



UNITED BREWERIES LIMITED

February 09, 2023

1. Department of Corporate Services,
BSE Limited,
Floor 25, P J Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: 532478

2. Department of Corporate Services,
National Stock Exchange of India Ltd.,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051
Scrip Code: UBL

Dear Sir,

Sub: **Intimation of Financial Results Earning call**

This has reference to Regulation 30(6) read with Para A of Part A of Schedule-III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations')

In accordance with the above Regulation, as Quarter3 FY23 Financial Results Earnings call is schedule tomorrow, Friday, February 10, 2023 @ 04.00 p.m. IST, by way of conference call with Investors and analyst, hosted by Investec India.

Investor Presentation is attached. Unaudited Financial Results for the quarter and year to date ended December 31, 2022 are already uploaded on the website of Bombay Stock Exchange and National Stock Exchange of India Limited.

Kindly take the same on record.

Thanking you, we remain,

Yours faithfully,

For UNITED BREWERIES LIMITED

RADOVAN Digitally signed by
RADOVAN SIKORSKY
SIKORSKY Date: 2023.02.09
19:00:06 +05'30'

RADOVAN SIKORSKY
Director and Chief Financial Officer

Encl: As above.

Investec India invites you to
United Breweries Ltd.
Q3 FY23 Earnings call



| | |
|--|---|
| Post Earnings Business Update Friday, February 10, 2023 4:00pm | Diamond Pass Registration https://bit.ly/3I19WE |
| Management Team | |
| Mr. Radovan Sikorsky, Director and CFO | |
| Mr. PA Poonacha, Finance and Investor Relations | |
| Dial-In Numbers | |
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| For further information please contact: | |
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UNITED BREWERIES LIMITED

Investor Presentation
Quarter ended December 2022



Disclaimer

This presentation contains forward-looking statements with regard to the financial position and results of UBL's activities. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements.

Many of these risks and uncertainties relate to factors that are beyond UBL's ability to control or estimate precisely, such as future market and economic conditions, the behavior of other market participants, changes in consumer preferences, costs of raw materials, interest rate and foreign exchange fluctuations, change in tax rates, changes in law, changes in pension costs, the actions of government regulators and weather conditions. These and other risk factors are detailed in UBL's publicly filed annual reports.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. UBL does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials.

Market share estimates contained in this presentation are based on outside sources such as specialized research institutes in combination with management estimates.



Key Results Highlights for the Quarter

- Volume growth of 4% in the quarter vs prior year, primarily driven by Telangana, Rajasthan and Karnataka.
- The premium segment recorded growth ahead of the total portfolio, growing 13% vs 4% total portfolio growth;
- In a volatile environment, EBITDA for the quarter was down, driven by inflationary pressure, negative state & Route to market changes. This was partially offset by volumes & price increase;
- Inflationary pressure on cost of sales continued to impact margins, contributing to a decline by 813 bps in gross margin to 41.8%,



Q3' 22/23 Results

| Q3 Results (standalone) | | | |
|---|---------------|---------------|---------------------|
| <i>Data in Rs. Cr.</i> | | | |
| | Dec-22 | Dec-21 | Change (%) |
| Net Sales | 1,611 | 1,581 | 2% |
| COGS | (937) | (791) | 18% |
| Gross Profit | 674 | 790 | -15% |
| Employee expenses | (145) | (147) | -1% |
| Other expenses | (453) | (470) | -4% |
| Other income | 13 | 6 | 115% |
| EBITDA | 90 | 180 | -50% |
| Depreciation | (50) | (53) | -5% |
| EBIT | 39 | 127 | -69% |
| Finance costs | (2) | (4) | -57% |
| Profit before exceptional item and tax | 38 | 123 | -69% |
| Exceptional item | (33) | - | 0% |
| Profit before tax | 5 | 123 | -96% |
| Tax | (7) | (32) | -79% |
| Profit after tax | (2) | 91 | -102% |
| As % of Net Sales | Dec-22 | Dec-21 | Change (bps) |
| Gross Profit | 41.8% | 50.0% | (813) |
| EBITDA | 5.6% | 11.4% | (580) |
| EBIT | 2.4% | 8.0% | (556) |



YTD' 22/23 Results

| YTD Results (standalone) | | | |
|---|--------------|--------------|--------------|
| <i>Data in Rs. Cr.</i> | | | |
| | Dec-22 | Dec-21 | Change (%) |
| Net Sales | 5,727 | 4,125 | 39% |
| COGS | (3,191) | (2,057) | 55% |
| Gross Profit | 2,536 | 2,068 | 23% |
| Employee expenses | (432) | (394) | 10% |
| Other expenses | (1,543) | (1,240) | 25% |
| Other income | 38 | 17 | 126% |
| EBITDA | 598 | 451 | 33% |
| Depreciation | (160) | (164) | -2% |
| EBIT | 439 | 288 | 53% |
| Finance costs | (3) | (12) | -72% |
| Profit before exceptional item and tax | 435 | 275 | 58% |
| Exceptional item | (33) | - | 0% |
| Profit before tax | 402 | 275 | 46% |
| Tax | (109) | (73) | 48% |
| Profit after tax | 294 | 202 | 45% |
| As % of Net Sales | | | |
| | Dec-22 | Dec-21 | Change (bps) |
| Gross Profit | 44.3% | 50.1% | (586) |
| EBITDA | 10.4% | 10.9% | (49) |
| EBIT | 7.7% | 7.0% | 69 |



Regional volume performance vs PY

Volume Growth

Q3, YTD (+4%, +43%)

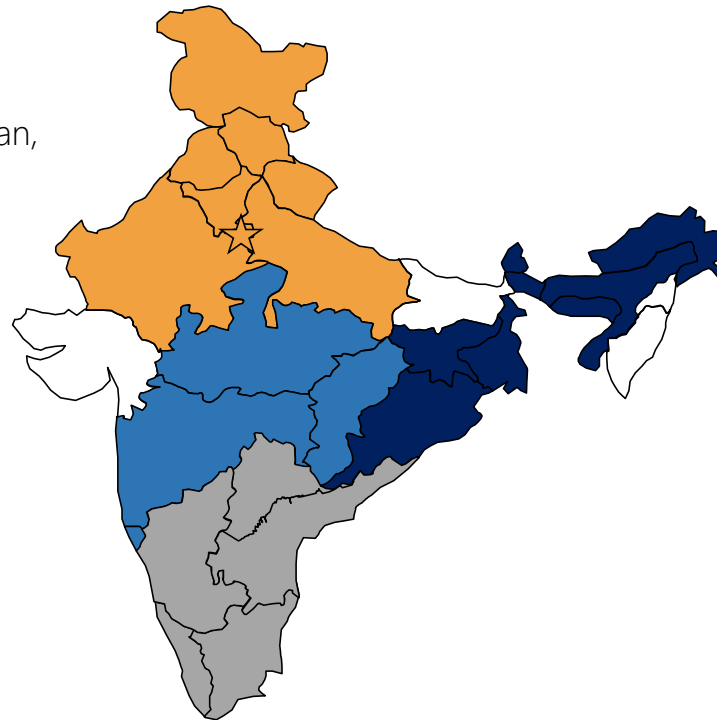
Continued recovery and growth over COVID affected PY across most markets

North (+13%, +38%)

- Driven by higher volume in Rajasthan, Haryana & Uttar Pradesh
- Decline in Delhi driven by frequent changes in policy

West (+2%, +45%)

- Driven by higher volume in Maharashtra state, Goa, Madhya Pradesh and Silvassa
- Decline in Chhattisgarh driven by RTM issues



East (+3%, +50%)

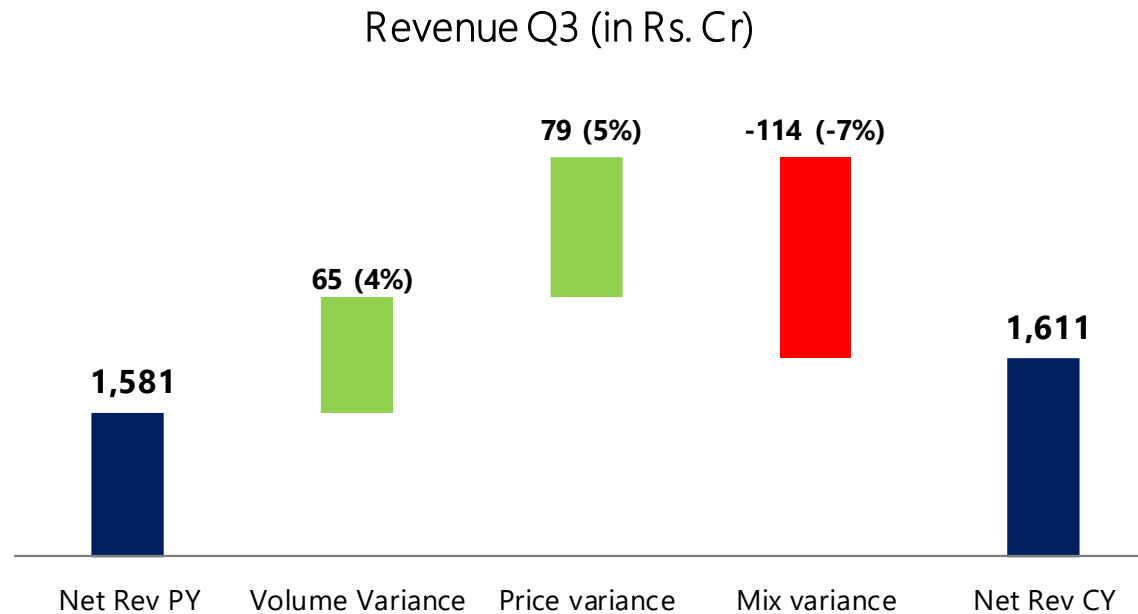
- Driven by ↑ volume in West Bengal, Orissa and Northeastern states
- Decline in Jharkhand driven by RTM issues

South (+0%, +46%)

- Driven by higher volume in Telangana, Karnataka, Kerala and Andhra Pradesh
- Decline in Tamil Nadu driven by RTM issues



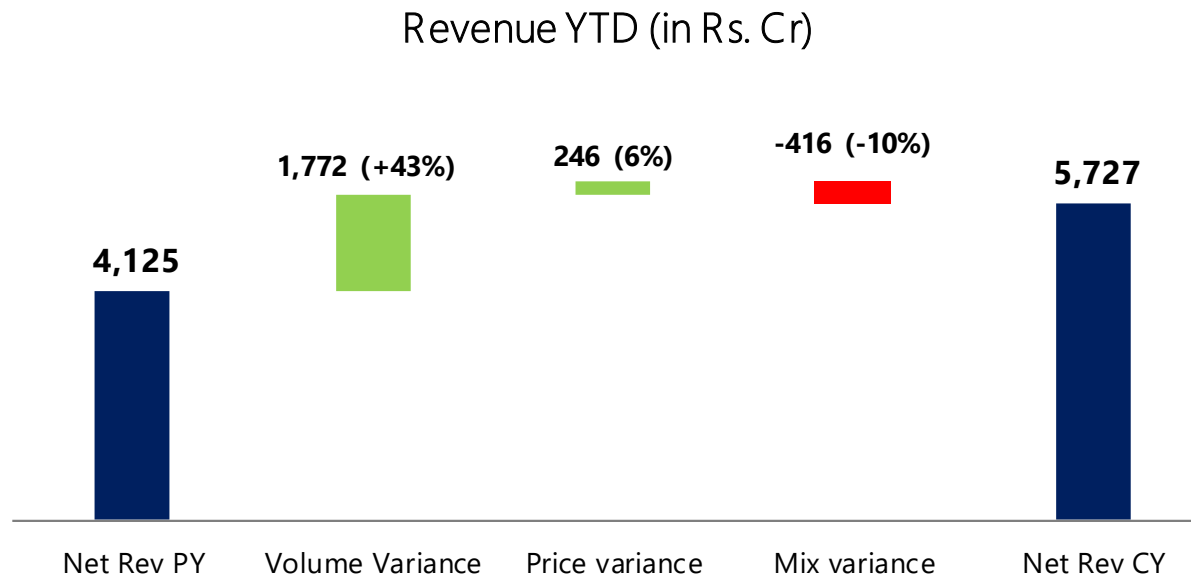
Net Sales growth driven by higher volume



- Higher volume driven by strong growth in Telangana, Rajasthan and Karnataka
- Negative state mix due to differential volume growth across states with different levels of net revenues. Improvement over previous quarter (Q2 mix -9%).



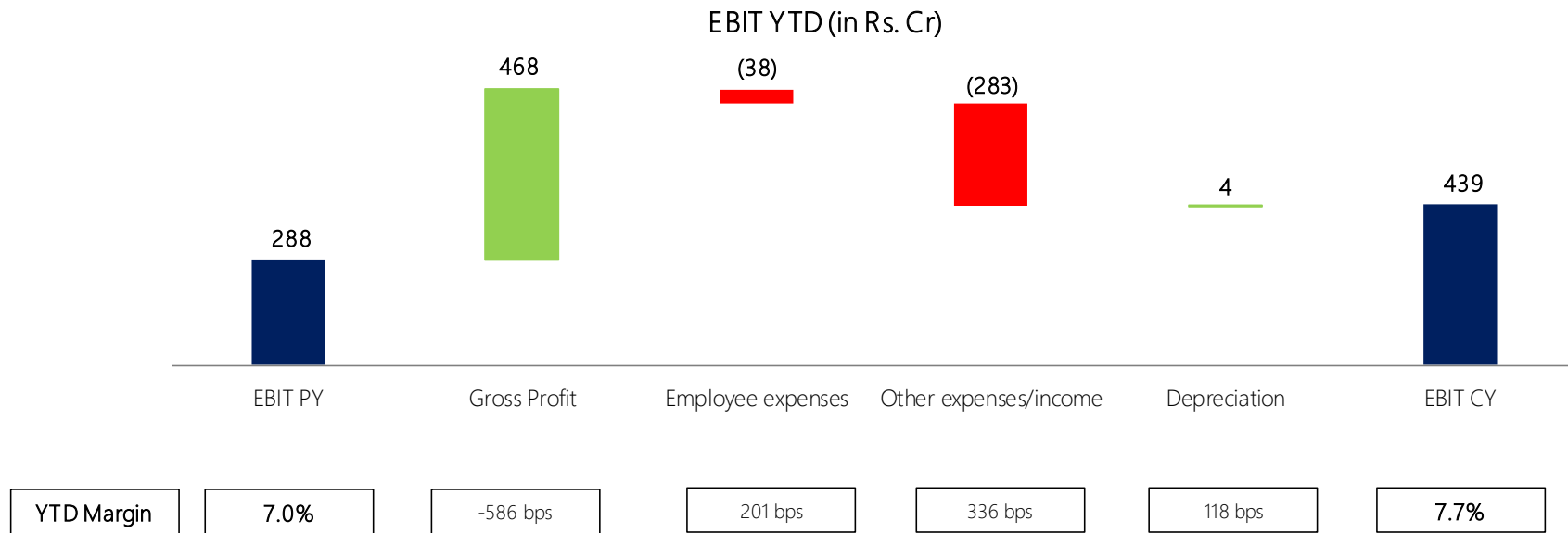
Net Sales growth driven by higher volume



- Volume growth of 43% spread across markets (LY impacted by C-19)
- Price increase implemented in Kerala in Q3
- Negative state mix due to differential volume growth across states with different levels of net revenues.



Margin recovery despite increased commodity prices



- Gross profit growth driven by volume growth and price increases.
- Gross profit margin impacted by commodity cost increases in Raw and Packaging materials
- Improved operating margin driven by fixed cost leverage and savings initiatives.



Outlook and summary

- Focus remains on building further category penetration while driving the share of premium in the portfolio.
- Inflation pressure on Cost of goods sold is expected to continue in the shorter term, impacting gross margins. UBL is in the process of pursuing further price increases in combination with continued cost measures to mitigate this impact while ensuring security of supplies.
- Capex investments are planned for execution to meet the expected volume growth along with exploration of other opportunities to meet growing demand.
- UBL remains optimistic about the long-term growth drivers of the industry based on GDP growth, urbanization and evolving consumer trends. UBL is well positioned to leverage and drive these opportunities with its leading market position, portfolio of brands and healthy balance sheet.



Thank You

