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PSE SPOTLIGHT

FEATURING:



D&L Industries is a Filipino company engaged in product customization and specialization for the food, chemicals, plastics and consumer products ODM industries. The company's principal business activities include manufacturing of customized food ingredients, specialty raw materials for plastics, and oleochemicals for personal and home care use. Established in 1963, DNL has the largest market share in most of the industries it serves, as well as long-standing customer relationships with the Philippines' leading consumer and manufacturing companies. It was listed on the Philippine Stock Exchange in December 2012.

D&L Industries, Inc.

Stock Code	DNL
Listing Board	Main Board
Sector – Subsector	Industrial - Food, Beverage & Tobacco
Listing Date	December 12, 2012
Outstanding Shares	7,142,857,990
Free Float Level	26.19%
Market Capitalization	P33,071,432,493.70
P/E Ratio	13.66x
Dividend Yield	4.60%

As of 24 October 2025

Source: PSE Data

[Company Profile](#)

1. What makes DNL an attractive investment for potential investors?

D&L Industries' next-generation Batangas plant, which effectively more than doubles the Company's production capacity, commenced commercial operations approximately two years ago. As the facility remains in the early phase of its ramp-up, its full earnings contribution has yet to be fully realized and reflected in valuations. Typically, new manufacturing plants follow a long-term investment horizon, with the first two years focused on debottlenecking, process optimization, and fine-tuning operations—breakeven is generally expected around this stage. Encouragingly, DNL's Batangas plant has already achieved profitability within two years of commercial operations, ahead of initial expectations.

With its expanded capacity and enhanced technical capabilities, DNL is well positioned to capture growth opportunities in both domestic and international markets. The Company remains on track to achieve its medium-term goal of increasing exports to 50% of total revenues, from the current level of 28%. At prevailing share price levels, the stock offers an attractive dividend yield of approximately 4.4%.

2. What challenges has DNL encountered, and what strategies were employed to overcome them effectively?

With over 60 years in operation, D&L Industries has navigated numerous challenges, ranging from macroeconomic headwinds and operational hurdles to the unprecedented disruptions brought about by the pandemic. As a dynamic and adaptive company, DNL has implemented various strategies to mitigate risks and strengthen its business model. These include diversifying its revenue base—with a medium-term goal of achieving 50% of total sales from exports—investing in R&D to build sustainable competitive advantages, and future-proofing operations through geographic diversification.

DNL's unique business model of developing customized solutions for its clients allows it to foster long-term partnerships and maintain pricing flexibility. Its ability to pass on price changes to customers provides a cushion against the impact of volatile commodity prices. Complemented by robust financial and operational risk management frameworks, these strategies have enabled DNL to build strong resilience and consistently adapt to evolving market conditions.

3. What sustainability initiatives does DNL have in place? How do they align with your long-term goals?

Sustainability lies at the core of D&L Industries' operations. The Company is recognized as a champion of Green Chemistry in the Philippines and is globally known for advocating the use of sustainable and natural ingredients derived from coconut oil. Its environmentally friendly product portfolio includes biodiesel or coco methyl ester, which is currently blended at 3% with regular diesel in the country. Biodiesel, derived from coconut oil, helps reduce vehicle emissions while improving fuel efficiency.

DNL also produces coconut-based raw materials that serve as sustainable alternatives to petrochemical-based inputs used in personal and home care products. In addition, the Company develops additives and masterbatch solutions that enhance the environmental profile of plastics, organic fertilizers, and other customized, sustainable solutions across the food and chemical industries.

Beyond its product offerings, DNL's facilities embody its commitment to sustainability. Its head office has achieved a LEED Gold Operations and Maintenance Certification, while the central hub of its Batangas plant holds a LEED Gold Certification as well. Key sustainability features of the Batangas plant include the use of renewable energy sources, a chilled water system, a water retention system, sensor-based efficiency controls, a Continuous Emission Monitoring System (CEMS), and a Noise Monitoring System—all designed to minimize environmental impact and ensure resource-efficient operations.

4. What are your Company's strategic priorities for the next two to three years?

Increase utilization of the Batangas plant and grow exports business to 50% of total sales in the medium-term.

5. How do you approach innovation and R&D investments to stay ahead in the market?

Founded by chemical engineers, D&L Industries is shaped and driven by a strong commitment to research and development (R&D) and a culture of disciplined innovation. The Company remains deeply research-oriented, staying at the forefront of technological advancements and closely aligned with evolving market needs.

PSE Spotlight is a short feature about listed companies that are part of PSE STAR Investor Day. The report, which offers a quick overview of a company, includes a description of its business, stock information, as well as answers to five interview questions provided by the company's management team. The interview questions typically revolve around the company's value proposition, business operations and landscape, challenges and opportunities, and strategic initiatives.

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