



D&L's expansion site in
Batangas, Philippines



FILIPINO



MANUFACTURING



CUSTOMIZED
SPECIALTY
PRODUCTS



B2B2C



D&L INDUSTRIES

Investor Presentation

August 2025

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

1H25

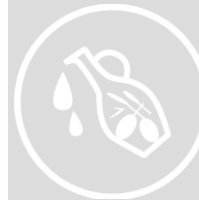
P28 B *Revenues*

P1.4 B *Net Income*



FOOD INGREDIENTS

Fats, oils and other specialty food ingredients



61%
Revenue

18%
Net Income



**OLEOCHEMICALS & OTHER
SPECIALTY CHEMICALS**

Coco-biodiesel, oleochemicals, resins and powder coatings



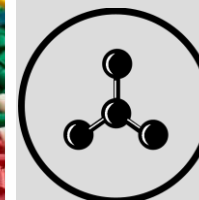
30%
Revenue

46%
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



3%
Revenue

6%
Net Income

KEY BUSINESS STRATEGIES



**Maintain Market
Leadership**



**Innovate
Continuously**



**Capitalize on Growing
Domestic Consumer Market**

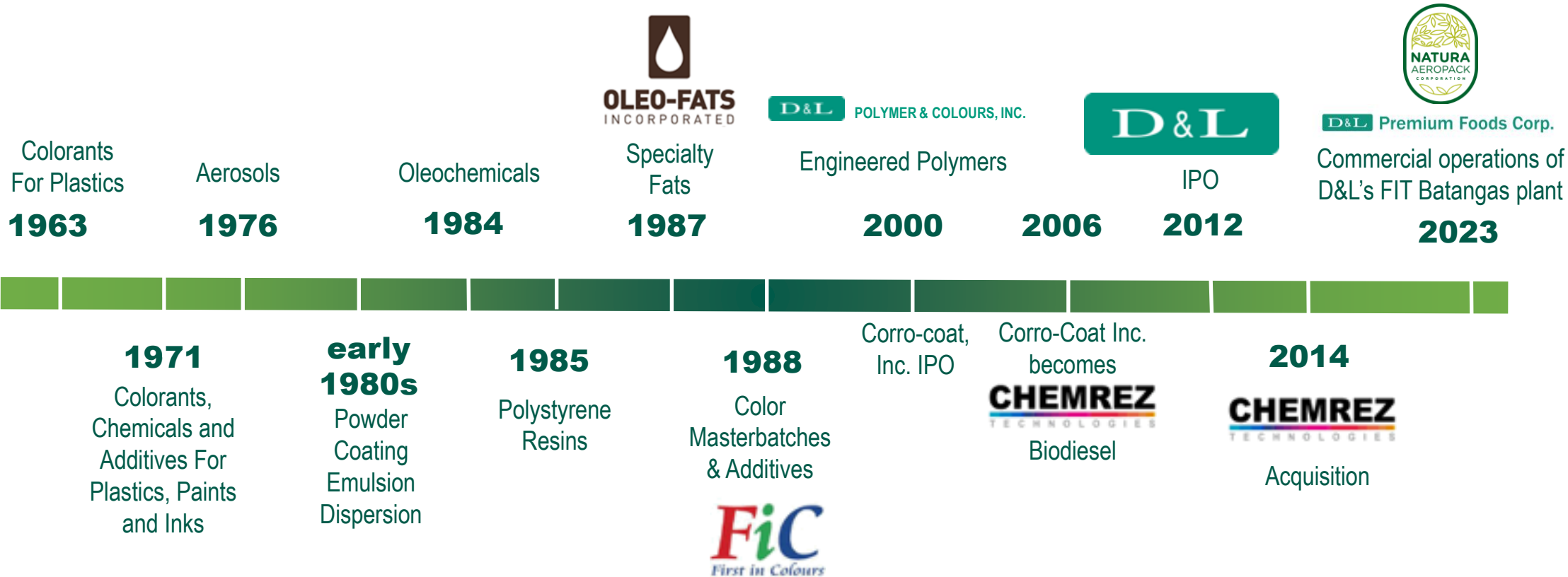


**Enhance Production and
Business Processes**



**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

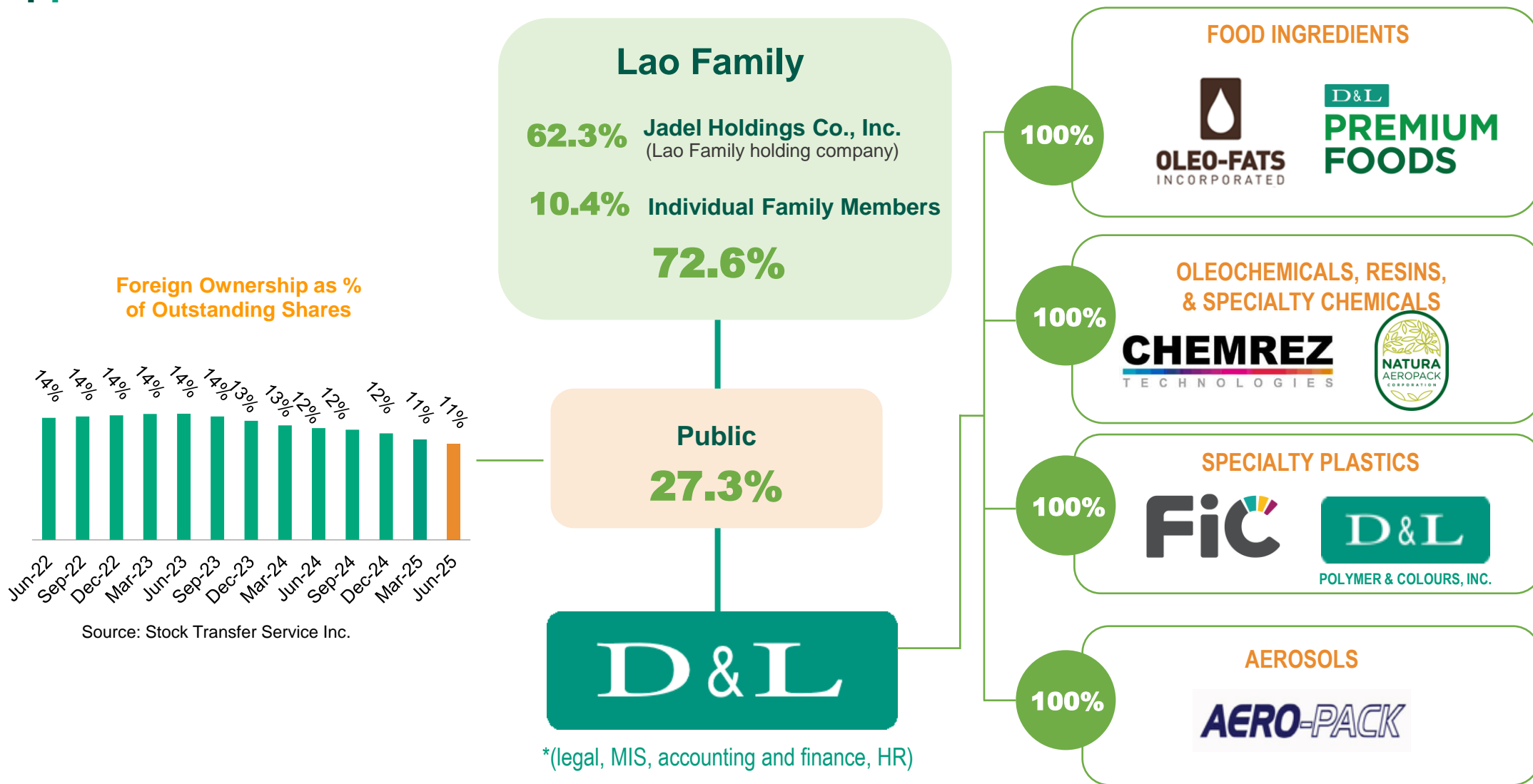


Lester A. Lao,
54 years old
President & CEO of FIC & DLPC
B. A. S. in Information Business from *Edith Cowan University*
Years of D&L experience: 32



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

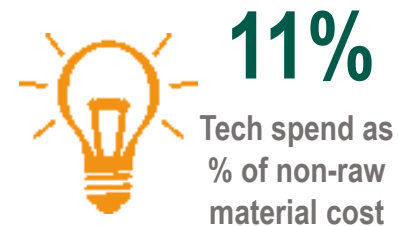
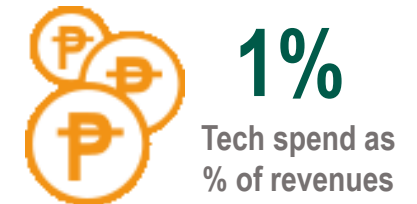
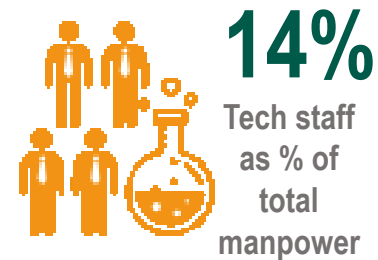
D&L Ownership Structure



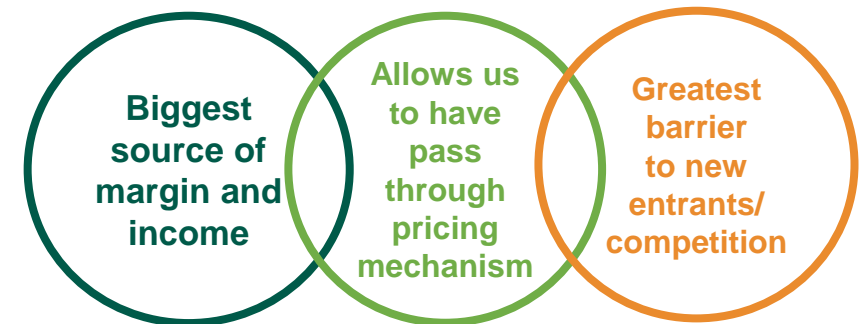
We are shaped and driven by R&D and disciplined innovation

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

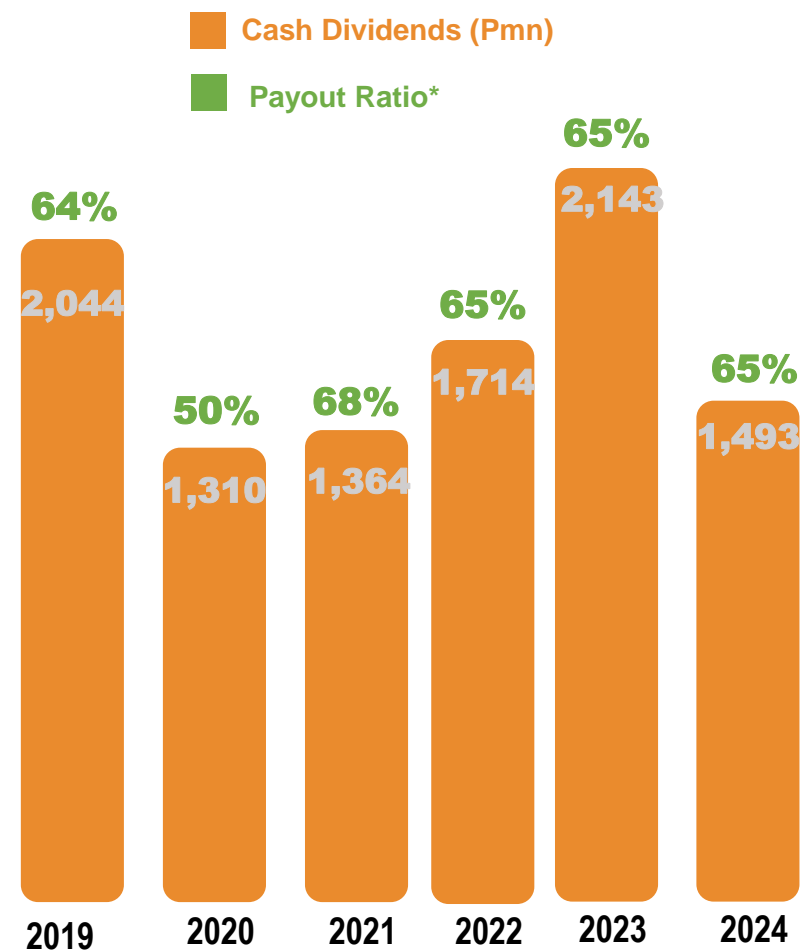
ASSET-LIGHT MODEL

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
1H25: P381 mn 2% of total costs and expenses	1H25: P46 mn 0.2% 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

#63

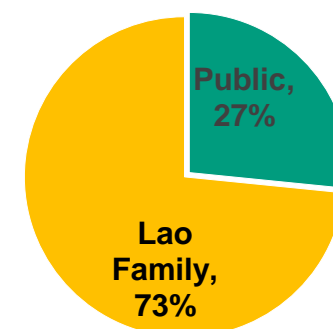
P35 bn*

Ranked 63rd
among
Philippines'
largest companies
by market cap

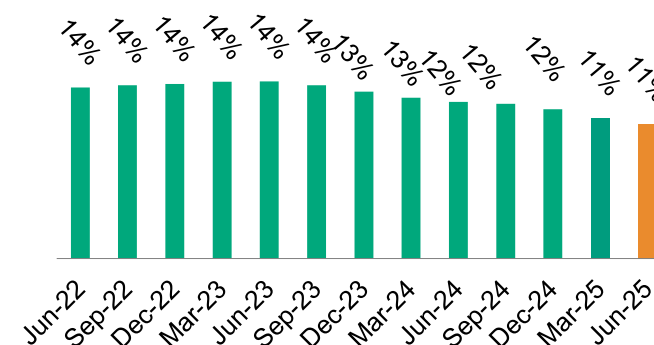
Shares bought back by the Lao Family

Year	# of Shares (in mn)	% of outstanding shares
Since IPO	565	7.9%
2024	20	0.3%
YTD 2025	41	0.6%

Ownership as of June 2025



Foreign Ownership as % of Outstanding Shares



INVESTOR RELATIONS

Return since IPO

	Price Change	Total Return
DNL PM	+128%	+252%
PCOMP Index	+9%	+24%



Price as of 08/08: P4.85
 Market Cap as of 08/08: P35bn
 USD 609 mn (USD1:P57.10)
 Outstanding Shares: 7,142,857,990

Dividend yield at
 4.4% at current
 levels

DATE	EVENT	VENUE
November 7, 2025	Auerbach Grayson x PNB Emerging & Frontier Markets Investor Conference	Virtual
November 14, 2025	PSE Star Investor Conference	Virtual

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

1H25 Results

1H25 Highlights

1

1H25 net income +6% YoY to P1.4 bn as Batangas plant consistently books profits;
2Q25 net income +2% YoY to P714 mn, tempered by abnormally high coconut oil prices

2

Margins started to pick up with HMSP margins +3.9ppts QoQ;
Blended GPM +2.5 ppts QoQ

3

Exports continue to drive growth with GP +30% YoY in 1H25;
Exports contribution to gross profits stood at 38% for the period

4

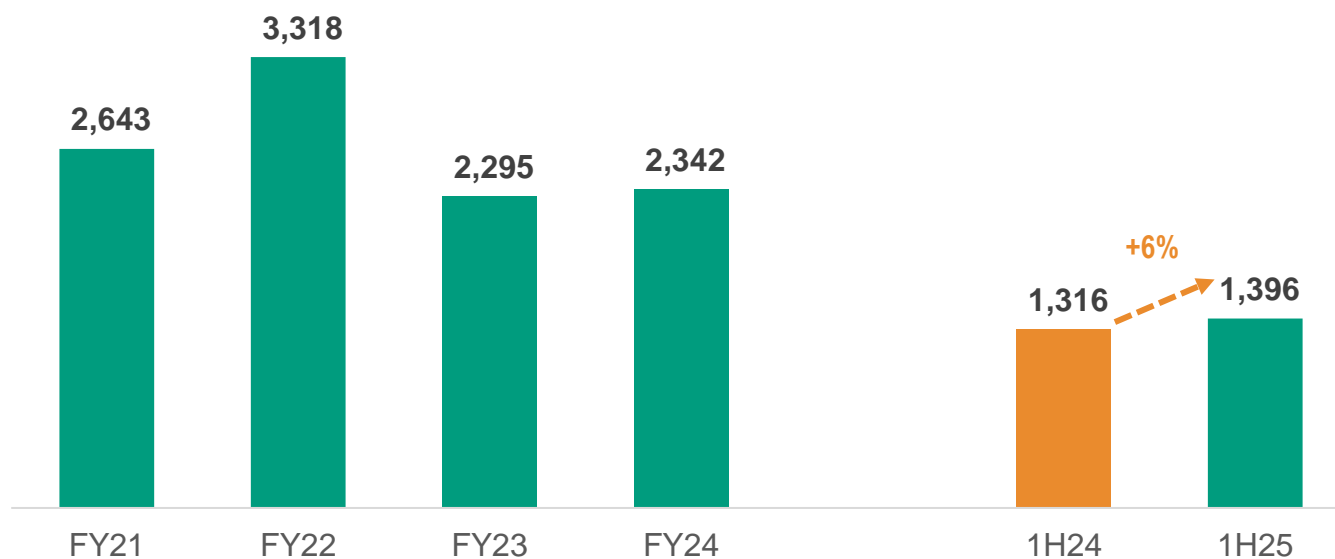
Return ratios continue to improve;
ROE stood at 12.9% (+2.1ppts vs FY24), ROIC stood at 10.1% (+1.1ppts vs FY24)

5

Management sees better 2H, optimistic on achieving double-digit income growth for
FY25

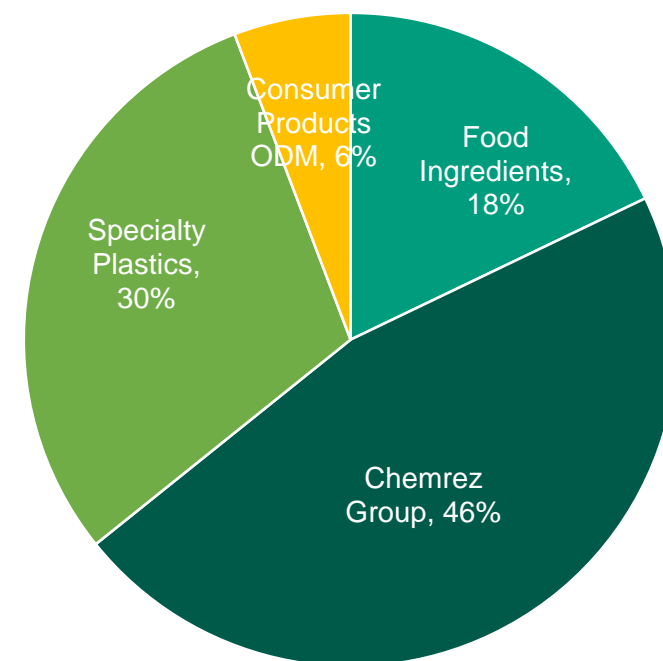
1H25 earnings +6% YoY

Net Income (Php mn)



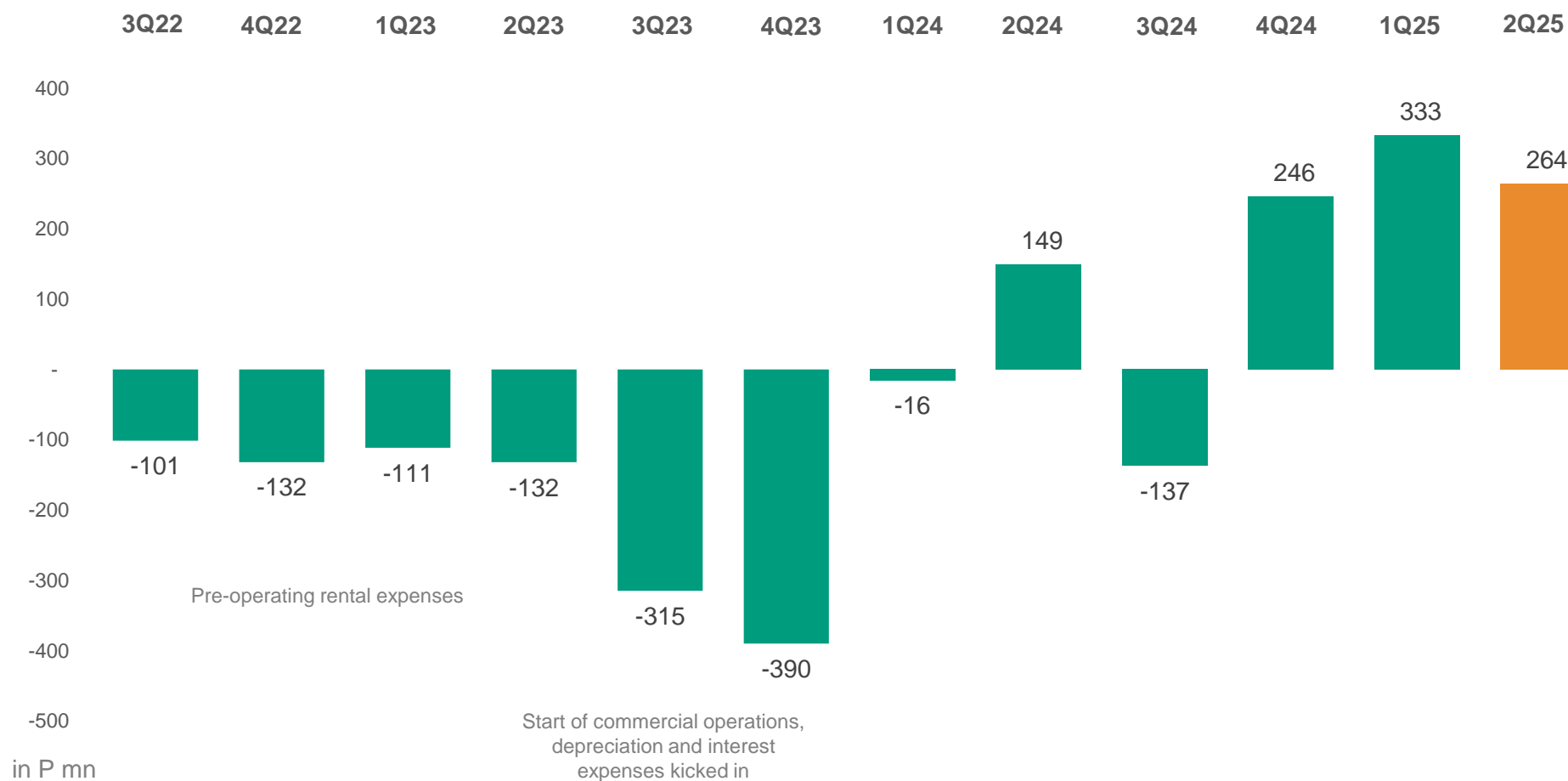
Start of commercial operations of Batangas plant. Incremental expenses weighed on earnings.

Net income breakdown



Batangas plant consistently books profits

Quarterly income of Batangas plant

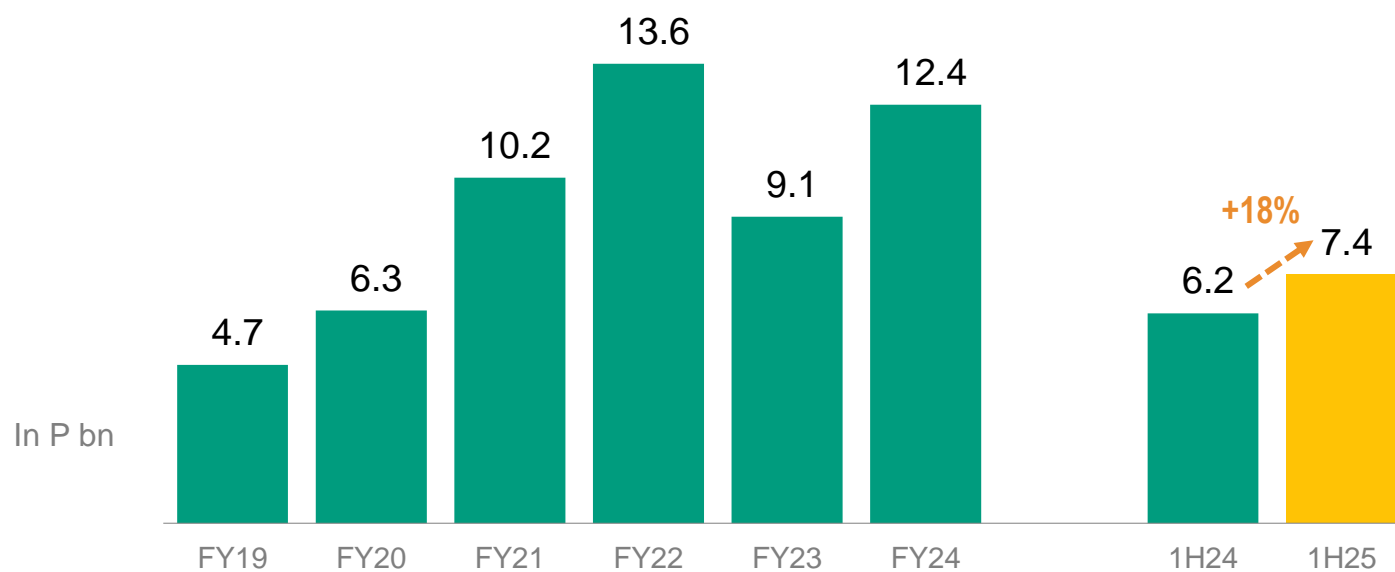


Condensed Income Statement

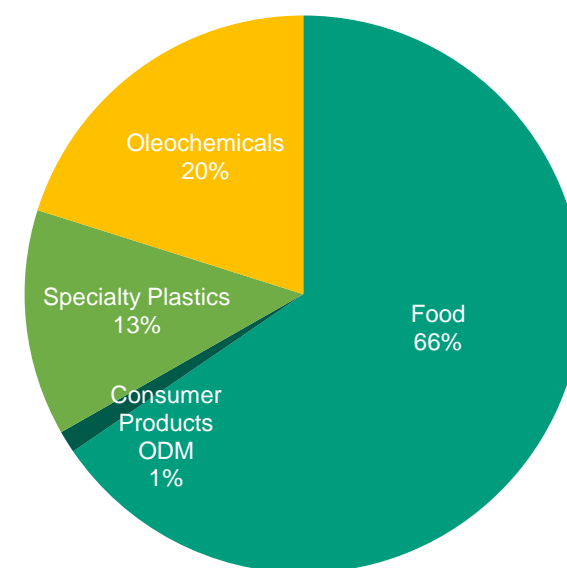
	1H YoY			2Q YoY			2Q QoQ		
(In P mn)	1H25	1H24	%change	2Q25	2Q24	% change	2Q25	1Q25	% change
Sales	26,608	18,975	40%	12,340	10,143	22%	12,340	14,268	-14%
COGS & Cost of Service	(22,926)	(15,910)	44%	(10,464)	(8,587)	22%	(10,464)	(12,462)	-16%
Gross Profit	3,682	3,065	20%	1,876	1,556	21%	1,876	1,806	4%
Operating expenses	(1,429)	(1,126)	27%	(731)	(586)	25%	(731)	(698)	5%
Other operating income	(29)	123		(24)	81		(24)	(6)	
Interest expense	(616)	(427)	44%	(312)	(204)	53%	(312)	(304)	2%
Profit before tax	1,608	1,635	-2%	810	847	-4%	810	798	2%
Income tax	(213)	(319)	-33%	(96)	(149)	-36%	(96)	(117)	-18%
Net Income	1,396	1,316	6%	714	698	2%	714	681	5%
EPS* (in cents)	19.5	18.4	6%	10.0	9.8	2%	10.0	9.5	5%
EBITDA	2,866	2,589	11%	1,455	1,337	9%	1,455	1,411	3%
EBIT	2,224	2,062	8%	1,122	1,051	7%	1,122	1,103	2%
Gross Profit Margin	13.8%	16.2%	(2.3)	15.2%	15.3%	(0.1)	15.2%	12.7%	2.5
Net Profit Margin	5.2%	6.9%	(1.7)	5.8%	6.9%	(1.1)	5.8%	4.8%	1.0
EBITDA Margin	10.8%	13.6%	(2.9)	11.8%	13.2%	(1.4)	11.8%	9.9%	1.9
EBIT Margin	8.4%	10.9%	(2.5)	9.1%	10.4%	(1.3)	9.1%	7.7%	1.4

Exports sales

	FY19	FY20	FY21	FY22	FY23	FY24	1H24	1H25
EXPORT/SALES	21%	29%	33%	31%	27%	30%	33%	28%

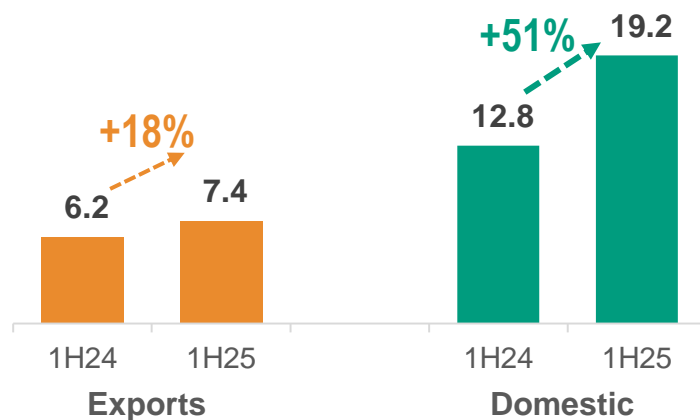


Breakdown of exports

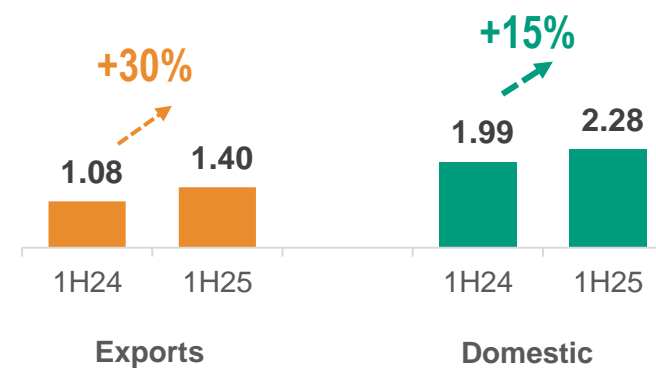


Export vs Domestic Market

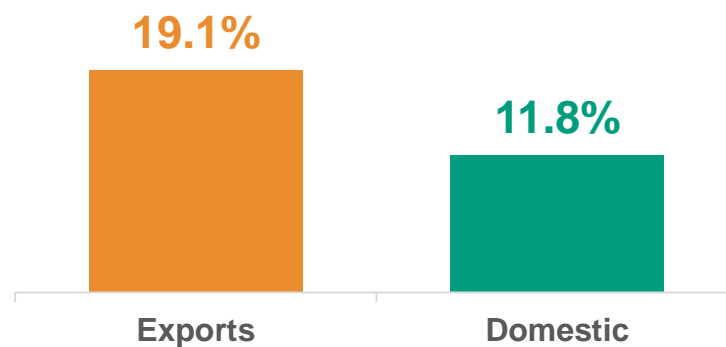
Sales (P bn)



Gross Profits (P bn)

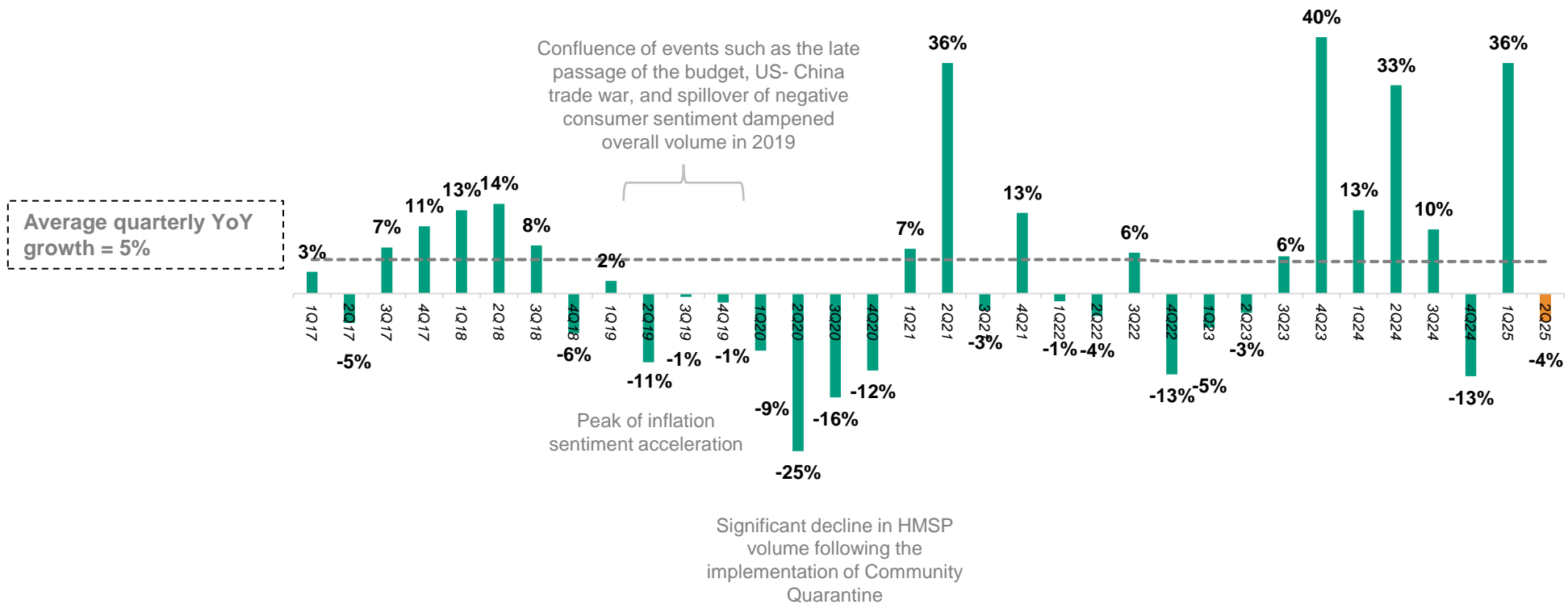


Blended Gross Profit Margins



HMSP Volume Growth (YoY)

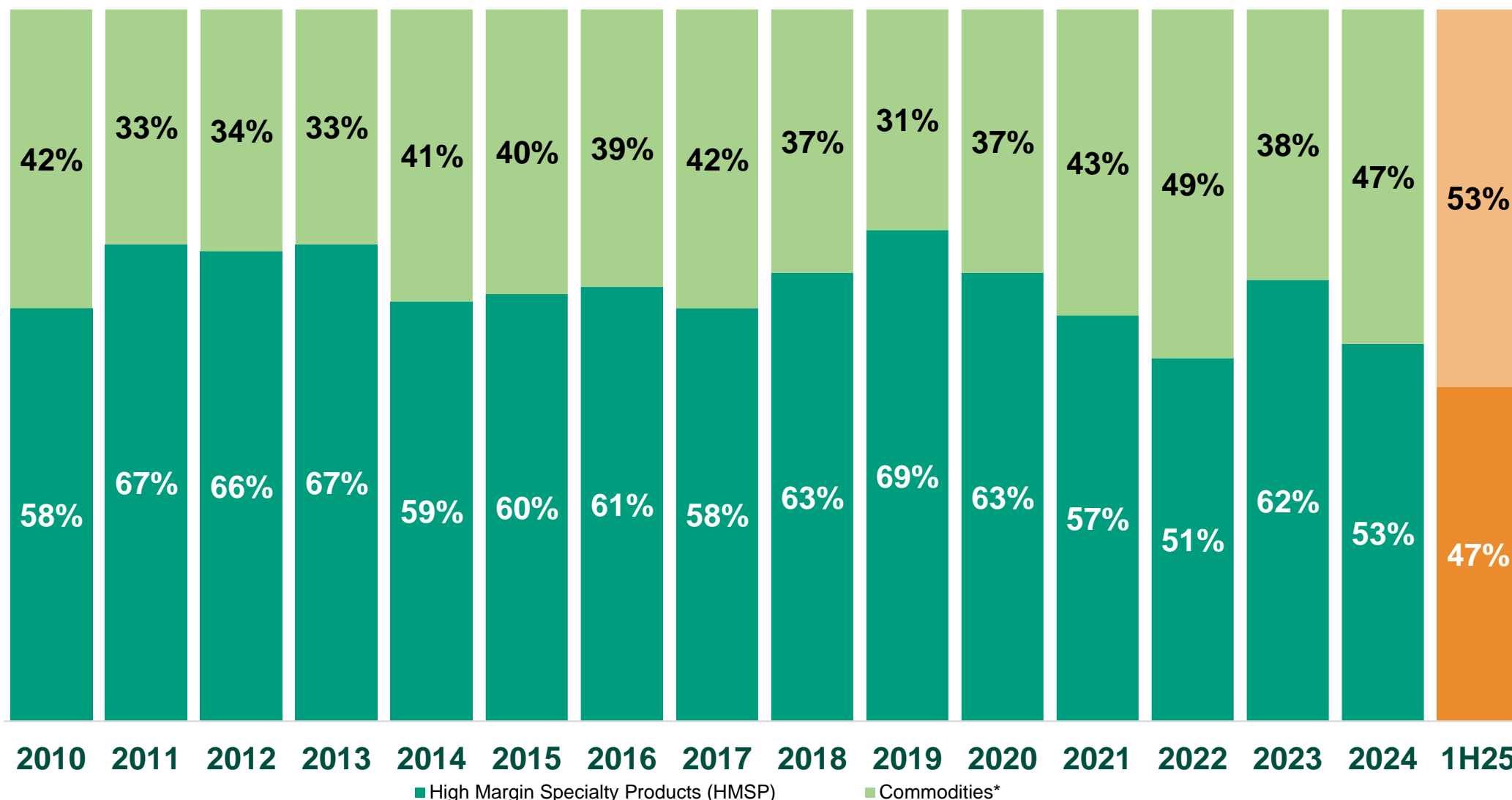
HMSP volume growth (YoY)



Robust biodiesel sales shifted the sales mix towards commodities

REVENUES

% share to total group revenues

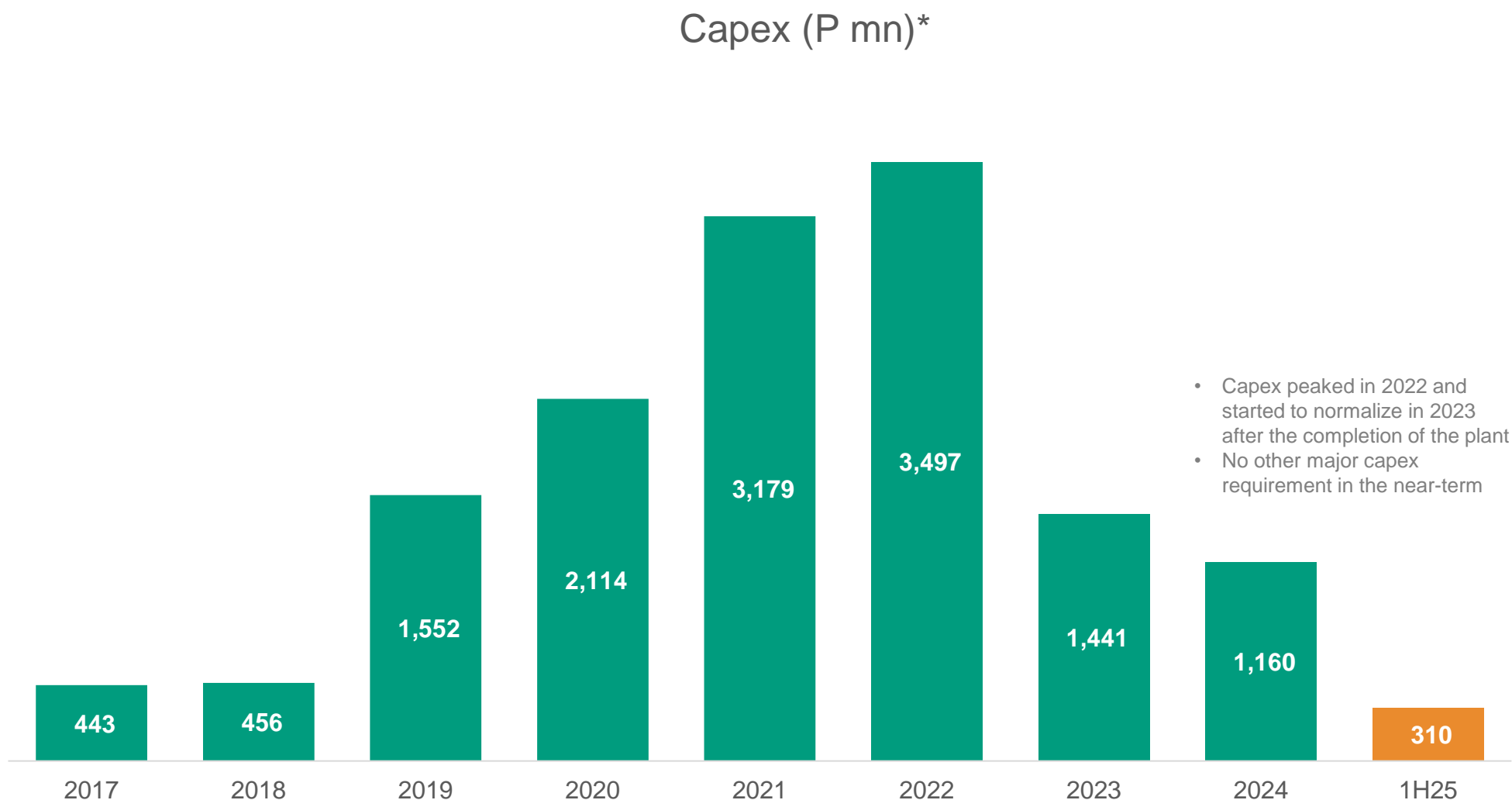


Condensed Statement of Cash Flows

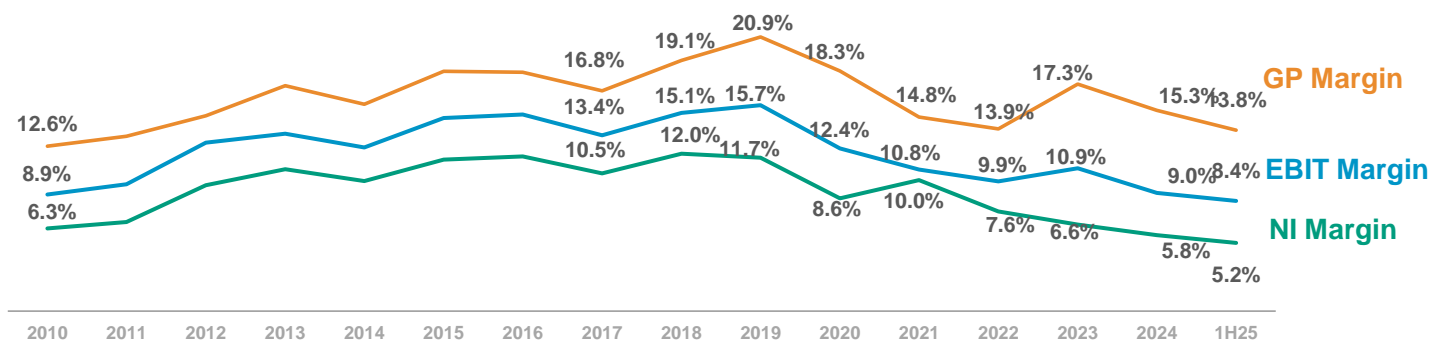
In P mn	1H25	FY24
EBITDA	2,866	5,012
Interest Received	4	10
Paid taxes	(142)	(595)
Non cash items	44	82
Change in working capital	(5,501)	(4,462)
Net Operating Cash Flow	(2,729)	48
Capex	(174)	(1,090)
Free Cash Flow	(2,903)	(1,042)

Largely due to unprecedented increase in coconut oil prices →

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



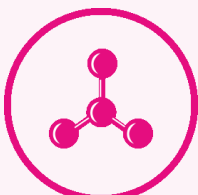




Average 1H25 Prices
Coconut Oil +85% y-o-y
Palm Oil +17% y-o-y



Average Php:US\$
1H25: P56.92
1H24: P57.27

1H25 Group Results

	 Food Ingredients	 Oleochemicals & Other Specialty Chemicals	 Specialty Plastics	 Consumer Products ODM	 D&L Industries - Consolidated
% change in Revenues	+38%	+94%	+6%	+16%	+47%
% change in Net Income	(52%)	+100%	-	+45%	+6%

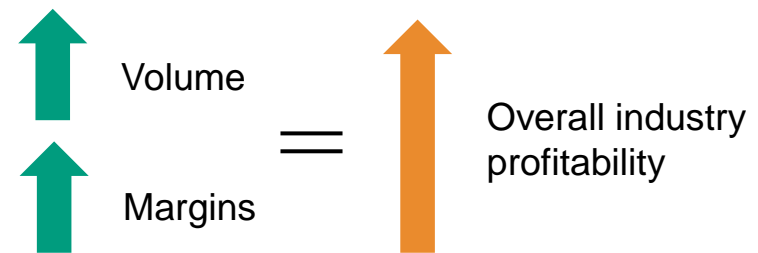
Biodiesel blend to remain at 3% (B3); B4 and B5 implementation postponed

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)**
 - 2024 – blend to increase to **3% (B3)**
- After 15 years*

B4 and **B5** implementation has been deferred from their original roll out dates of October 1, 2025 and October 1, 2026, respectively

Impact of a higher biodiesel blend to the industry

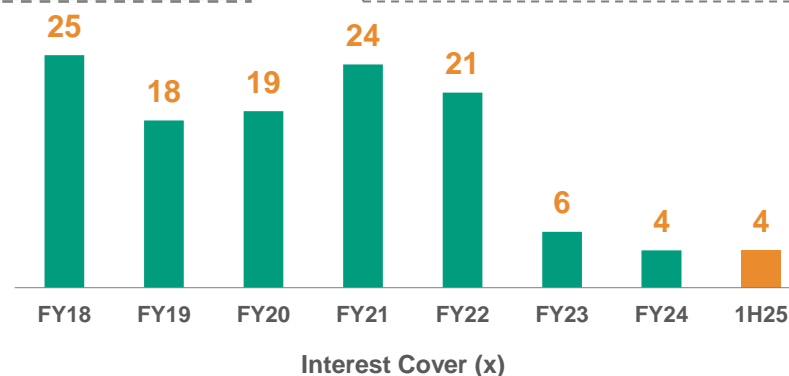
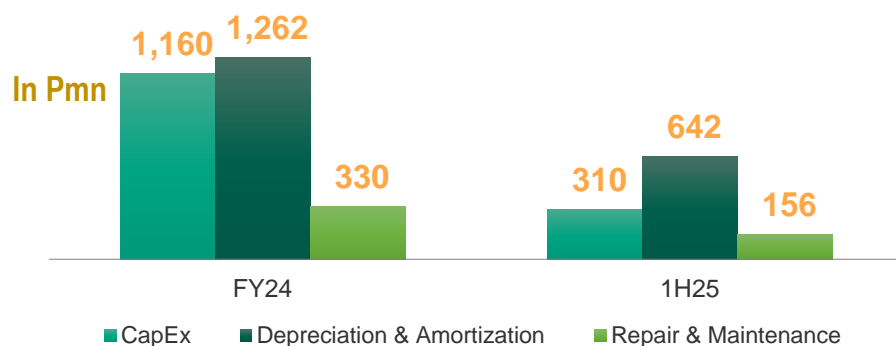
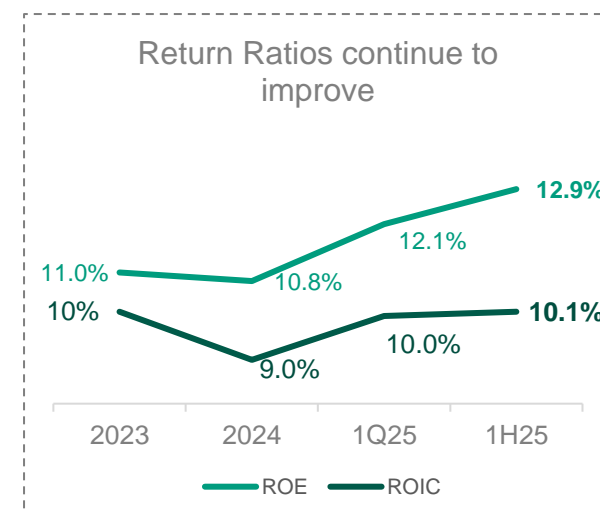


Other benefits:

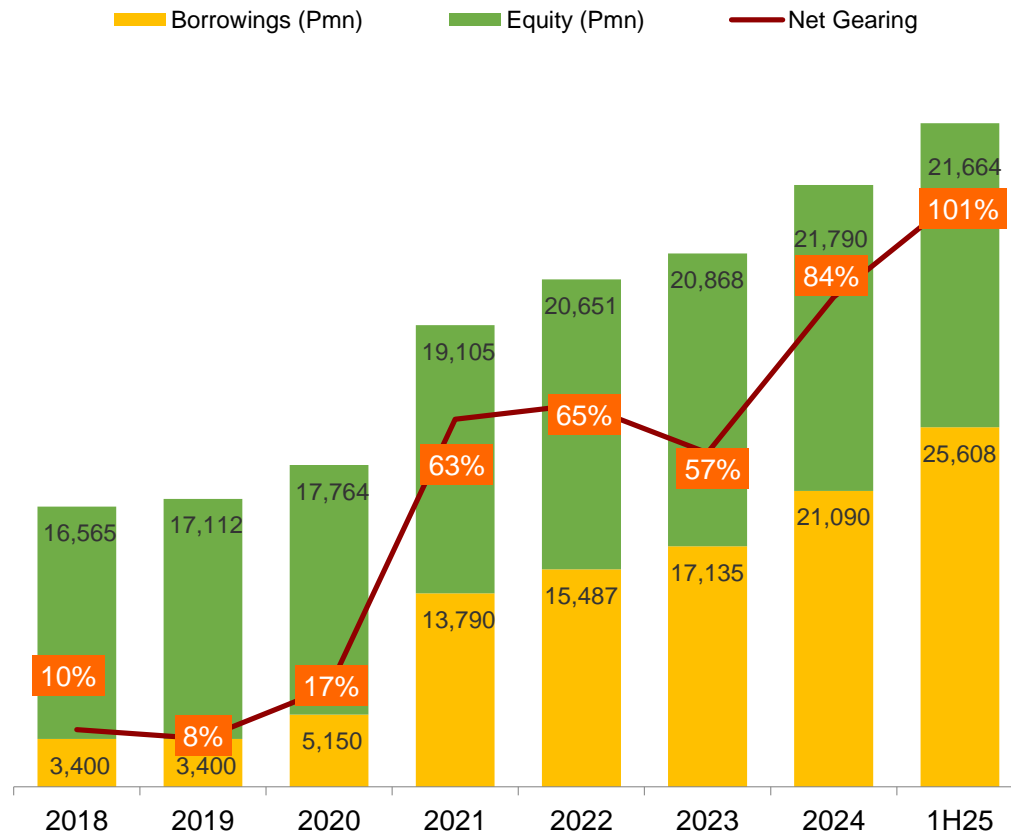
- Lower pollution
- Import substitution
- Value adding of coconut oil
- Mileage improvement

Balance Sheet remains robust

In Pmn	As of end Jun-25	As of end Dec-24	In P mn	As of end Jun-25	As of end Dec-24
Cash	3,709	2,838	Book Value	21,664	21,790
Current Assets	34,977	28,396	BVPS ¹ (in P)	3.03	3.05
Total Assets	53,669	48,369	Debt-to-equity (Borrowings/ Equity)	1.18x	0.97x
Borrowings	25,608	21,090	Return on Equity	12.9%	10.8%
Total Liabilities	32,005	26,580	Return on Invested Capital ²	10.1%	9.0%



Capital Structure



4x

**interest
cover**

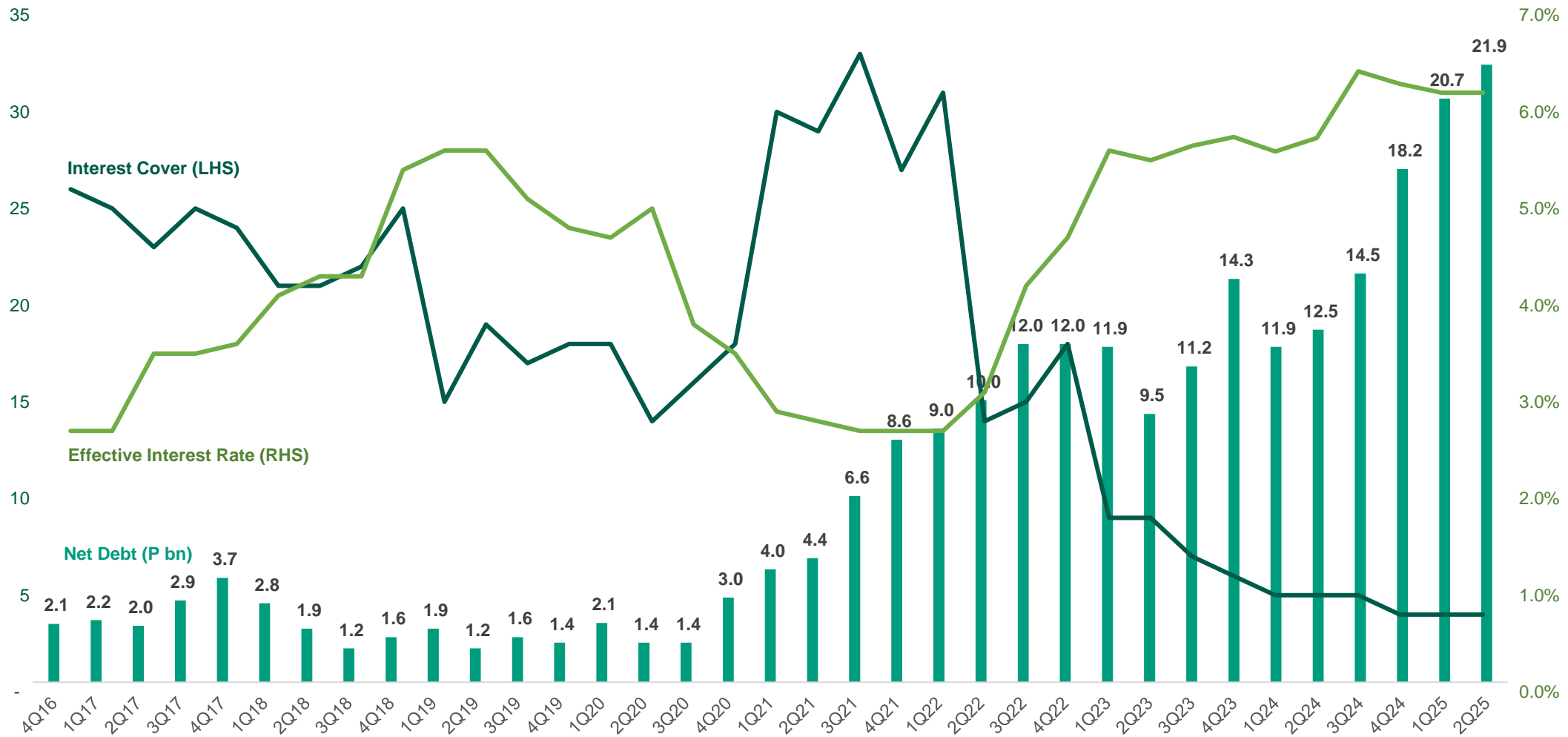
**P21.9
Billion**

**net
debt**

**~6.2%
p.a.**

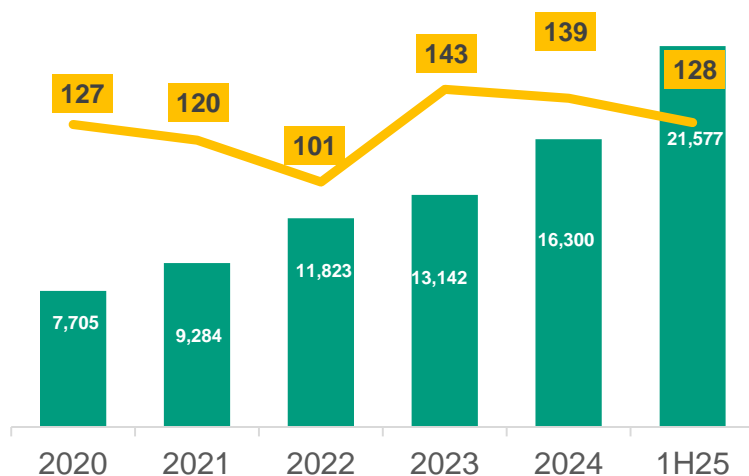
**average
cost of debt***

Net debt, effective interest rate, and interest cover

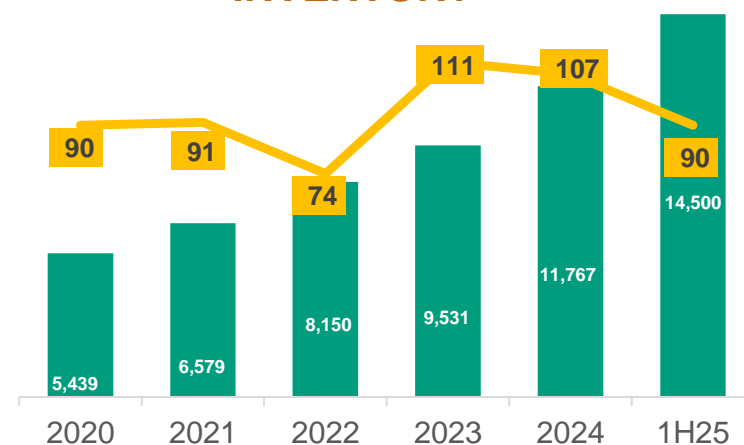


Working Capital Cycle

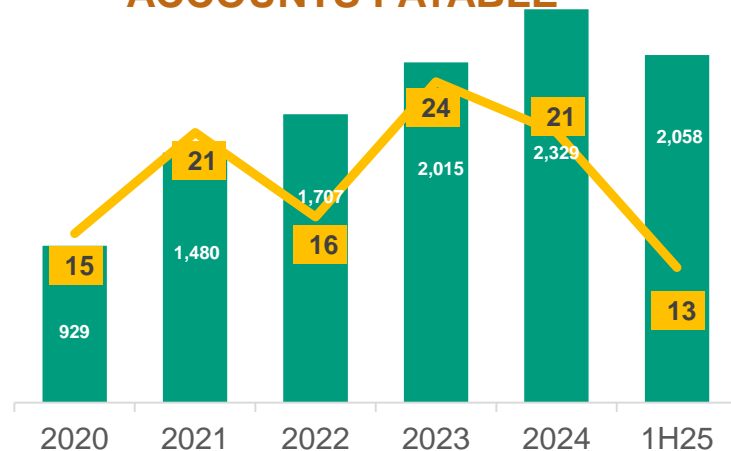
CASH CONVERSION



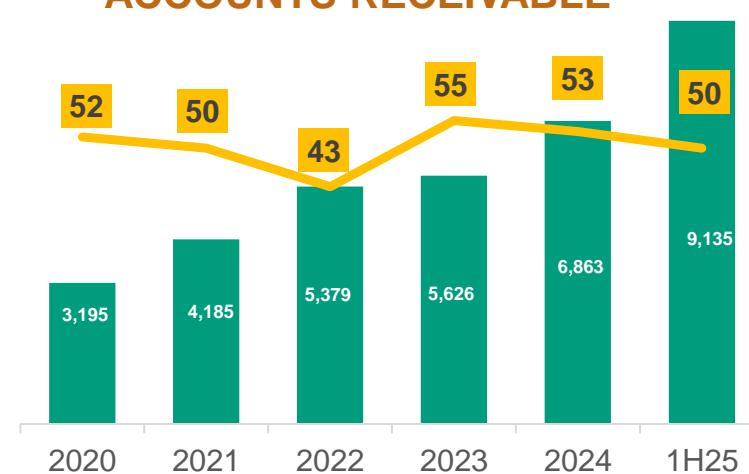
INVENTORY



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

