



UPL Limited, UPL House
610 B/2, Bandra Village
Off Western Express Highway
Bandra (East), Mumbai 400 051, India

w: upl-ltd.com
e: contact@upl-ltd.com
t: +91 22 7152 8000

31st July 2023

BSE Limited
Mumbai

National Stock Exchange of India Ltd
Mumbai

SCRIP CODE: 512070

SYMBOL: UPL

Sub: Press Release

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Press Release dated 31st July 2023.

We request you to take the above information on records.

Thanking you,

Yours faithfully,
For **UPL Limited**

Sandeep Deshmukh
Company Secretary and
Compliance Officer
(ACS-10946)

Encl.: As above



Q1 FY24 Revenue at ₹ 8,963 crore and EBITDA at ₹ 1,593 crore

Net Debt at \$3.19 billion as of June 2023, down by \$160 million vs June 2022

MUMBAI, INDIA, July 31, 2023 – UPL Ltd. (NSE: UPL & BSE: 512070, LSE: UPLL), today reported financial results for the first quarter of FY24 (Apr-June 2023)

Financial Performance Update

In ₹ crore (Unless otherwise stated)	Q1 FY24	Q1 FY23	YoY
Revenue	8,963	10,821	(17%)
EBITDA	1,593	2,342	(32%)
EBITDA Margin (%)	17.8%	21.6%	(387 bps)
Net Profit	166	877	(81%)

- Revenue and EBITDA for Q1 impacted by the industry-wide slow down.
- Differentiated and Sustainable portfolio delivered resilient performance growing by 7% YoY - revenue share rose significantly to 37% (from 27% in Q1FY23) supporting contribution margins.
- Seeds business delivered robust performance as revenue grew by 26% YoY and EBITDA increased by 54% YoY.
- Net Debt stood lower by \$160 million vs LY at \$3,193 million as of 30 June 2023 despite lower factoring (\$890 million on 30 June 2023 vs 1,140 million on 30 June 2022). Adjusted for the lower factoring quantum, net debt would have stood at \$2,943 million (lower by \$410 million YoY)

Commenting on the performance, Mr. Mike Frank, CEO – UPL Corporation Ltd., said “The global agrochemical industry has been going through a challenging phase over the last two quarters as distributors prioritized destocking and focused on tactical purchases amid high channel inventories. Additionally, the market is witnessing pricing pressure given the high base of previous year and aggressive price competition we have seen from the Chinese post patent exporters.

Given this backdrop, our revenue and profitability were also impacted by these headwinds in line with the rest of the industry. Having said that our differentiated and sustainable portfolio performed resiliently (+7% YoY); with revenue share increasing significantly to 37% versus 27% last year. Favorable portfolio and regional mix coupled with better margins at Advanta helped improve contribution margins by ~198 bps YoY in Q1.

One of our key focus areas has been to improve cash flows and strengthen our balance sheet. In-line with this, we have reduced our net debt by ~\$160 million versus June 2022 despite much lower factoring (down by ~\$250 million YoY).

Further, we are undertaking a cost reduction initiative of \$100 million over the period of next 24 months; 50% of which we expect to be realized in FY24. Going forward, while we anticipate demand to remain subdued in Q2 FY24 as well, our performance should be sequentially better. We are optimistic of demand recovery in H2 FY24 as the channel inventory approaches a new normalized level. Overall, led by improved demand and cost optimization efforts, we expect our Revenue and EBITDA growth to turn positive in H2 FY24, with full year Revenue growth to now be in the range of 1-5% with EBITDA growth at 3-7%.”

Regional Performance Update

Region (INR crore)	Q1 FY24	Q1 FY23	YoY % Chg.
Latin America	2,965	3,464	(14%)
Europe	1,259	1,728	(27%)
North America	870	1,796	(52%)
India	2,054	2,067	(1%)
Rest of the World	1,814	1,765	3%
Total	8,963	10,821	(17%)

Other Developments for the Quarter

During the quarter, our Specialty Chemicals Business (including AI manufacturing) was proposed to be transferred to a wholly-owned subsidiary ‘UPL Speciality Chemicals Ltd.’ (USCL) for a consideration of ₹ 3,572 crore. The proposed transfer has been approved at the shareholder meeting on 20th July 2023 and the transaction is expected to be completed in the next few months.

Supplemental Information:

The results will be followed by Earnings Concall at 16:30 IST on 31st July 2023. The dial-in details and registration link have been shared below.

Conference Call Details:

Location	Dial-in Number
Universal Dial-in	+91 22 6280 1518/ +91 22 7115 8879
India	1 800 120 1221 (Toll free)
Singapore	8001012045 (Toll free)
Hong Kong	800964448 (Toll free)
USA	18667462133 (Toll free)
UK	08081011573 (Toll free)

Online Registration link:

<https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=3035585&linkSecurityString=1044098c66>

Conference Call Replay Details:

A replay will be made available after the call and the presentation will be accessible on our website at <https://www.upl-ltd.com/investors/financial-results-and-reports/financial-results>

Location	Replay Dial in number (valid up to 7 th August 2023)
India	+91 22 71945757 Replay Code: 69645

Safe Harbor Statement

This document contains certain forward-looking statements with respect to the financial condition, results of operations and business of UPL Limited (UPL) and certain of the plans and objectives of UPL with respect to these items. Examples of forward-looking statements include statements made about our strategy, estimates of sales growth, future EBITDA, and future developments in our organic business. Forward-looking statements can be identified generally as those containing words such as “anticipates”, “assumes”, “believes”, “estimates”, “expects”, “should”, “will”, “will likely result”, “forecast”, “outlook”, “projects”, “may” or similar expressions. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, domestic and global economic and business conditions, the successful implementation of our strategy and our ability to realize the benefits of this strategy, our ability to develop and market new products, changes in legislation, legal claims, changes in exchange and interest rates, changes in tax rates, raw materials and employee costs, our ability to identify and complete successful acquisitions and to integrate those acquisitions into our business, our ability to successfully exit certain businesses or restructure our operations, the rate of technological changes, political, economic and other developments in countries where UPL operates, industry consolidation and competition. As a result, UPL’s actual future results may differ materially from the plans, goals and expectations set forth in such forward-looking statements. For a discussion of factors that could cause future results to differ from such forward-looking statements, see also Risk management, of our Annual Report.

About UPL

UPL Ltd. (NSE: UPL & BSE: 512070) is a global provider of sustainable agriculture products & solutions, with annual revenue exceeding \$6 billion. We are a purpose-led company. Through OpenAg, UPL is focused on facilitating progress for the entire agricultural value chain. We are building a network that redefines the way an entire industry thinks and works – open to fresh ideas, innovative ways, and new answers as we

strive towards our mission to make every single food product more sustainable. As one of the largest agriculture solutions companies worldwide, our robust portfolio consists of biologicals and traditional crop protection solutions with more than 14,000 registrations. We are present in more than 138 countries, represented by more than 13,000 colleagues globally. For more information about our integrated portfolio of solutions across the food value chain including seeds, post-harvest, as well as physical and digital services, please visit upl-ltd.com.

Investor Relations Contact:

Radhika Arora

radhika.arora@upl-ltd.com

+91 22 7152 8759

Mandar Kapse

mandar.kapse@upl-ltd.com

+91 22 7152 8665

Media Contact:

Adfactors PR

Hardik Desai: 9819699125, Kapil Kulkarni: 9820203787