



UNITED BREWERIES LIMITED

**August 17, 2020**

1. The Secretary  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort  
Mumbai 400 023
2. The Manager-Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Flr., Plot. C/1, G Block  
Bandra-Kurla Complex, Bandra (East)  
Mumbai - 400 051

Dear Sir,

Sub: **Intimation of Analyst/Investor 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 said Regulation(s), as Quarter1FY21 Earnings call is on Monday, August 17, 2020 @ 16:00 hrs IST, by way of Tele-conference under invitation by IDFC Securities Limited.

Presentation is attached. Statement of unaudited financial results for the quarter ended June 30, 2020 are already published and uploaded on the website of Bombay Stock Exchange and National Stock Exchange of India Limited, as well as Company' website.

Thanking you,

Yours faithfully,  
For UNITED BREWERIES LIMITED

**GOVIND IYENGAR**  
Senior Vice President - Legal &  
Company Secretary

Encl: a/a

*IDFC Securities invites you to the*

**Q1FY21 Earnings call of**

## **United Breweries Ltd**

**Monday, 17<sup>th</sup> August 2020 at 16:00 hrs IST**

**United Breweries' management will be represented by:**

**Mr. Berend Odink- CFO**

**Mr. Poonacha - IR**

**Dial-in link:** [Click here](#)

**Dial-in numbers**

Universal Access: +91 22 6280 1384  
+91 22 7115 8285

*The numbers listed above are universally accessible from all networks and all countries.*

**Local Access Number:** +91-7045671221

**International Toll Free Number:**

Hong Kong	800964448
Singapore	8001012045
UK	08081011573
USA	18667462133

**International Toll:**

HongKong	85230186877
Singapore	6531575746
UK	442034785524
USA	13233868721

*Please dial-in at least 5-10 minutes prior to the conference schedule to ensure that you are connected to the call in time.*

For further information please contact

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**IDFC Securities Ltd**

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UNITED BREWERIES LIMITED

**Investor Presentation**  
**Quarter ended June 2020**



# Disclaimer

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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.



# Q1 20/21 Results

## Q1 Results (standalone)

Data in Rs. Cr.

	Jun-20	Jun-19	Change (%)
<b>Net Sales</b>	<b>507</b>	<b>2,049</b>	<b>-75%</b>
COGS	(270)	(1,017)	-73%
<b>Gross Profit</b>	<b>236</b>	<b>1,031</b>	<b>-77%</b>
Employee expenses	(115)	(123)	-6%
Other expenses	(217)	(579)	-63%
Other income	1	3	-55%
<b>EBITDA</b>	<b>(94)</b>	<b>332</b>	<b>-128%</b>
Depreciation	(51)	(69)	-27%
<b>EBIT</b>	<b>(145)</b>	<b>263</b>	<b>-155%</b>
Finance costs	(7)	(8)	-7%
<b>Profit before tax</b>	<b>(152)</b>	<b>255</b>	<b>-160%</b>
Tax	38	(91)	-142%
<b>Profit after tax</b>	<b>(114)</b>	<b>164</b>	<b>-169%</b>

As % of Net Sales	Jun-20	Jun-19	Change (bps)
Gross Profit	46.7%	50.3%	(369)
EBITDA	-18.6%	16.2%	(3,481)
EBIT	-28.6%	12.8%	(4,139)
Profit before tax	-30.0%	12.5%	(4,243)
Profit after tax	-22.5%	8.0%	(3,058)



# Key Results Highlights

- Covid-19 lockdown led to complete closure of all outlets for the period March 24 up to May 4. There has been since a gradual and phased re-opening of business, yet parts of the trade remained closed for the full quarter including on premise outlets.
- Volume decline across all markets due to Covid induced lockdown that negatively impacted industry peak season. UBL volume in Q1 down 77% versus prior year. Progressive recovery during the quarter with month of June volume decline at 57%.
- The company's breweries, which were shut from March 23, 2020 due to lockdown, resumed manufacturing and supply operations from May 2020, strictly following guidelines from Centre, states and local authorities. Local restrictions and temporary lock downs occur from time to time.
- Some State Governments imposed Covid-related taxes which have negatively impacted the industry, subsequent tax reductions have happened in Delhi and Orissa.



# Regional volume performance vs PY

## Volume Growth Total Company

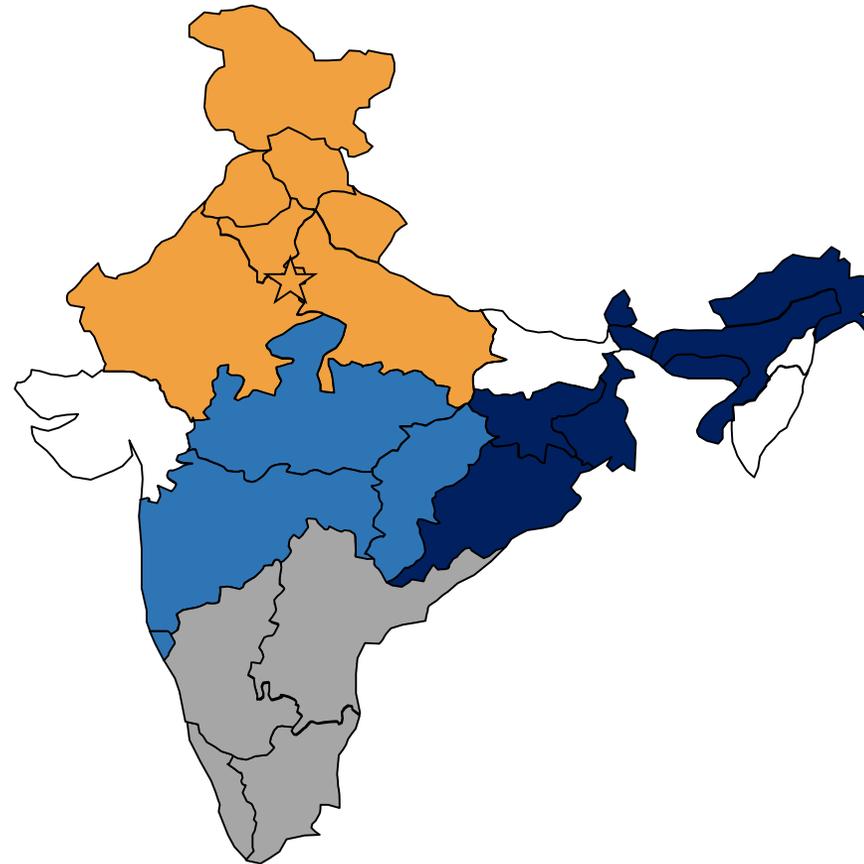
Q1 (-77%) - Driven by Covid-induced Lockdown

### North (-71%)

- Higher decline in Delhi due to severe COVID tax, which was reduced in early June
- UP and Haryana performing relatively better

### West (-79%)

- Broadly similar decline in all main markets



### East (-90%)

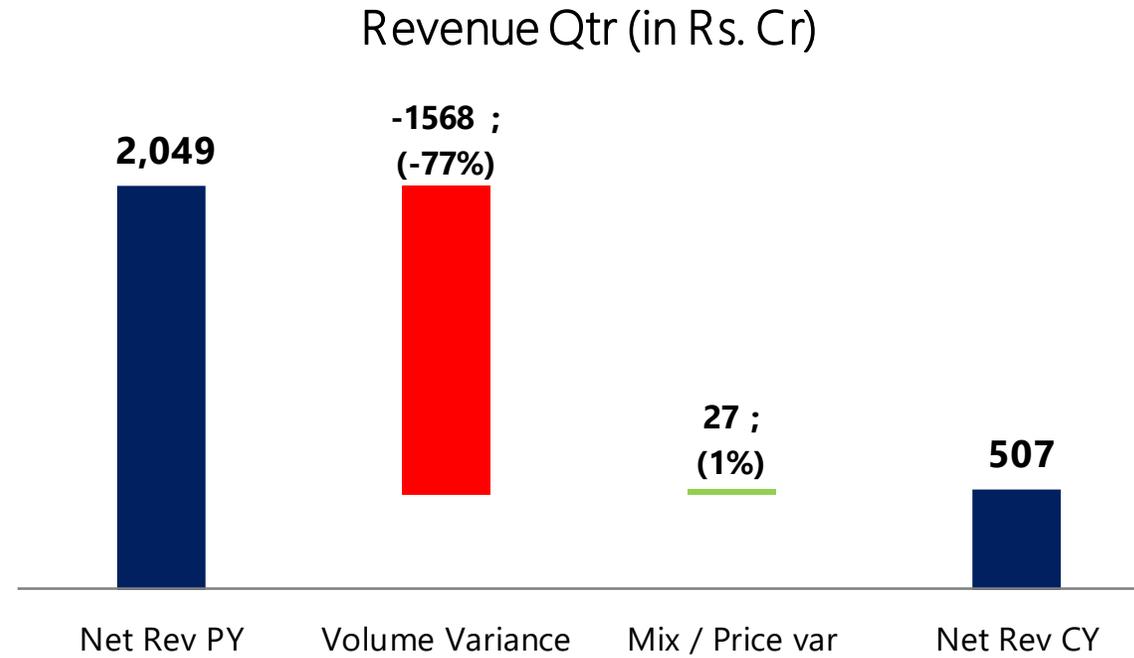
- Decline due to imposition of high COVID tax in West Bengal and Orissa. Orissa taxation reduced early July.
- No over the counter sales in Orissa

### South (-77%)

- Karnataka and Telangana volume trend ahead of company average
- No sales in Andhra Pradesh due to low demand and State policy measures
- Stronger decline in Kerala due to extended lockdown and introduction of mandatory on-line pre ordering mechanism



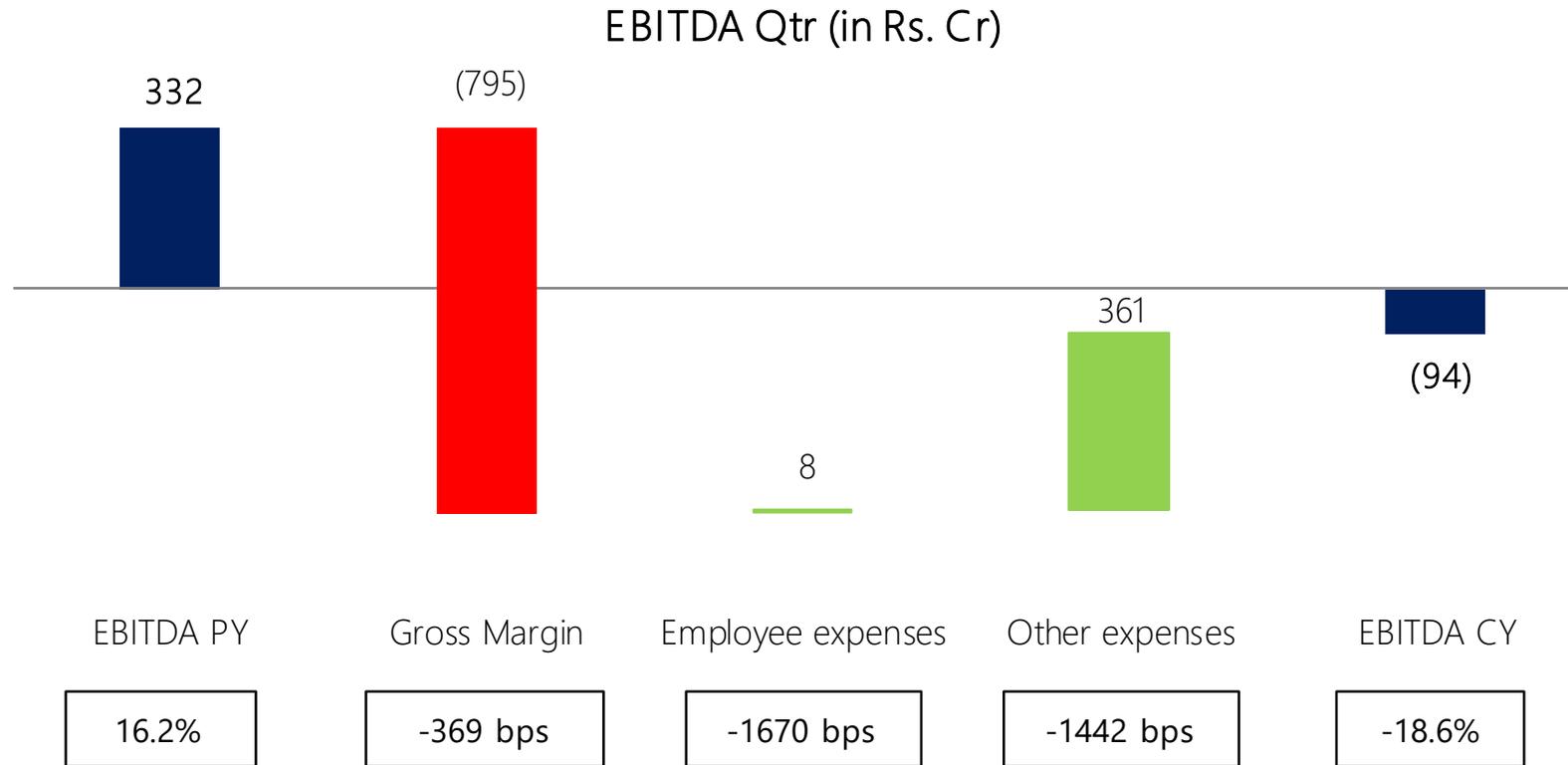
# Net Sales decline driven by volume impact



- Lower Volumes in all markets driven by Covid-induced lockdowns
- Favorable price/mix variance driven by positive state & brand mix and price increases



# Business disruption due to COVID impacting profitability



- Decline in expenses over PY have partially compensated the drop in EBITDA: employee expenses reduced by 6%, other expenses reduced by 63%. Margin decline due to negative operating leverage



# Outlook and summary

- The Company has and will continue to manage all elements of costs and capital investments in light of the uncertain demand.
- Active cash management resulted in net debt up by Rs. 120 Cr. at end of Q1 '20 vs prior quarter.
- Industry outlook is uncertain with negative macro economic growth outlook and continued direct & indirect impact from Covid-19 measures.
- UBL is well positioned to navigate the current circumstances with a leading market position, strong brand portfolio and robust balance sheet. The company continues to be optimistic about the long term growth drivers of the industry and is committed to strengthen its market position while leveraging newly emerging opportunities such as home delivery.





1980



1990



2000



2005



2015

Times Change,  
**The Good Times Don't!**

