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1st August 2022

BSE Limited
Mumbai

National Stock Exchange of India Ltd
Mumbai

SCRIP CODE: 512070

SYMBOL: UPL

Sub: Investor presentation

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the investor presentation for the quarter ended 30th June 2022.

We request you to take the above information on records.

Thanking you,

Yours faithfully,
For **UPL Limited**

A handwritten signature in black ink, appearing to read 'Sandeep Deshmukh', written over a light grey rectangular stamp.

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

Encl: As above



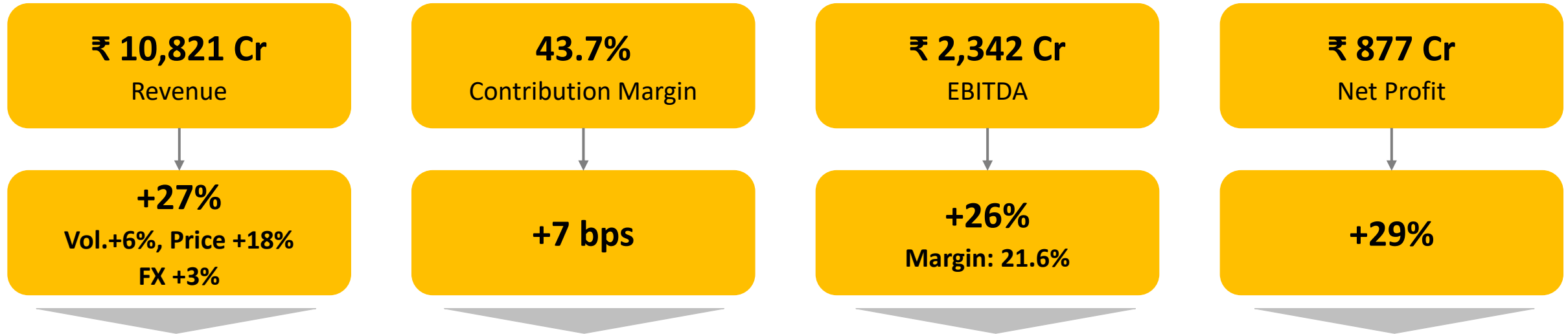
Q1 FY23 Performance Presentation

August 2022

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.

Q1 FY23 Business Highlights – Solid Growth in Revenue and Profitability



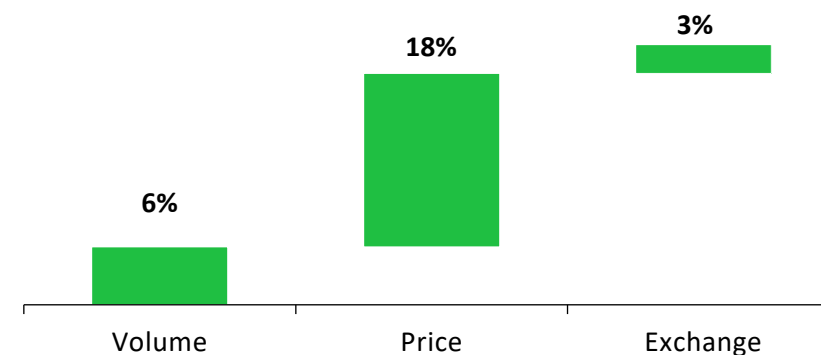
- Robust growth led by **significant pick-up in realizations and higher volumes** in a challenging macro-environment
- **Contribution profit rose by 27% YoY. Better pricing, efficient supply chain management helped improve margins both YoY and sequentially**
- EBITDA margin is marginally lower due to **higher investments in SG&A** as the company focused on building teams and capabilities to grow its differentiated and sustainable portfolio, and normalization of overheads post Covid
- **Higher EBITDA** combined with **lower finance costs** drove robust growth in net profit

Note: All changes are year-on-year basis i.e., Q1 FY23 vis-à-vis Q1 FY22

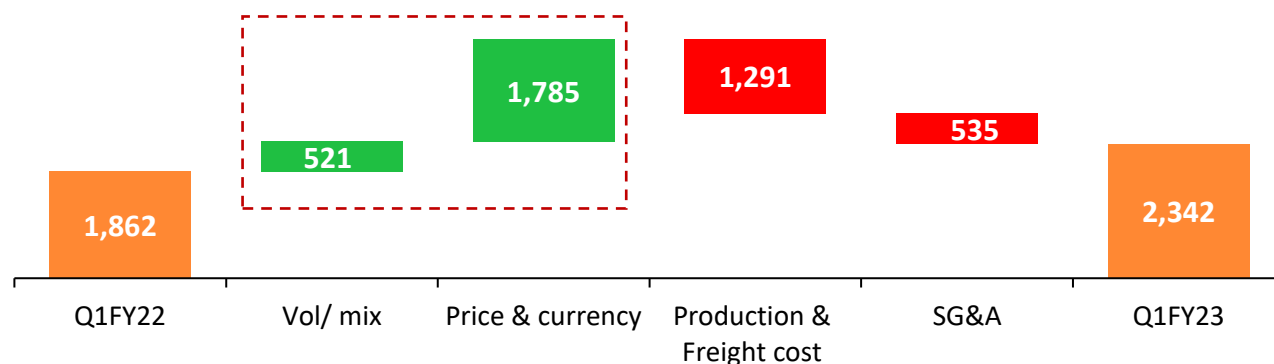
Q1 FY23 Performance Highlights – Strong Growth led by Pricing

(₹ Crore)	Q1 FY 2023	Q1 FY 2022	YoY%
Revenue	10,821	8,515	27%
Contribution Profit	4,734	3,719	27%
Contribution Margin	43.7%	43.7%	7 bps
SG&A Expenses	2,392	1,856	29%
EBITDA	2,342	1,862	26%
EBITDA Margin	21.6%	21.9%	-23 bps

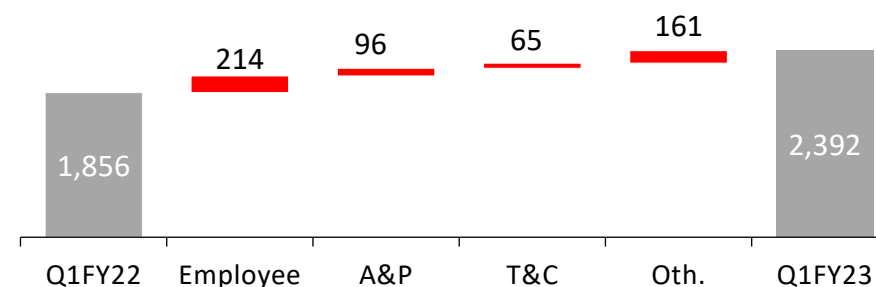
Revenue Variance (%)



EBITDA bridge (vs. PY) (INR Crore)



SG&A Variance (INR Crore)

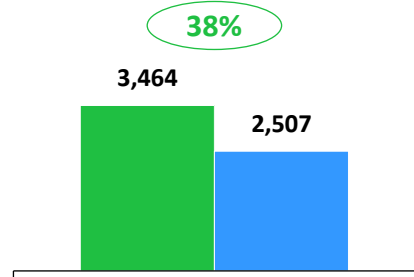


Others: includes Legal & Professional fees and provisions for doubtful debts and advances

Q1 FY23 Regional Highlights – Double Digit Across All Regions except India

(₹ crore)

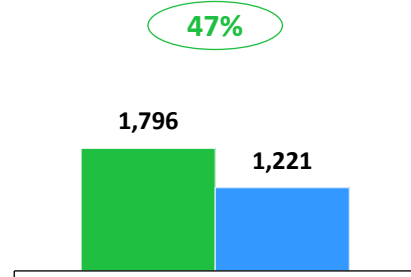
Latin America



Strong growth led by improved pricing in herbicides

- Improved **herbicides** pricing in **Brazil** as a key growth driver
- Strong double-digit growth in **NPP BioSolutions**, led by **Mexico and Andean** region
- UPL and Bunge create **Origeo**, to focus on large farms in parts of **Brazil**, subject to anti-trust approvals

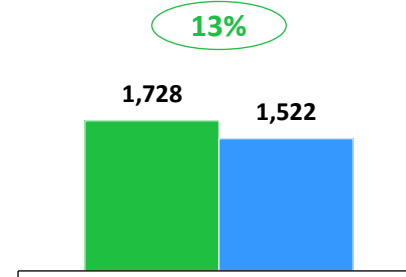
North America



Strong herbicide growth led by mix of volume and pricing

- **Herbicides** were key driver, led by higher volume and pricing
- **Positive outlook for the season:** high commodity prices and strong demand, while drought in western US impacting specialty crops and winter wheat
- **Expected channel inventory increase** in herbicides due to heavy stocking driven by supply concerns

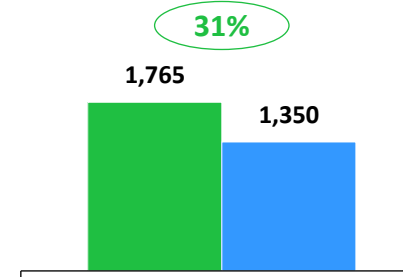
Europe



Growth despite challenging environment

- Strong growth in **France** led by **NPP BioSolutions**
- **Central Europe** saw good mix of higher volumes in addition to significant improvement in pricing.
- Impact due to **Euro devaluation, products ban** (e.g., mancozeb), and **ongoing conflict**

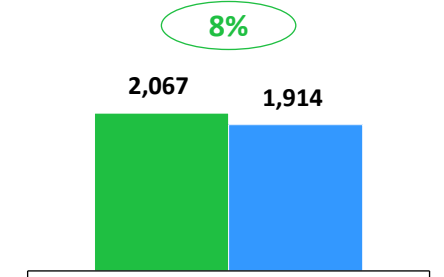
Rest of World



Robust growth despite challenges

- **SE Asia** and **AUS/NZ** led by insecticides and fungicides, despite supply constraints
- **WECA** region led by herbicides
- **China** sales impacted due to lockdown, unfavorable weather affecting key crops, and high channel stock
- **Japan** impacted by devaluation of JPY

India

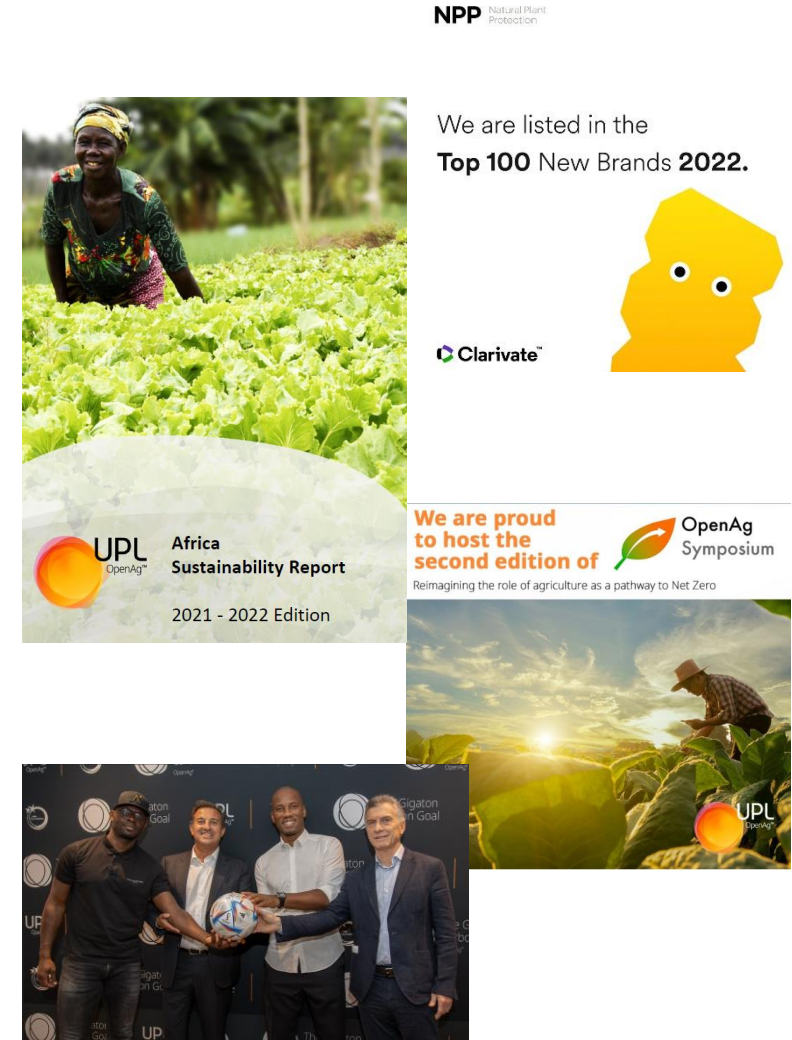


Moderate growth despite external challenges

- Overall growth led by **NPP BioSolutions and other businesses**
- Overall **favorable commodity prices** for oilseeds, cereals, fruits and spices
- Delay in planting impacted overall industry growth, key crop acreages (e.g., rice down 17% vs. LY)

Q1 FY23 Reimagining Sustainability Highlights

- Successfully hosted **2nd OpenAg Symposium** in partnership with the University of Oxford and The Oxford India Centre for Sustainable Development looking at **'Food Futures in a Changing climate: Reimagining the role of global agriculture on the path to Net Zero emissions'**
- Release of **first Africa Sustainability Report**, showcasing UPL's work in FY22 to Reimagining Sustainability for farmers and food systems across the continent
- **Published Cocoa and Forest Initiative (CFI) 2021 progress report** towards delivering our vision of a prosperous, respectful, and sustainable cocoa industry
- **Natural Plant Protection (NPP)** is listed in the **Top 100 New Brands by Clarivate** which have surged in the last two years (2020 to 2021) and demonstrated exceptional ability in delivering value, impact and protection on a global scale.
- **Gigaton Carbon Goal launches in Europe**, a global ecosystem that will harness sustainable agricultural practices to reduce atmospheric carbon dioxide by 1bn metric tonnes by 2040



Q1 FY23 Detailed Profit and Loss Statement

All Figures are in ₹ Crore

Particulars	Q1 FY23	% of Sales	Q1 FY22	% of Sales	Change %
Revenue from operation	10,821	100%	8,515	100%	27%
Cost of Production	6,087	56%	4,796	56%	
Contribution Profit	4,734	44%	3,719	44%	27%
SG&A Expenses	2,392	22%	1,856	22%	
EBITDA	2,342	22%	1,862	22%	26%
Other Income / (Loss)	(124)		(41)		
Amortization / Depreciation	588		551		
Finance Cost	519		607		
PBT	1,111	10%	664	8%	67%
Tax	59		(152)		
PAT	1,052	10%	816	10%	29%
Income/(Loss) from Associate Co. and JV	30		(4)		
Minority Interest	128		72		
Profit After Tax, Associate Income & Minority Interest	955	9%	741	9%	29%
Exceptional Cost	78		63		
Net Profit	877	8%	678	8%	29%

Q1 FY23 Finance Cost and Other Income Breakdown

Finance Cost Breakdown

(₹ crore)

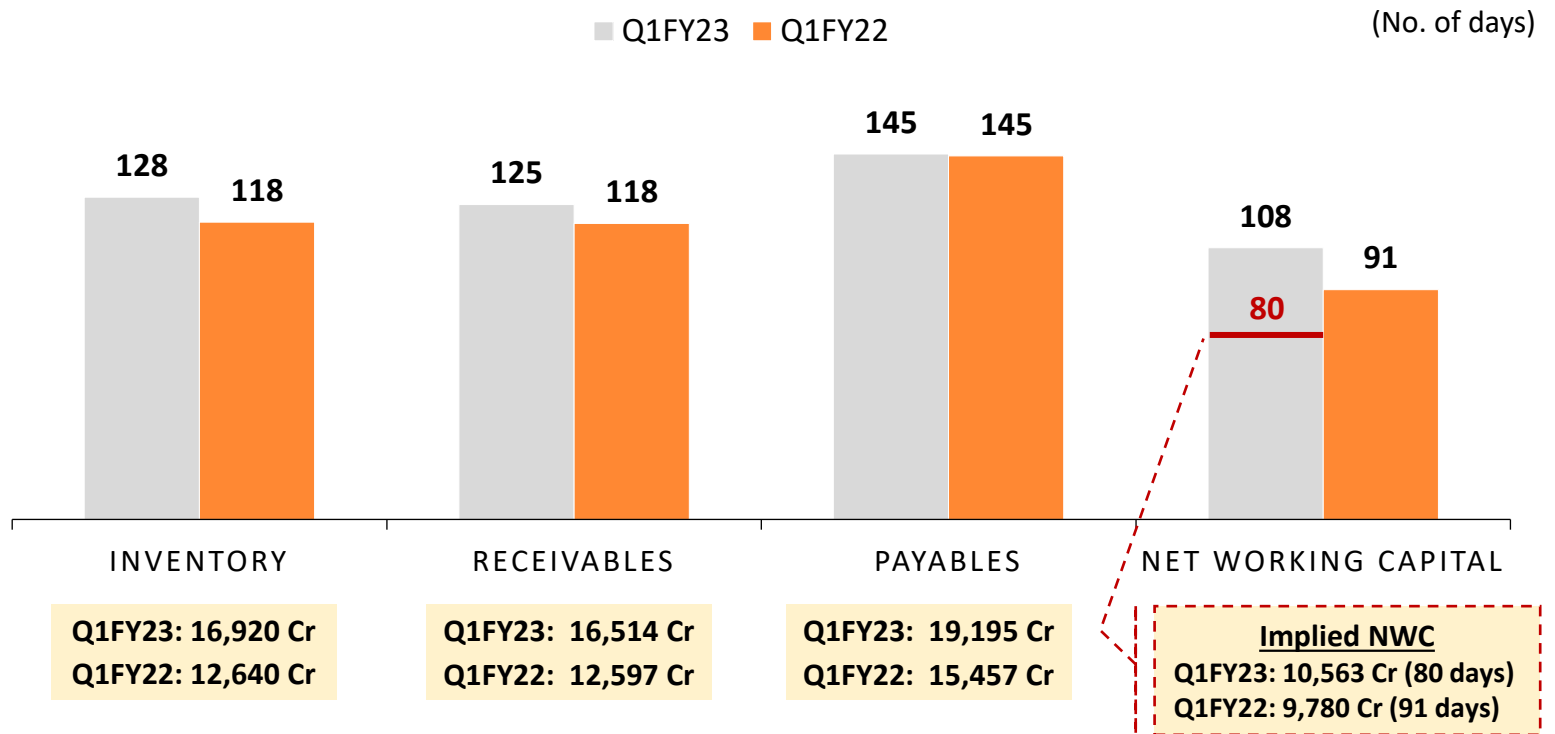
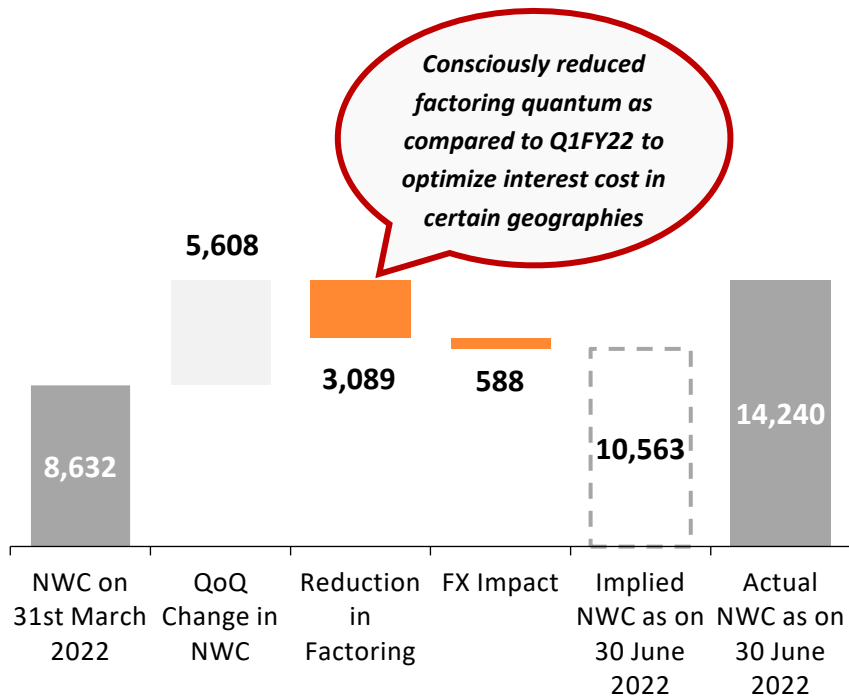
Particulars	Q1FY23	Q1FY22	Change
Interest on Borrowings	478	282	196
Other Financial Charges	25	50	(25)
Exchange impact in Finance Cost	(88)	203	(291)
NPV – Interest & Finance	104	72	32
Total Finance Cost	519	607	(88)

Other Income Breakdown

(₹ crore)

Particulars	Q1FY23	Q1FY22	Change
Interest Income	54	18	36
Net Exchange Impact	(197)	(89)	(108)
Others	(10)	(5)	(5)
Total Other Income / (Loss)	(124)	(41)	(83)

Sequential Increase in NWC due to Reduced Factoring, FX Impact & Inventory Build-up



Note: As a risk management measure, the company sells its receivables on non-recourse basis to banks. Receivables sold as of 30 June'22 were INR 9,010 crore (31 March'22: INR 12,099 crore, 30 June'21: INR 7,004 crore, 31 March'21: INR 7,623 crore)

- **Working capital higher in Q1 FY23** primarily due to - 1) robust growth of 27% in sales, 2) short-term inventory build-up due to strong demand and uncertainties in supply-chain, and 3) increase in receivables on the back of strong growth in LATAM
- **However, without reduced factoring and FX impact, the increase in net working capital on a sequential basis would have been lower at INR 1,931 crore**
- **Working capital days expected to be around 80 days by end of FY23 in-line with the guidance**

Q1 FY23 Cash Flow and Debt Position as on 30th June 2022

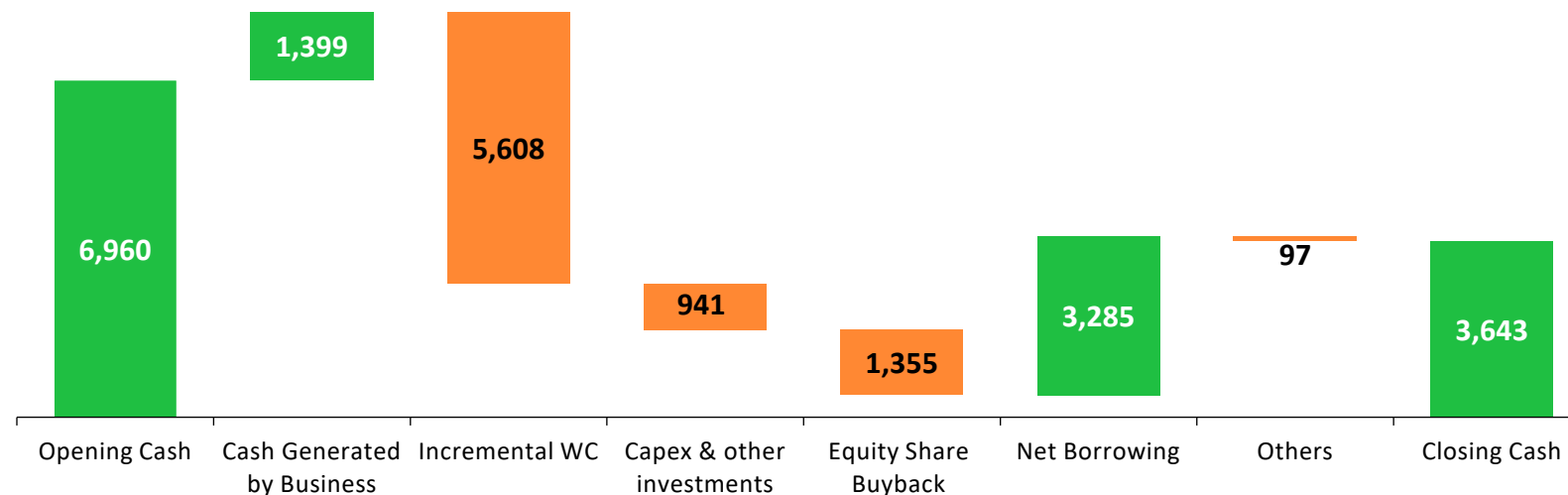
Net Debt Position – June 2022

All figures are in ₹ Crore and US\$ Mn

Particulars	June'22	Mar'22	Change
Gross Debt	30,123 \$3,814	25,866 \$3,416	+4,257 +\$398
Cash and cash equivalent	3,643 \$461	6,960 \$919	(3,317) (\$458)
Net Debt	26,480 \$3,353	18,906 \$2,497	+7,574 (\$856)
Adjusted Net Debt for Currency Impact	25,387¹	18,906	+6,481

Cash generated by Business in Q1 FY23

Funds Utilized & Raised in Q1FY23



- Increase in net debt primarily because of significant build-up in working capital sequentially
- **However, notwithstanding the 1) reduced quantum of factoring, and 2) FX impact; the implied increase in net debt on a sequential basis would have been lower at ~INR 3,392 crore vis-à-vis INR 7,574 crore**
- Working capital days to normalize to 80 days by end of the year, with the significant release in the second half of FY23, leading to lower debt levels

Note: ¹INR depreciated from 75.72 as on 31 March 2022 to 78.98 as on 30 June 2022. Cash Generated by Business = Operating cashflow below WC (INR 2,109 crore) less Finance cost, taxes and other cash expenses paid (INR 710 crore)

FY23 Guidance Revised Upwards

Revised
Guidance

+12 - 15%

Revenue Growth

+15 - 18%

EBITDA Growth

Old
Guidance

10%+

Revenue Growth

+12 - 15%

EBITDA Growth

APPENDIX

Q1 FY23 Advanta Performance Highlights – Robust Traction in Revenue and EBITDA

(₹ Crore)	Q1 FY 2023	Q1 FY 2022	YoY%
Revenue	841	657	28%
Contribution Profit	487	379	28%
Contribution Margin	57.9%	57.7%	20 bps
SG&A Expenses	270	210	28%
EBITDA	216	169	28%
EBITDA Margin	25.7%	25.7%	-

+28% Revenue Growth vs LY

- Strong Growth in 1) Field Corn in India 2) Canola in Australia, and 3) Field and Fresh corn in Thailand
- Grain Sorghum season in Argentina got delayed which impacted Q1FY23 performance
- Notwithstanding, the decline in Sorghum acres due to drought in USA, the growth in revenue expected to be robust

+28% EBITDA Growth vs LY

- Robust Contribution profit growth (+28% YoY) due to-
 - **Better realizations in Corn and Canola**
 - **Favorable product mix**
- **Increase in SG&A as % of sales** on account of investments in overheads to **pursue B2C strategy**, partially offsetting contribution profit growth

Note: Proforma financials includes Longreach, a joint venture company





Thank You