



UNITED BREWERIES LIMITED

October 28, 2021

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 said Regulation(s), as Quarter2FY22 Financial Results Earnings call is scheduled today Thursday, October 28, 2021 @ 10:30 a.m. IST, by way of conference call with Investors and analysts, hosted by Investec India.

Investor presentation is attached. Unaudited Financial Results for the quarter and year to date period ended September 30, 2021 are already uploaded on the website of Bombay Stock Exchange and National Stock Exchange of India Limited.

Kindly take the same into record.

Thanking you, we remain,

Yours faithfully,  
For UNITED BREWERIES LIMITED

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

Encl: As above

Investec India invites you to  
**United Breweries Ltd**  
 Q2 FY22 Earnings call



<b>Post Earnings Business Update</b> <b>Thursday, October 28, 2021</b> <b>10:30 am IST</b>	<a href="#">Diamond Pass Registration</a>
<b>Management Team</b>	
Mr. Berend Odink – Chief Financial Officer - United Breweries Limited	
Mr. PA Poonacha - Finance and Investor Relations	
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UNITED BREWERIES LIMITED

**Investor Presentation**  
**Quarter ended Sep 2021**



# 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.



# Key Results Highlights

- Volume growth of 49% in the quarter vs prior year driven by strong recovery of demand, prevalent across nearly all markets. Volumes were up 23% vs the first quarter.
  - Versus pre Covid period of 2019, the quarter volumes were at 78%, with continued month-on-month recovery. September volumes were at 88% vs 2019.
- Strong EBITDA results at INR 170 Cr. contributed by volume growth/ lower impact of COVID in current year and cost efficiencies.
- EBITDA margin increased to 11.9%, up from 8.1% last year
- Robust free operating cash flows at INR 227 Cr year to date, up from INR 95 Cr prior year. ·The Company has a strong liquidity positions with circa INR 600 Cr bank balances
- The Company has received a CCI Order with the imposition of INR 752 Cr as penalty. The Company is in the process of preparing the grounds of appeal and the appeal will be filed within the time frame of 2 months from the date of the order. Basis legal advice, the Company believes that it has a strong case on merits for successful appeal on this matter. Accordingly, no provision is considered necessary.



# Q2' 22 Results

<b>Q2 Results (standalone)</b>			
<i>Data in Rs. Cr.</i>			
	Sep-21	Sep-20	Change (%)
<b>Net Sales</b>	<b>1,426</b>	<b>901</b>	<b>58%</b>
COGS	(688)	(430)	60%
<b>Gross Profit</b>	<b>738</b>	<b>471</b>	<b>57%</b>
Employee expenses	(134)	(110)	22%
Other expenses	(438)	(320)	37%
Other income	5	33	-86%
<b>EBITDA</b>	<b>170</b>	<b>73</b>	<b>133%</b>
Depreciation	(56)	(61)	-9%
<b>EBIT</b>	<b>115</b>	<b>12</b>	<b>n.m.</b>
Finance costs	(5)	(6)	-21%
<b>Profit before tax</b>	<b>110</b>	<b>6</b>	<b>n.m.</b>
Tax	(29)	(2)	n.m.
<b>Profit after tax</b>	<b>81</b>	<b>4</b>	<b>n.m.</b>

<b>As % of Net Sales</b>	Sep-21	Sep-20	Change (bps)
Gross Profit	51.7%	52.3%	(52)
EBITDA	11.9%	8.1%	382
EBIT	8.0%	1.3%	672
Profit before tax	7.7%	0.6%	705
Profit after tax	5.7%	0.4%	521

\*n.m. stands for "Not Meaningful" for changes more than +/- 200%



# YTD' 22 Results

<b>YTD Results (standalone)</b>			
<i>Data in Rs. Cr.</i>			
	<b>Sep-21</b>	<b>Sep-20</b>	<b>Change (%)</b>
<b>Net Sales</b>	<b>2,544</b>	<b>1,408</b>	<b>81%</b>
COGS	(1,266)	(700)	81%
<b>Gross Profit</b>	<b>1,278</b>	<b>707</b>	<b>81%</b>
Employee expenses	(248)	(225)	10%
Other expenses	(770)	(537)	43%
Other income	11	34	-69%
<b>EBITDA</b>	<b>272</b>	<b>(21)</b>	<b>n.m.</b>
Depreciation	(111)	(112)	-1%
<b>EBIT</b>	<b>161</b>	<b>(133)</b>	<b>n.m.</b>
Finance costs	(9)	(13)	-34%
<b>Profit before tax</b>	<b>152</b>	<b>(146)</b>	<b>n.m.</b>
Tax	(41)	36	n.m.
<b>Profit after tax</b>	<b>111</b>	<b>(110)</b>	<b>n.m.</b>

<b>As % of Net Sales</b>	<b>Sep-21</b>	<b>Sep-20</b>	<b>Change (bps)</b>
Gross Profit	50.2%	50.2%	1
EBITDA	10.7%	-1.5%	1,219
EBIT	6.3%	-9.4%	1,577
Profit before tax	6.0%	-10.4%	1,636
Profit after tax	4.4%	-7.8%	1,222

\*n.m. stands for "Not Meaningful" for changes more than +/- 200%



# Regional volume performance vs PY

Volume Growth  
Q2, YTD Sep (+49%, +73%)

## North (+44%, +72%)

- Driven by higher volume in Uttar Pradesh, Rajasthan
- New policy to be introduced in Delhi in coming months

## West (+33%, +51%)

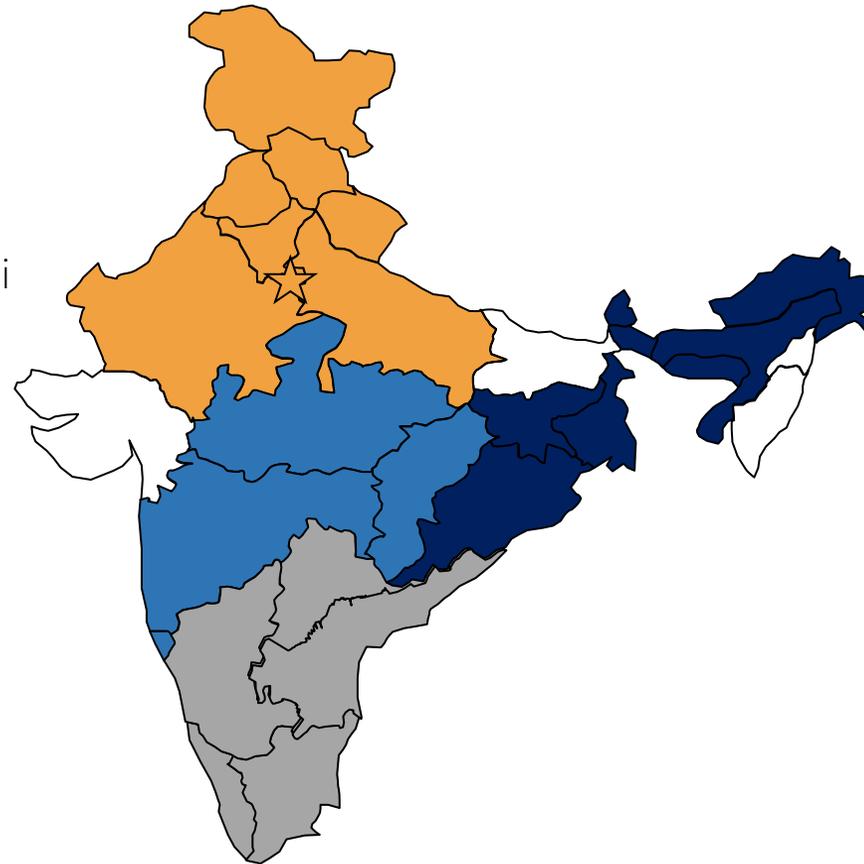
- Driven by higher volume in Maharashtra state, Goa, Madhya Pradesh

## East (+89%, +208%)

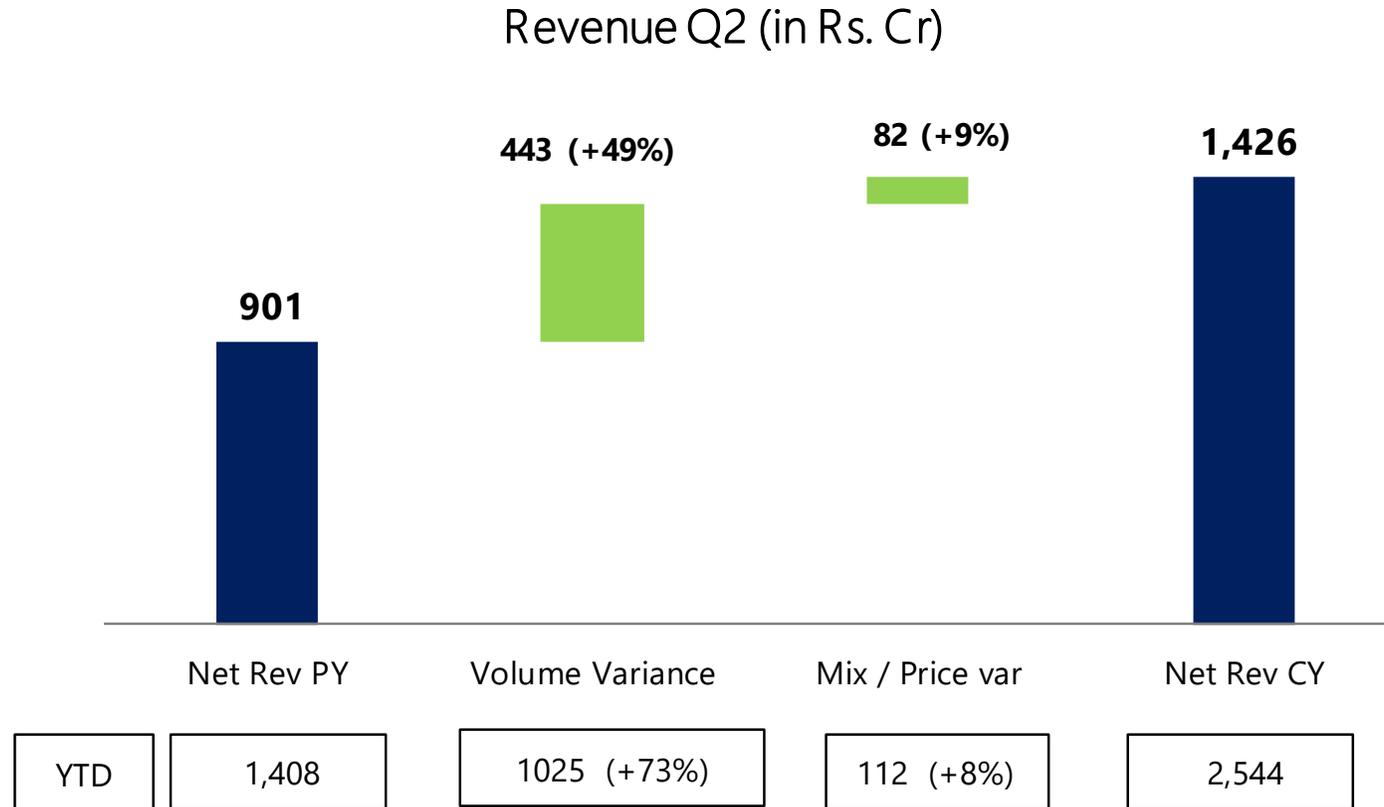
- Driven by higher volume in Orissa, West Bengal, Jharkhand, Assam
- Higher growth on account of a relatively lower base due to later opening of market

## South (+49%, +53%)

- Driven by higher volume in Telangana, Tamil Nadu, Karnataka
- Growth in Telangana has been impacted by higher taxation levels vs pre Covid



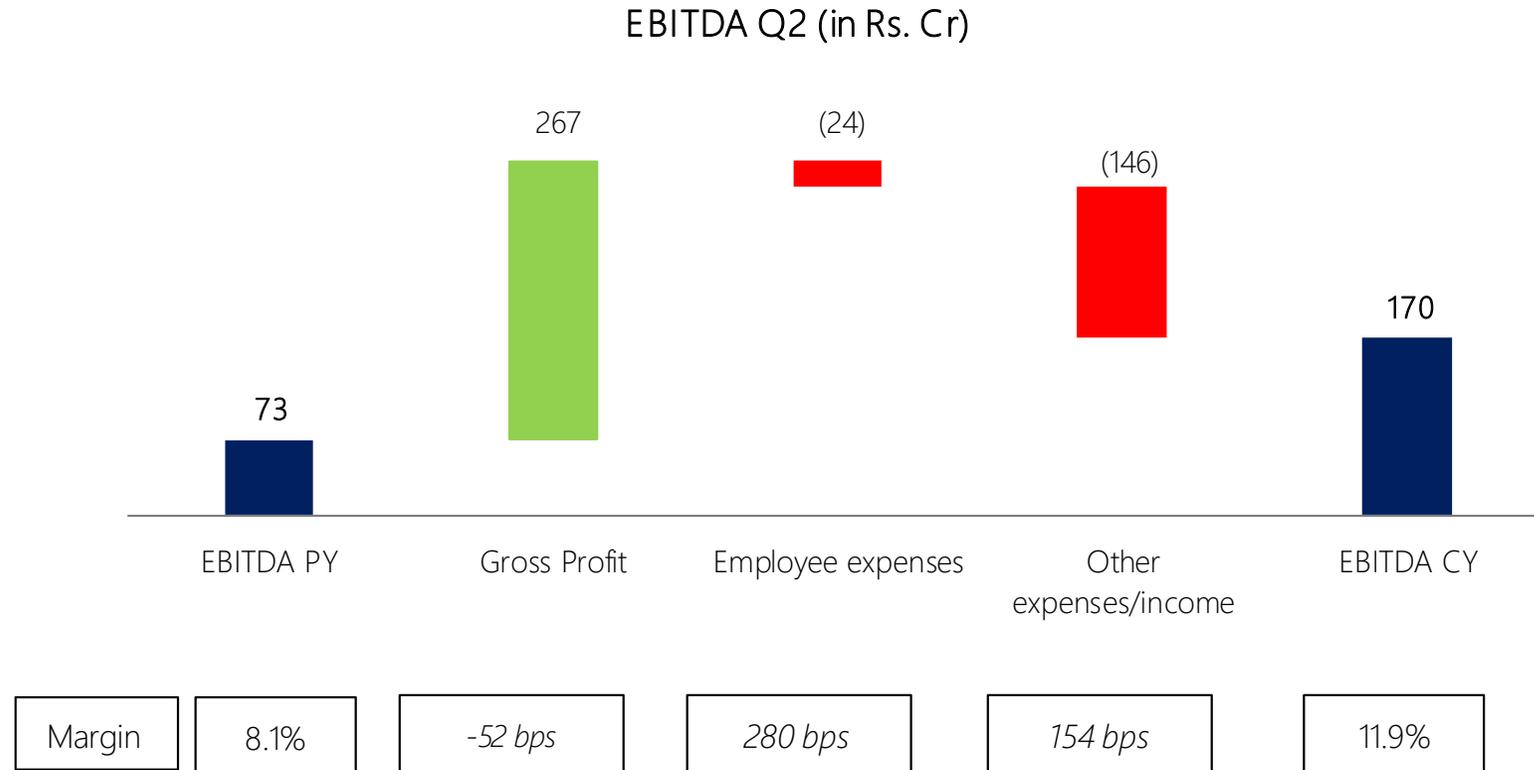
# Net Sales growth driven by higher volume



- o Higher volume in most markets driven by different nature of Covid-induced lockdown versus last year
- o Favourable price/mix variance



# Volume growth and cost management led to improvement in EBITDA Margin



- Gross profit increase driven by volume growth
- Improvement in EBITDA margin due to fixed cost optimisation and leverage on account of revenue growth



# Robust FOCF driven by ↑ Operating Profits

Cashflow in Rs. Cr.	YTD Sep		Δ
	2020-21	2021-22	(+/-)
<b>Operating CF before change in WC</b>	<b>(16)</b>	<b>273</b>	<b>289</b>
Change in Working Capital	229	104	(125)
<b>Cash Flow from Operations</b>	<b>213</b>	<b>377</b>	<b>165</b>
Operational Investments	(96)	(74)	22
<b>Managerial Cash Flow</b>	<b>117</b>	<b>303</b>	<b>187</b>
Interest	(17)	(7)	10
Income Tax	(5)	(69)	(64)
<b>Free Operating Cash Flow</b>	<b>95</b>	<b>227</b>	<b>133</b>
Movement in Borrowing	85	(34)	(119)
Divident Paid	(66)	(13)	53
<b>Net Cash Generated</b>	<b>114</b>	<b>180</b>	<b>66</b>

- Positive FOCF driven by improvement in profitability and lower working capital.



# Outlook and summary

- UBL has observed progressive recovery of underlying consumer demand post the first and second Covid-19 wave.
- Although the trajectory and future impact of the pandemic remains uncertain, the Company has adapted its operations accordingly and will continue to manage the business with agility.
- The Company is optimistic about the long-term growth drivers of the industry on the basis of 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.





1980



1990



2000



2005



2015

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

