales up 69% YoY; contribution to total sales at record level of 34%

4

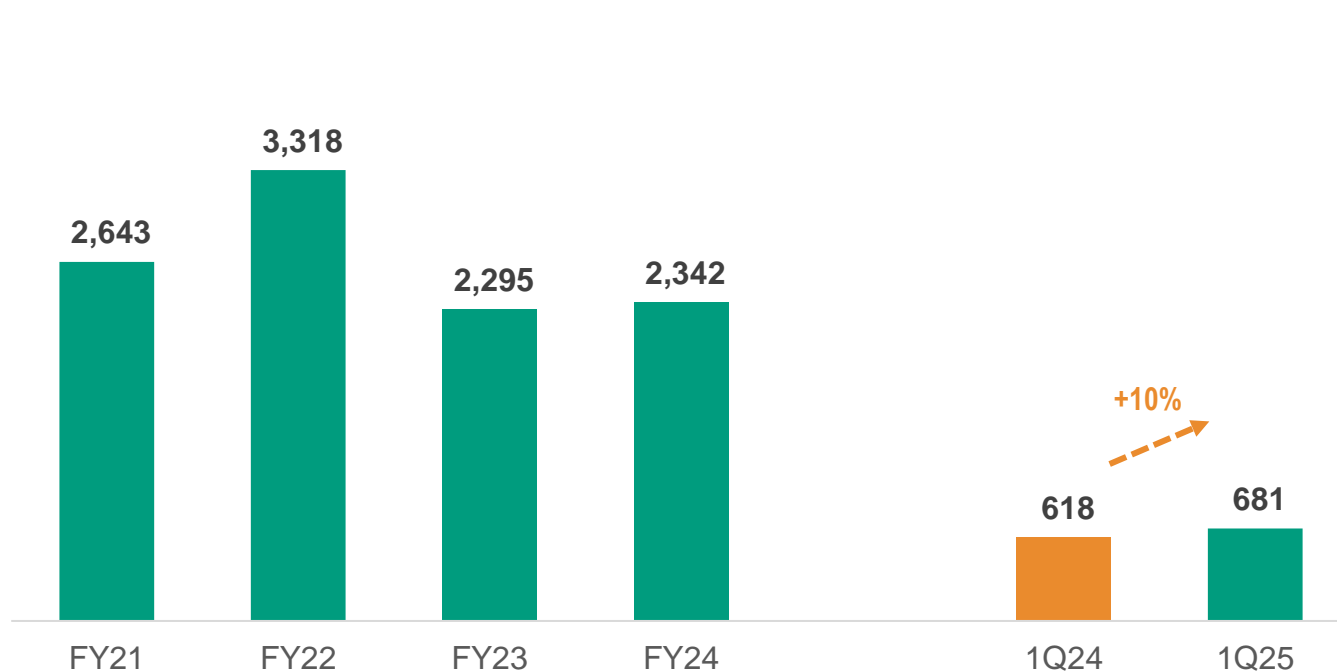
Return ratios started to improve;
ROE stood at 12.1% (+1.4ppts vs FY24), ROIC stood at 10% (+1ppt vs FY24)

5

Global uncertainties keep near-term expectations grounded; management unfazed, keeping focus on building resiliency and long-term growth strategies

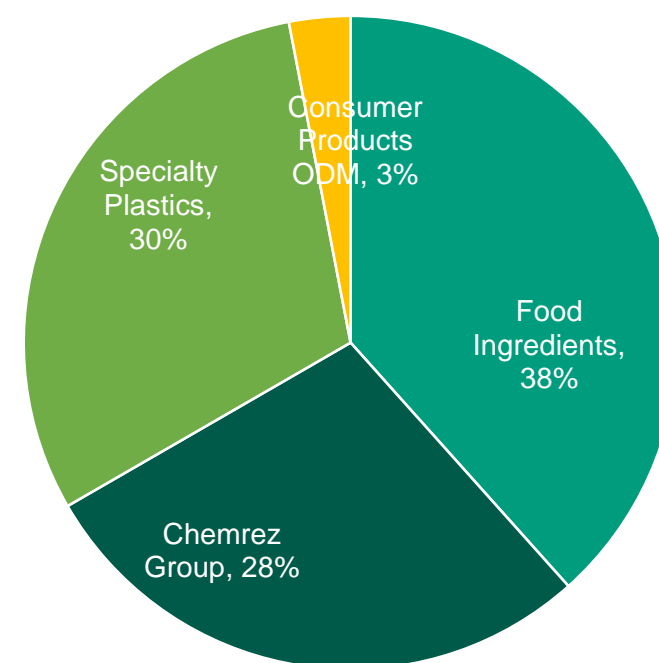
1Q25 earnings +10% YoY, +28% QoQ

Net Income (Php mn)



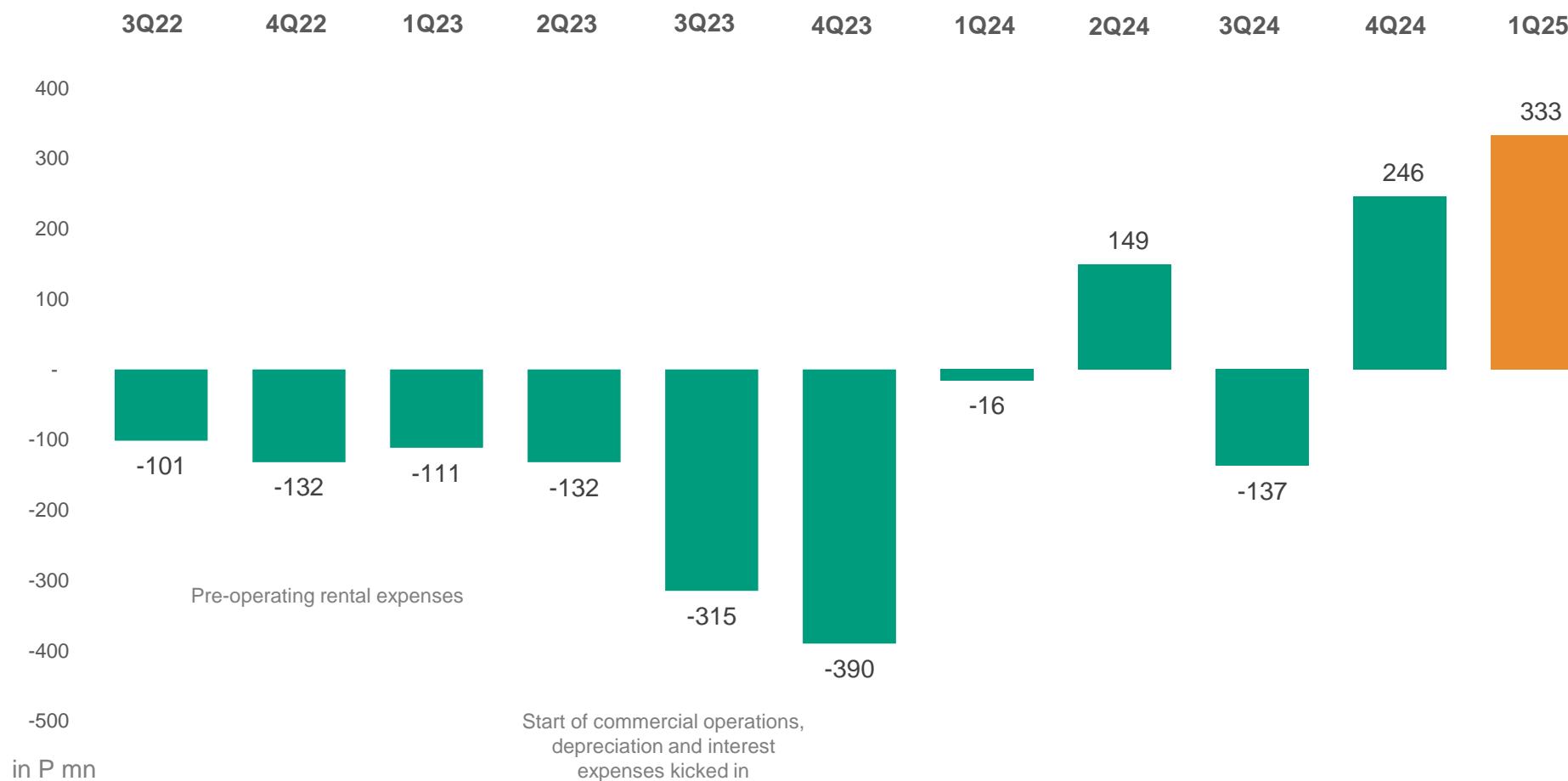
Start of commercial operations of Batangas plant. Incremental expenses weighed on earnings.

Net income breakdown



Batangas plant continues to ramp up operations

Quarterly income of Batangas plant



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

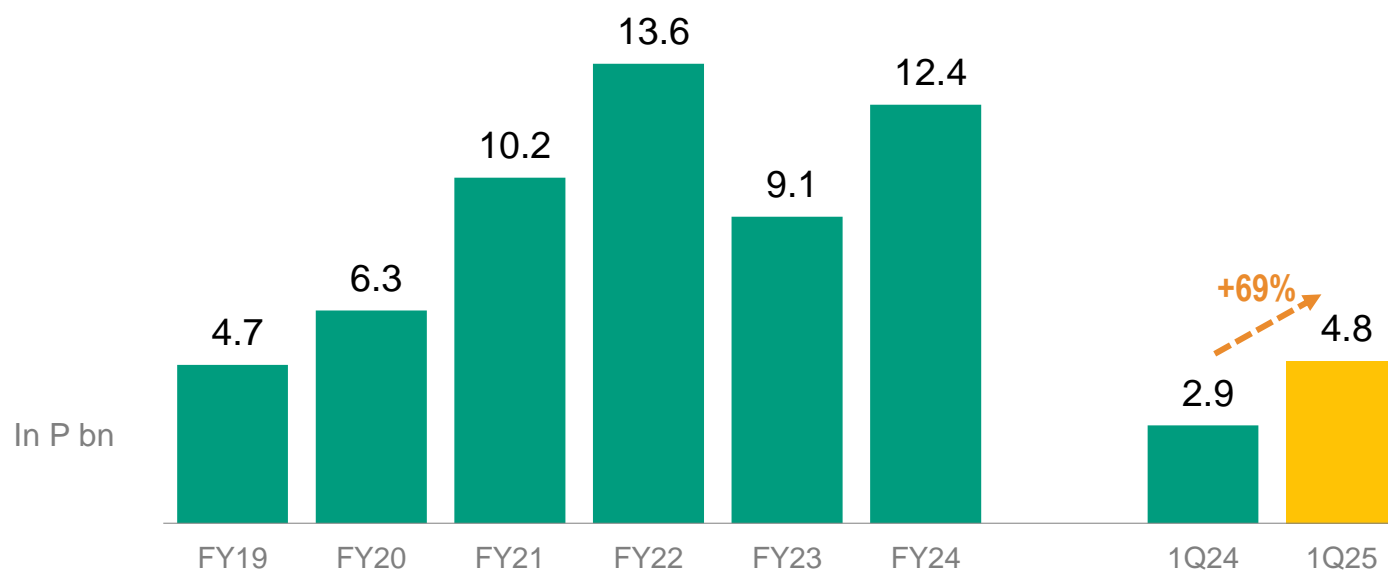


Condensed Income Statement

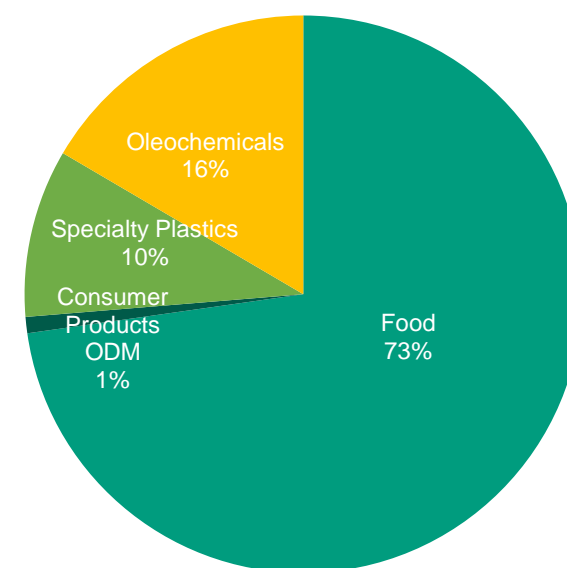
(In P mn)	1Q YoY			1Q QoQ		
	1Q25	1Q24	%change	1Q25	4Q24	% change
Sales	14,268	8,832	62%	14,268	11,192	27%
COGS & Cost of Service	(12,462)	(7,323)	70%	(12,462)	(9,691)	29%
Gross Profit	1,806	1,508	20%	1,806	1,502	20%
Operating expenses	(698)	(540)	29%	(698)	(817)	-15%
Other operating income	(6)	43		(6)	52	
Interest expense	(304)	(223)	36%	(304)	(318)	-4%
Profit before tax	798	788	1%	798	418	91%
Income tax	(117)	(170)	-31%	(117)	115	
Net Income	681	618	10%	681	533	28%
EPS* (in cents)	9.5	8.7	10%	9.5	7.5	28%
EBITDA	1,411	1,252	13%	1,411	1,152	22%
EBIT	1,103	1,011	9%	1,103	736	50%
Gross Profit Margin	12.7%	17.1%	(4.4)	12.7%	13.4%	(0.8)
Net Profit Margin	4.8%	7.0%	(2.2)	4.8%	4.8%	0.0
EBITDA Margin	9.9%	14.2%	(4.3)	9.9%	10.3%	(0.4)
EBIT Margin	7.7%	11.4%	(3.7)	7.7%	6.6%	1.2

Exports sales

	FY19	FY20	FY21	FY22	FY23	FY24	1Q24	1Q25
EXPORT/SALES	21%	29%	33%	31%	27%	30%	32%	34%

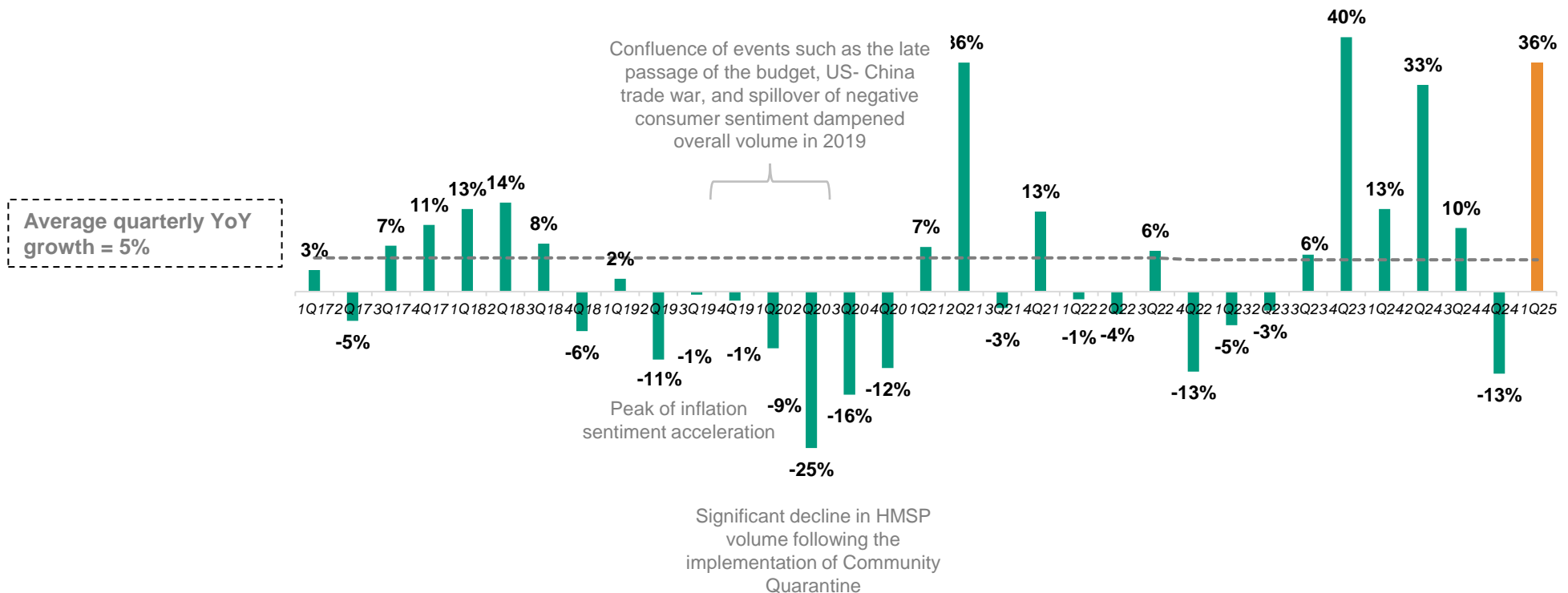


Breakdown of exports



HMSP Volume Growth (YoY)

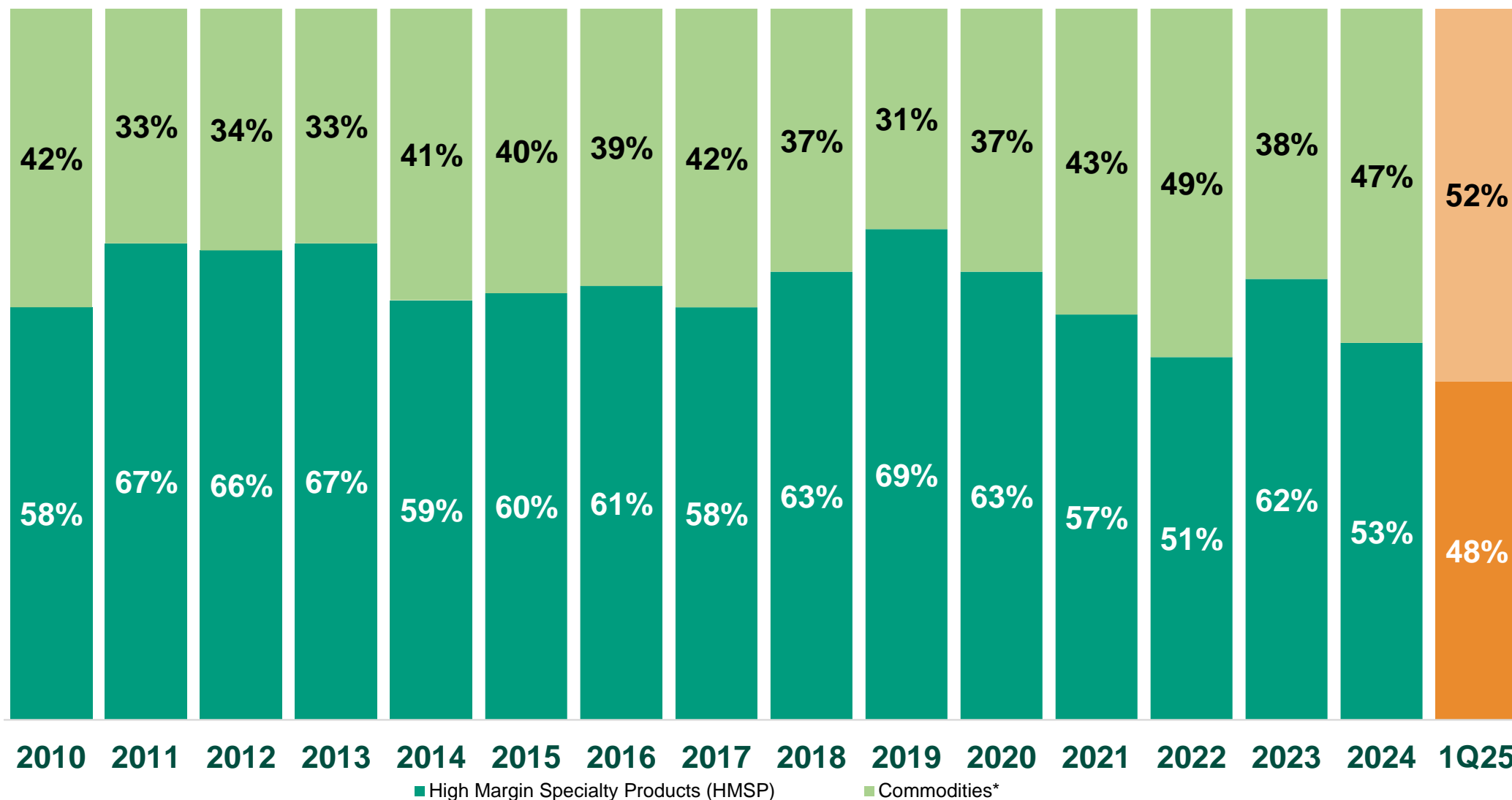
HMSP volume growth (YoY)



Sales mix

REVENUES

% share to total group revenues

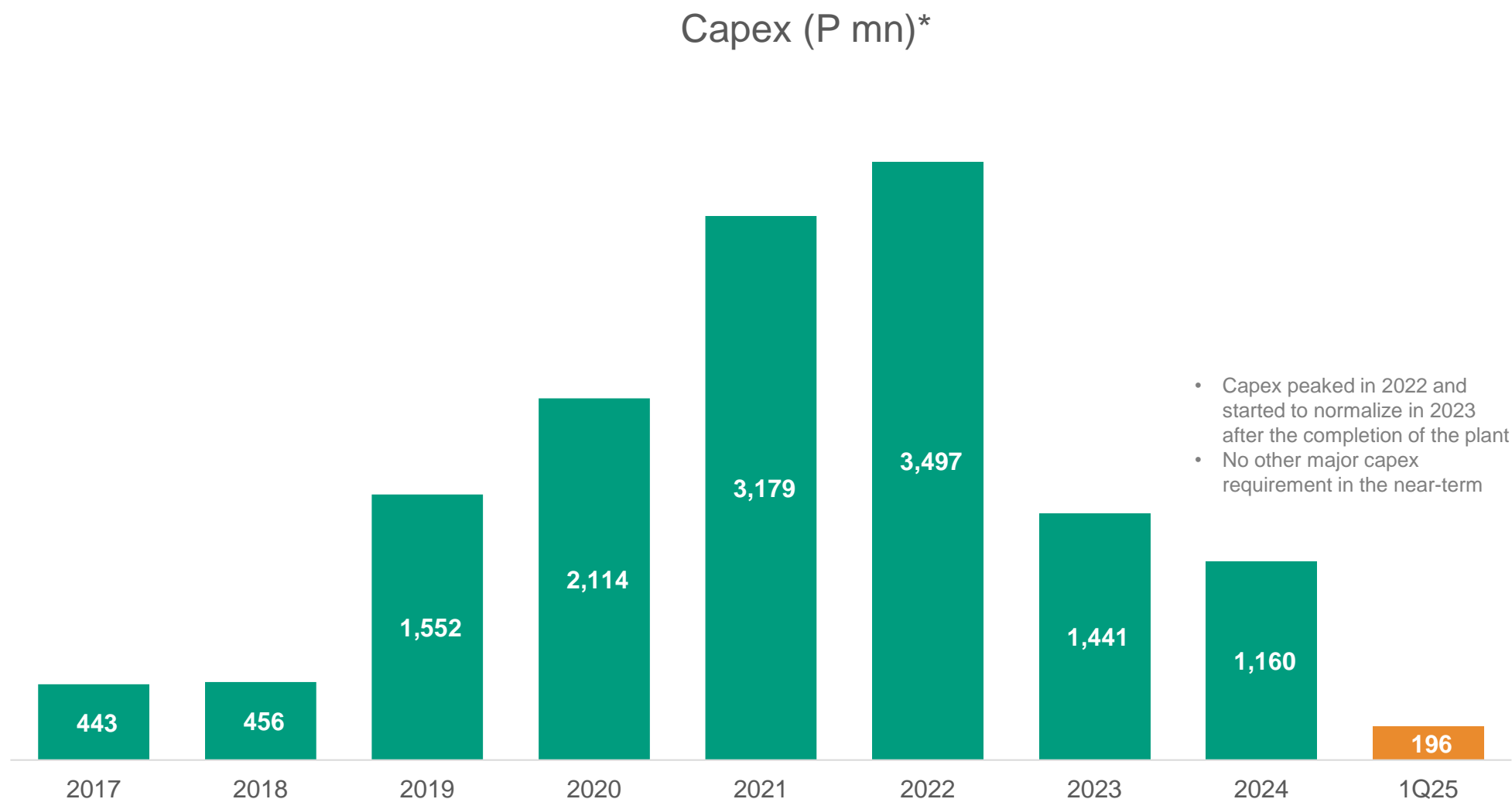


Condensed Statement of Cash Flows

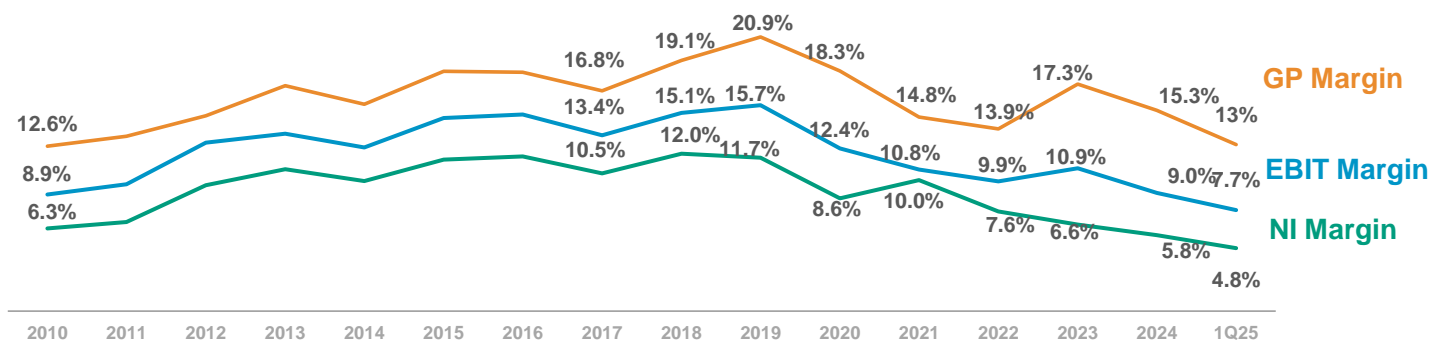
Largely due to unprecedented increase in coconut oil prices

In P mn	1Q25	FY24
EBITDA	1,411	5,012
Interest Received	6	10
Paid taxes	1	(595)
Non cash items	14	82
Change in working capital	(4,723)	(4,462)
Net Operating Cash Flow	(3,291)	48
Capex	(66)	(1,090)
Free Cash Flow	(3,358)	(1,042)

Capex normalizing after the completion of Batangas plant



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





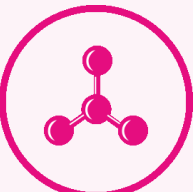


We expect margins to improve over time as we further invest in R&D



Average 1Q25 Prices
Coconut Oil +74% y-o-y
Palm Oil +23% y-o-y

Average PhP:US\$
1Q25: P57.86
1Q24: P56.24

1Q25 Group Results

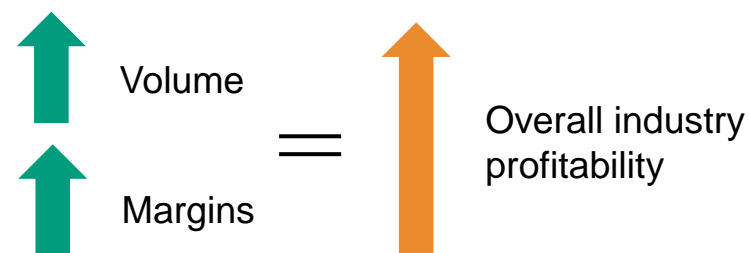
	 Food Ingredients	 Oleochemicals & Other Specialty Chemicals	 Specialty Plastics	 Consumer Products ODM	 D&L Industries - Consolidated
% change in Revenues	+65%	+82%	+6%	+49%	+62%
% change in Net Income	+18%	+27%	(5%)	(30%)	+10%

DOE finally increased Biodiesel blend to 3% (B3) from 2% (B2) last October 1, 2024; targets B4 by October 2025 and B5 by October 2026

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)**
- 2025 – blend to increase to **4% (B4)**
- 2026 – blend to increase to **5% (B5)**

Impact of a higher biodiesel blend to the industry

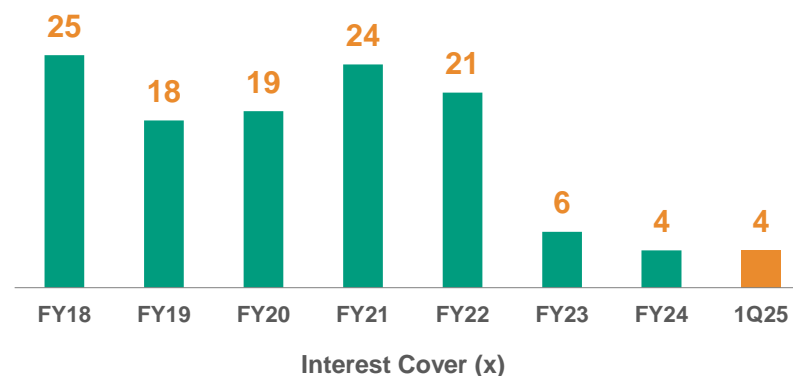
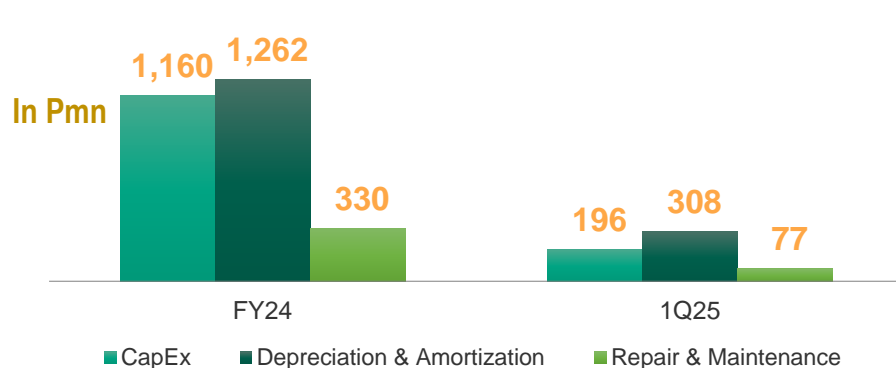


Other benefits:

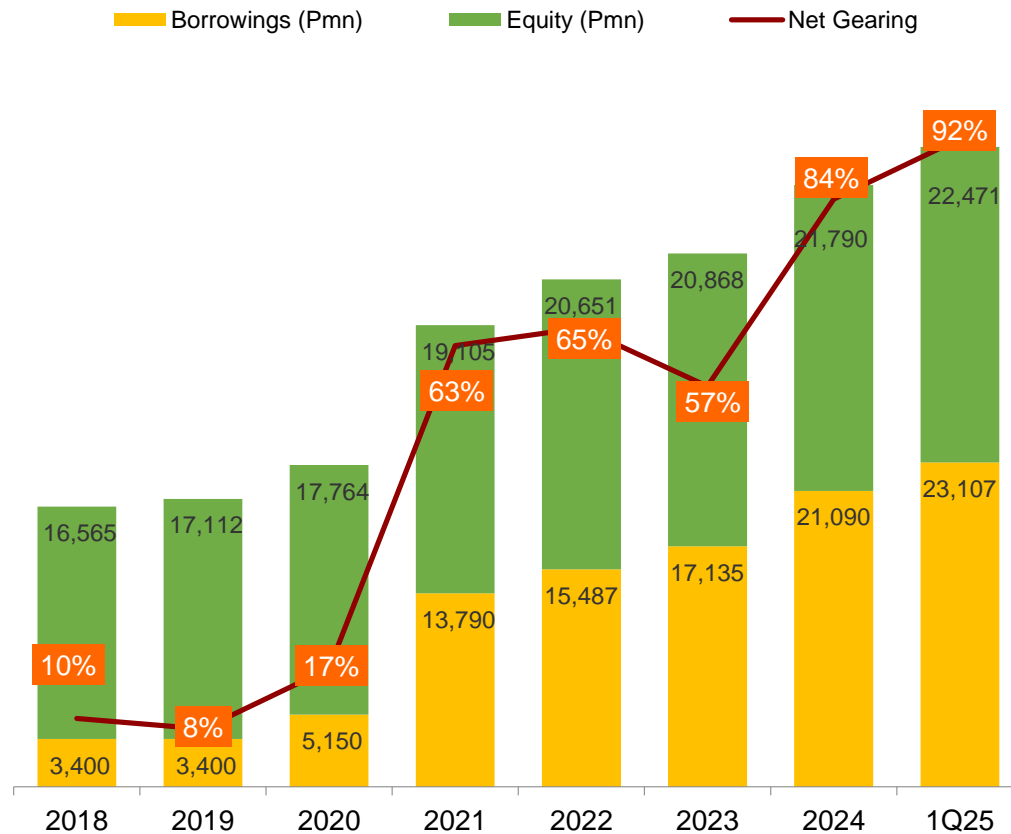
- Lower pollution
- Import substitution
- Value adding of coconut oil
- Mileage improvement

Balance Sheet remains robust

In Pmn	As of end Mar-25	As of end Dec-24	In P mn	As of end Mar-25	As of end Dec-24
Cash	2,358	2,838	Book Value	22,471	21,790
Current Assets	31,777	28,396	BVPS ¹ (in P)	3.15	3.05
Total Assets	50,996	48,369	Debt-to-equity (Borrowings/E quity)	1.03x	0.97x
Borrowings	23,107	21,090	Return on Equity	12.1%	10.8%
Total Liabilities	28,525	26,580	Return on Invested Capital ²	10%	9.0%



Capital Structure



4x

**interest
cover**

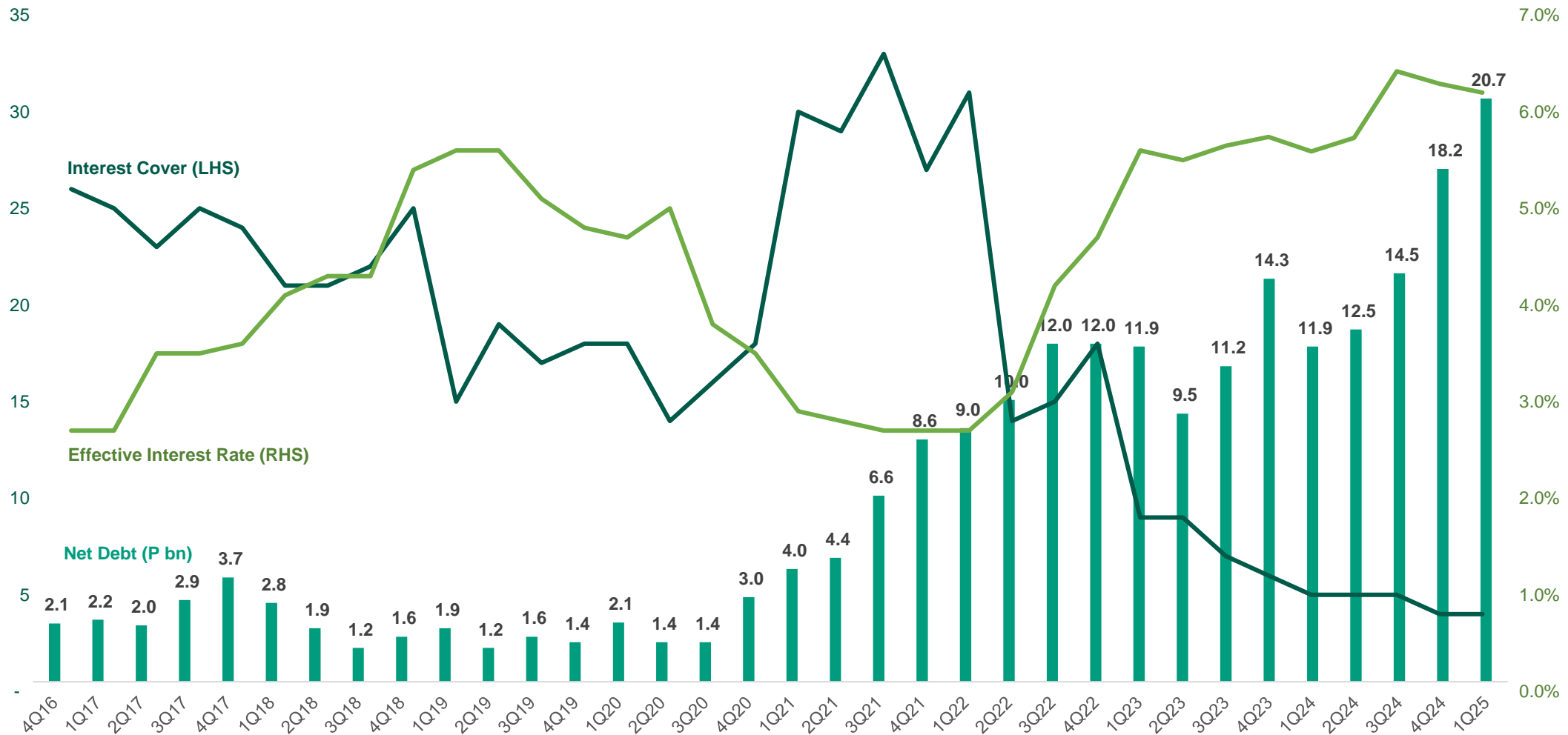
**P20.7
Billion**

**net
debt**

**~6.2%
p.a.**

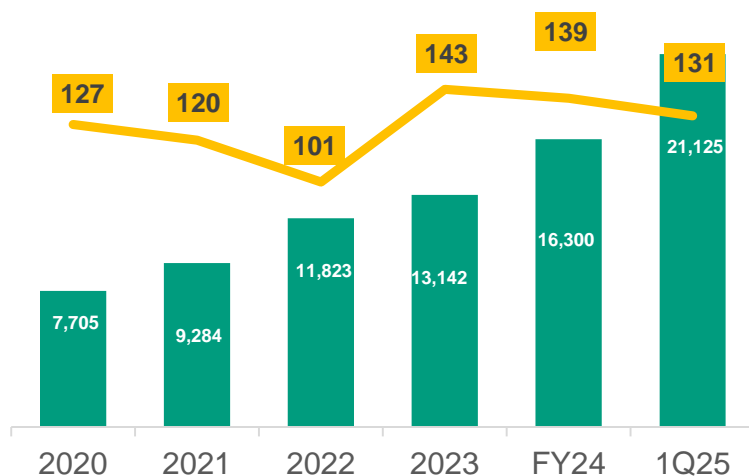
**average
cost of debt***

Net debt, effective interest rate, and interest cover

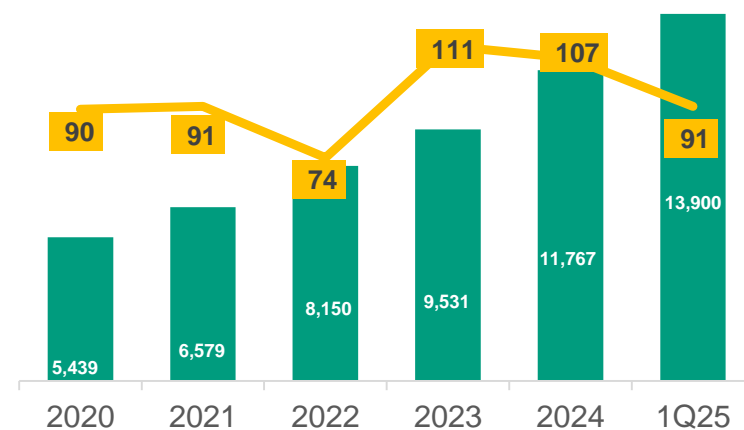


Working Capital Cycle

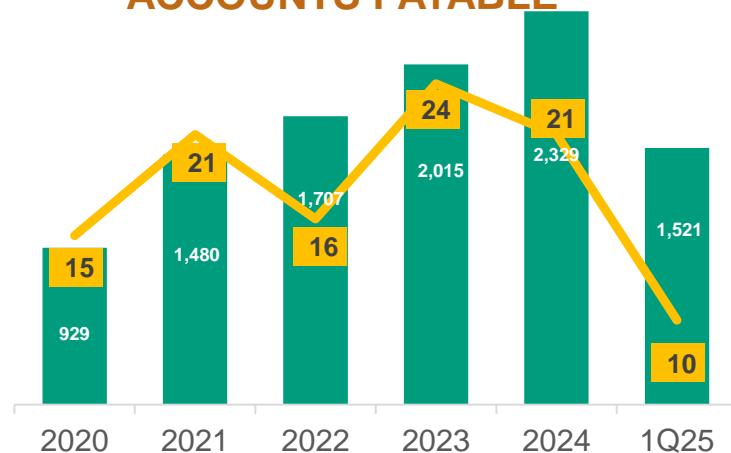
CASH CONVERSION



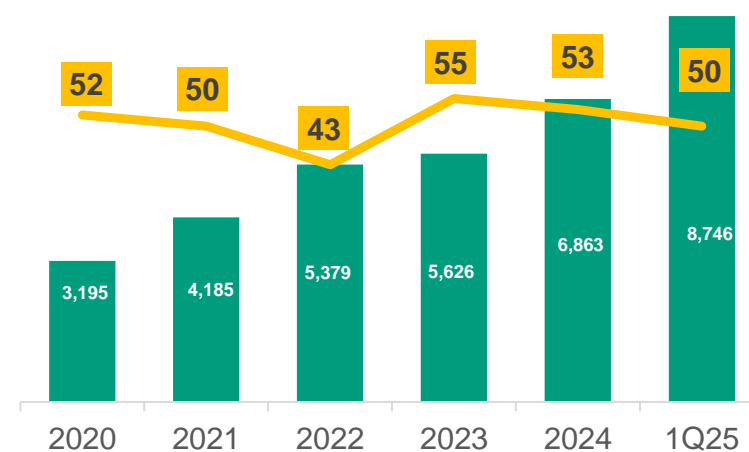
INVENTORY



ACCOUNTS PAYABLE



ACCOUNTS RECEIVABLE



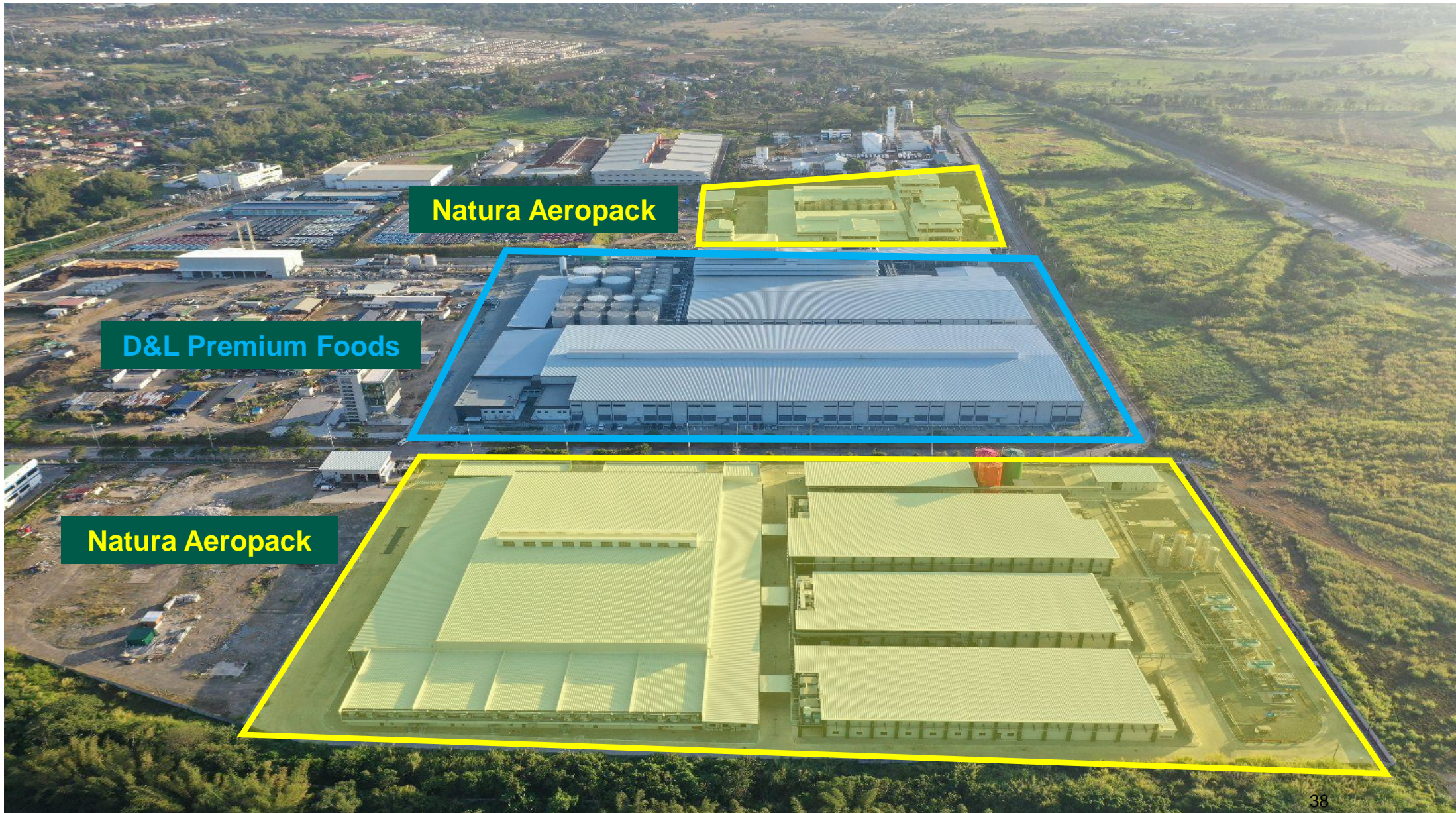
Average balance (P mn)
 Cycle (in days)

Q & A

Foundation of future growth

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

FIT Expansion



CNO & CPO 5-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

