



**AXELUM**  
RESOURCES CORP.

1<sup>st</sup> Half 2020  
Financial Results  
August 13, 2020



**01**

**1<sup>st</sup> Half 2020 Recap**

**02**

**Revenue Mix**

**03**

**Summary of  
Consolidated Financials**

**04**

**General Outlook**



# 2<sup>nd</sup> Quarter 2020 Recap

01

## COVID-19 Situation

Sustained profitability despite realizing full impact of COVID-19

02

## Rising Cost of Raw Materials

Higher nut buying prices, packaging and freight expenses

03

## Improving Scale of Operations

Daily coconut processing volumes approaching pre-pandemic levels

04

## Foreign Exchange Volatility

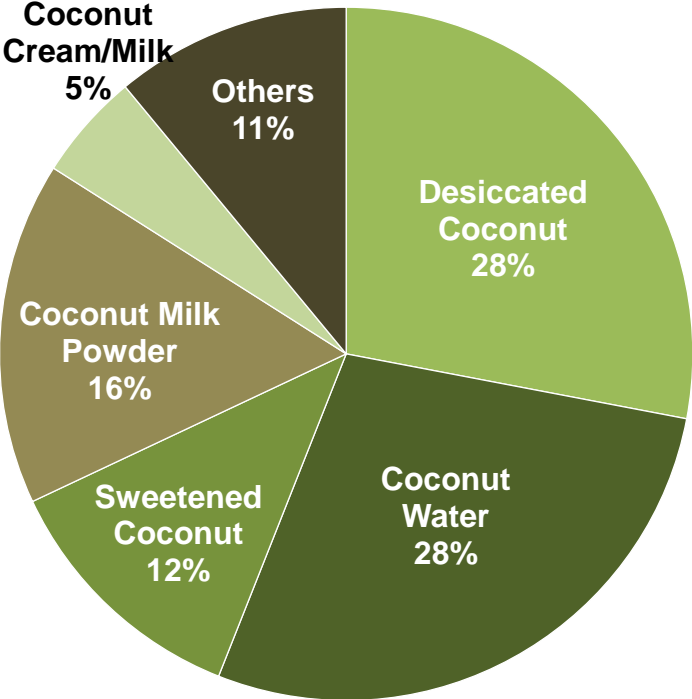
Appreciation of peso currency



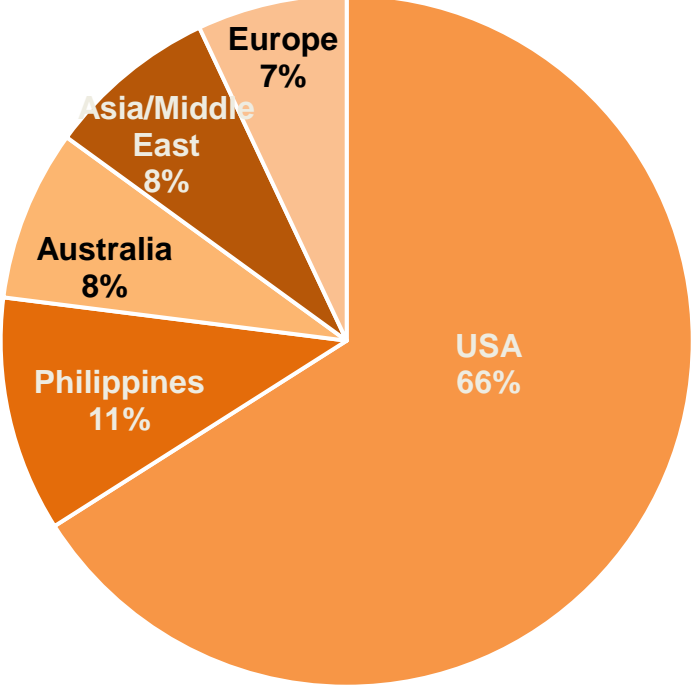
# Revenue Mix: Product Segment, Geography and Exports



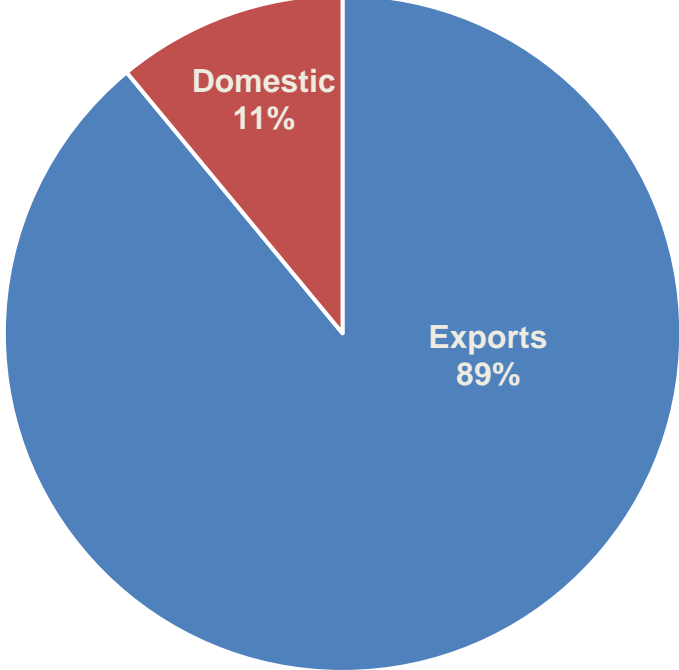
### Product Segment



### Geography

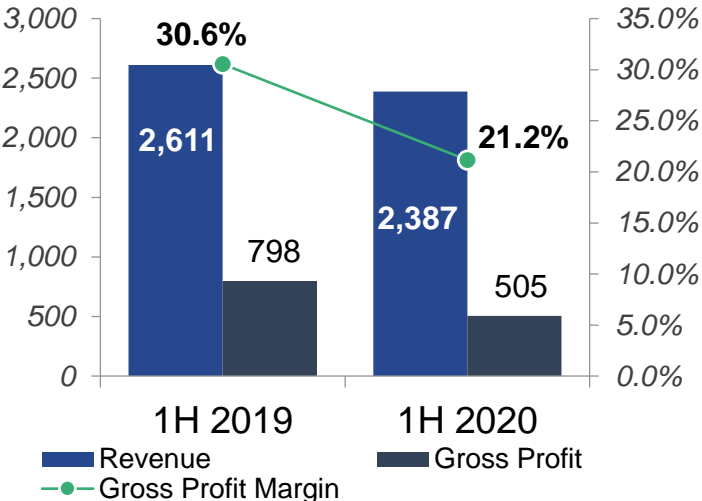


### Exports

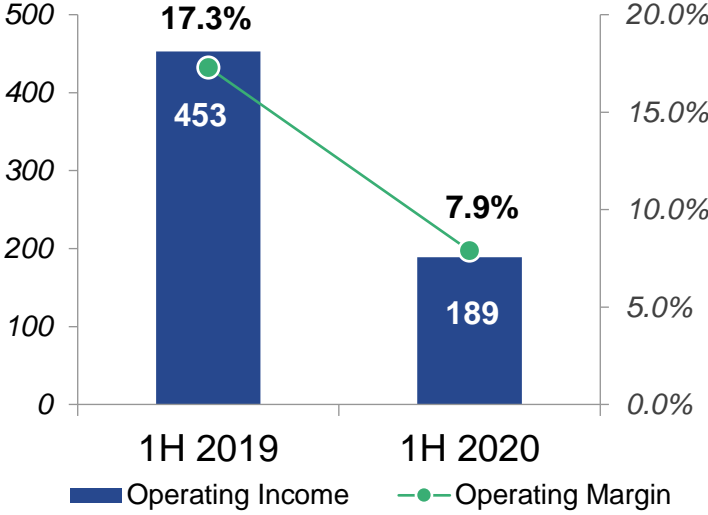


# Summary of Consolidated Financials

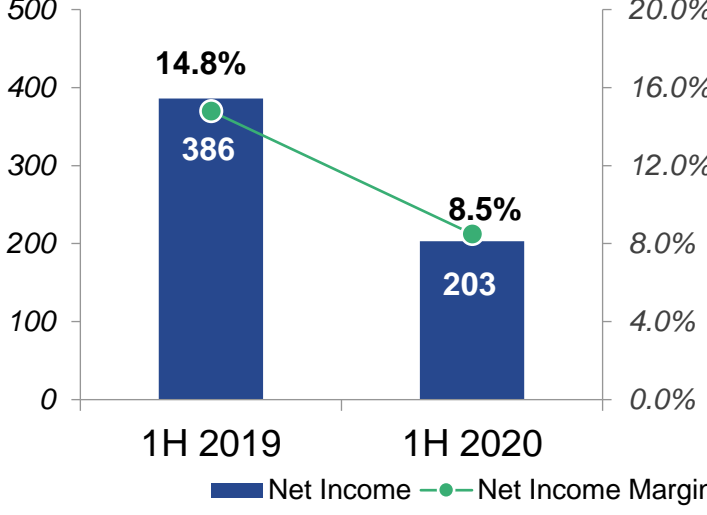
**Revenue, Gross Profit & Margin (Php Mn)**



**Operating Income & Margin (Php Mn)**



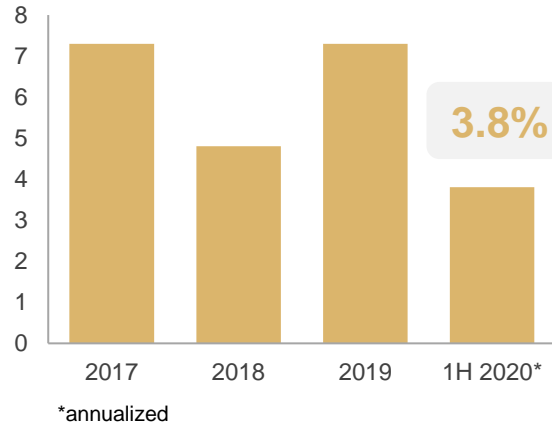
**Net Income & Margin (Php Mn)**



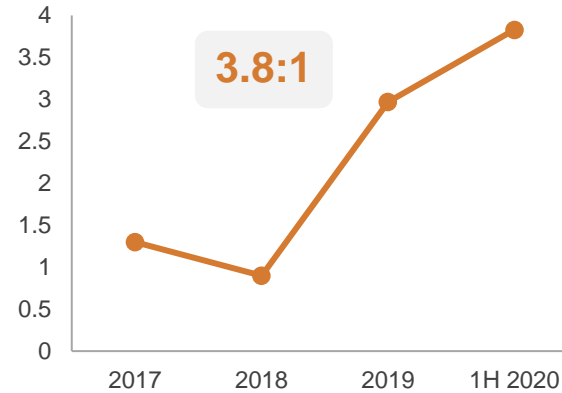
- Weaker sales volume attributed to various operational challenges related to COVID-19, foreign exchange fluctuations and lower average selling prices
- Margin compression primarily due to higher input costs and freight charges
- Controlled operating expenses

# Balance Sheet and Key Ratios

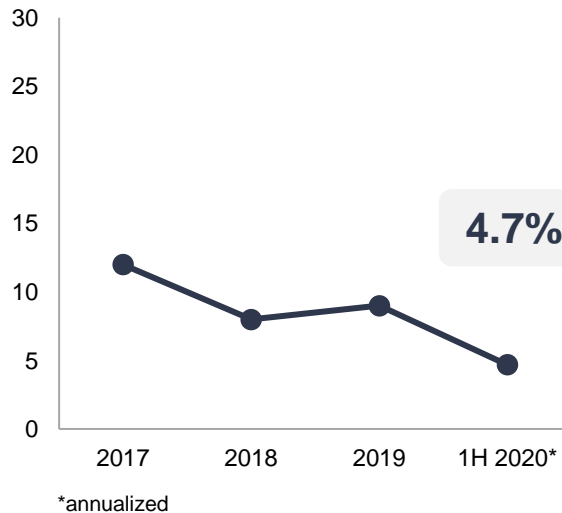
## RETURN ON ASSETS



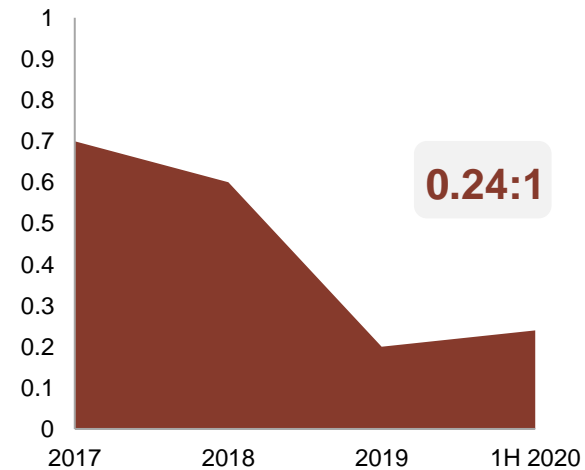
## CURRENT RATIO



## RETURN ON EQUITY



## DEBT - EQUITY RATIO



## BALANCE SHEET (in Php thousands)

	June 2020	2019
<b>Current Assets</b>	<b>5,420,423</b>	<b>5,076,923</b>
Cash	2,960,603	2,862,223
Receivables	572,283	502,946
Inventories	1,154,543	1,096,490
<b>Total Assets</b>	<b>10,633,597</b>	<b>10,559,102</b>
<b>Current Liabilities</b>	<b>1,414,422</b>	<b>1,707,380</b>
Short-term debt	716,031	1,367,021
<b>Noncurrent Liabilities</b>	<b>644,214</b>	<b>268,711</b>
Long-term debt	450,743	81,902
<b>Total Liabilities</b>	<b>2,058,636</b>	<b>1,976,091</b>
<b>Shareholder Equity</b>	<b>8,574,961</b>	<b>8,583,011</b>
Retained Earnings	1,712,043	1,629,108

# General Outlook



Strongly positioned for recovery in 2<sup>nd</sup> half driven by resilient global market demand and traditional Christmas season uptick



Expected stable supply and lower buying prices of fresh coconuts and higher selling prices for the rest of the year



Reduced overall production costs due to increasing daily processing volumes



On-going research and development activities for new product variants



Completion of critical projects related to capacity-expansion