



INVESTOR FACT SHEET: JULY 2022

Company Overview

Vitarich Corporation (PSE: VITA) is a pioneer, agribusiness partner, and leader in the animal feeds industry in the Philippines. Recognized with international standards for sanitation, food safety, and quality, VITA operates in three primary industry segments: feeds, foods, and farms.

Investment Highlights

Experienced leadership team with extensive industry expertise

- + Diverse skills and experience ranging from technical (veterinary, nutrition, R&D) to creative (marketing, strategy) with strong execution track record and deep commitment to leading by example and living our values

Scalable operations with multiple growth levers and advantaged synergies

- + Integrated business model and deep technical expertise enhanced by technology advancements enable scalability and quick responses to critical events, such as natural disasters and outbreaks of diseases
- + Company culture and Lifetime Profitable Partnership™ gain long-standing stakeholder relationships (≥5 years), including 1,100+ feed distributors, 140+ contract growers, suppliers, and key accounts—demonstrating a sustainability approach that translates to clear benefits for all

Attractive Philippine demographics and recovery, and rising domestic prospects for poultry and pork

- + Over 109 million population with average annual growth rate of 1.6% and GDP growth forecast of 6.5% – 7.5% in 2022 driven by investment and household consumption and remittances
- + Higher incomes (per capita growth at 4.9% to 2031), ongoing urbanization, and changing lifestyles to spur demand for meat, processed and convenience food, and food service¹
- + Poultry meat consumption to steadily rise due to growing demand and breeding improvements. Pig meat production expected to fully recover from African Swine Fever (ASF) by 2024¹
- + Commodity industry roadmap to support the country's vision of being a leader and key player in the ASEAN poultry industry by 2025²

Focused on accelerating growth while maintaining financial discipline

- + 19% 6-year revenue CAGR (2015-2021)

- + ₱9.7 billion 2021 revenues highest in history
- + Consistent cash generation and efficient working capital with cash conversion cycle of 7 days
- + Mid-term outlook of progressive margin expansion and net income CAGR of at least 30% (2019-2026)

Growth Strategies

Grow the core

- + Add new OEM accounts, and deepen relationships with many of our existing hotels, restaurants, and institutional customers through joint product development, customization, and collaborative demand planning
- + Launch ready-to-cook lines under our Cook's brand, focusing on Greater Manila, Central Luzon, and Bicol

Diversify into adjacent opportunities

- + Following ASF, capture prospects in hog repopulation and pork meat market by venturing into hog raising and marketing
- + Replicate our contract growing model to manage risks

Transform the cost base and enhance risk management processes

- + Manage raw materials price volatility and other business risks through diversification and more robust risk management protocols
- + Offset upward pressure on costs through automation, further integration, innovation, supply chain optimization, and continuous improvements in feeds formulation and efficiency

Invest and adapt for the future

- + Continue to invest in facilities, technology, research and development, strategic alliances and acquisitions, and people

Create shared value

- + Create value for everyone and contribute towards achieving zero hunger, decent work and economic growth, and responsible production and consumption

History

1950s	Brothers Feliciano, Lorenzo, and Pablo Sarmiento founded Philippine American Milling Co and later incorporated Vitarich Corporation in 1962
1970s to 1980s	Built dressing plant and cold storage facilities and expanded to Visayas and Mindanao, including Davao, Cagayan de Oro, Iloilo, and Bacolod
1995	Listed on the Philippine Stock Exchange
2007	Entered corporate rehabilitation where the aggregate debt of P3.2B was restructured
2016	Ricardo Manuel M. Sarmiento became President and CEO Granted successful exit from corporate rehabilitation (6 years ahead of schedule)
2017	Opened a new feed mill in Davao under a lease agreement, automated the feed mill facilities in Iloilo, and introduced a new distribution system for commercial feeds
2018	Launched new product lines for hog and layer feeds Received SEC approval of: - decrease in capital stock from ₱3.5B at P1.00/share par value to ₱1.33B at P0.38 par; - equity restructuring to wipe out the capital deficit of ₱2,256,037,517 against additional paid-in capital
2019 to 2021	Acquired the feed mill in Davao and widened hatchery and poultry operations in Rizal and Bicol Expanded Cook's portfolio in Central Luzon, launched <i>Freshly Frozen</i> line, and continued the development of value-added products Introduced Vitarich Poultry Advantage



Financial Highlights

(in PHP millions)	2021	2020	2019
Revenues	9,704	7,882	8,918
By Segment			
Foods	4,232	3,119	4,298
Feeds	4,695	4,109	3,941
Farms	778	655	679
By Customer			
Commercial	5,701	4,106	4,858
Retail	4,003	3,776	4,061
By Geography			
Luzon	4,836	3,511	3,746
Mindanao	3,558	2,962	3,378
Visayas	1,255	1,209	1,314
EBITDA	250	222	386
Net income	89	9	129
Earnings per share	0.029	0.003	0.042
Bank debt	505	280	532
Cash conversion cycle (days)	7	1	23

Operating Data

	2021	2020	2019
Feeds production (MT)	226,900	209,739	215,727
Foods production (MT)	35,700	29,467	36,085
Feeds utilization	76%	72%	77%
Foods utilization	75%	70%	84%

Leadership

Jose Vicente C. Bengzon III

Chairman of the Board

Ricardo Manuel M. Sarmiento

President and CEO

Stephanie Nicole Sarmiento-Garcia

Treasurer and Corporate Services

Maria Alicia C. Arnaldo

Chief Finance Officer

Reynaldo D. Ortega

Poultry, Food, and Feed Sales

Alicia G. Danque

Supply Chain

Emmanuel S. Manalang

Nutrition and R&D

Elaine C. Nantes

Quality Assurance

Market Data and Ownership Structure

Market Capitalization	PHP1.8B
Outstanding shares	3,054,334,014
Free float (%)	25.75%
Major shareholders	
Kormasinc, Inc.	48.47%
Chocoholic Holdings, Inc.	23.10%

1. OECD-FAO Agricultural Outlook 2022 – 2031
2. Philippine Poultry Broiler Industry Roadmap 2022 – 2040

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