



# Investor Presentation

# Disclaimer



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 in to 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.

# Snapshot



**\*\* Includes Arysta**

**5th**

Largest  
Crop Protection  
Chemicals  
company globally



**130+**

Countries with  
sales presence



**48**

Manufacturing  
facilities



**10,500+**

Employee  
base globally



**25+**

Successful  
acquisition  
integrations in the  
past 20 years



**241**

Granted  
patents



**13,000+**

Registrations



**US\$4.7 bn<sup>1</sup>**

Revenue



**22%<sup>1</sup>**

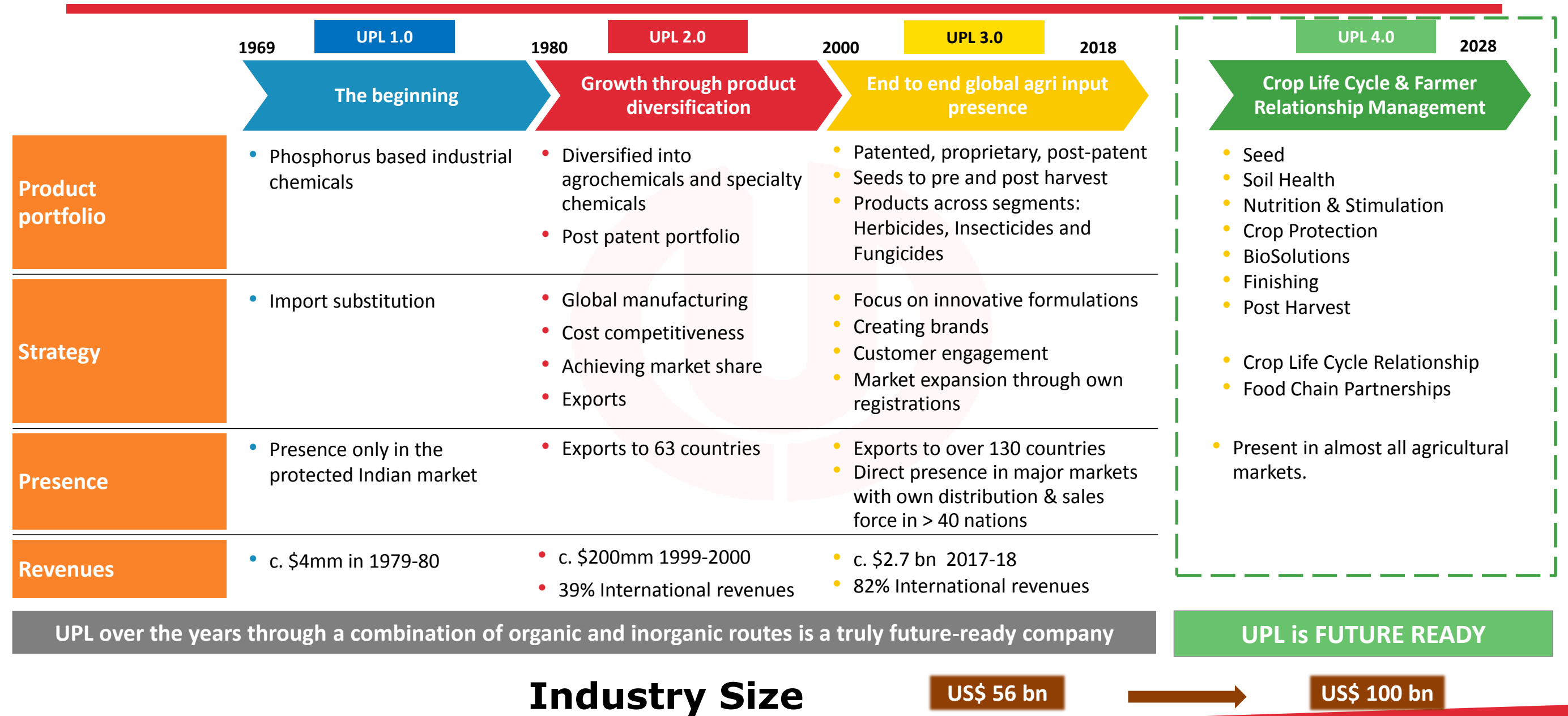
EBITDA margin



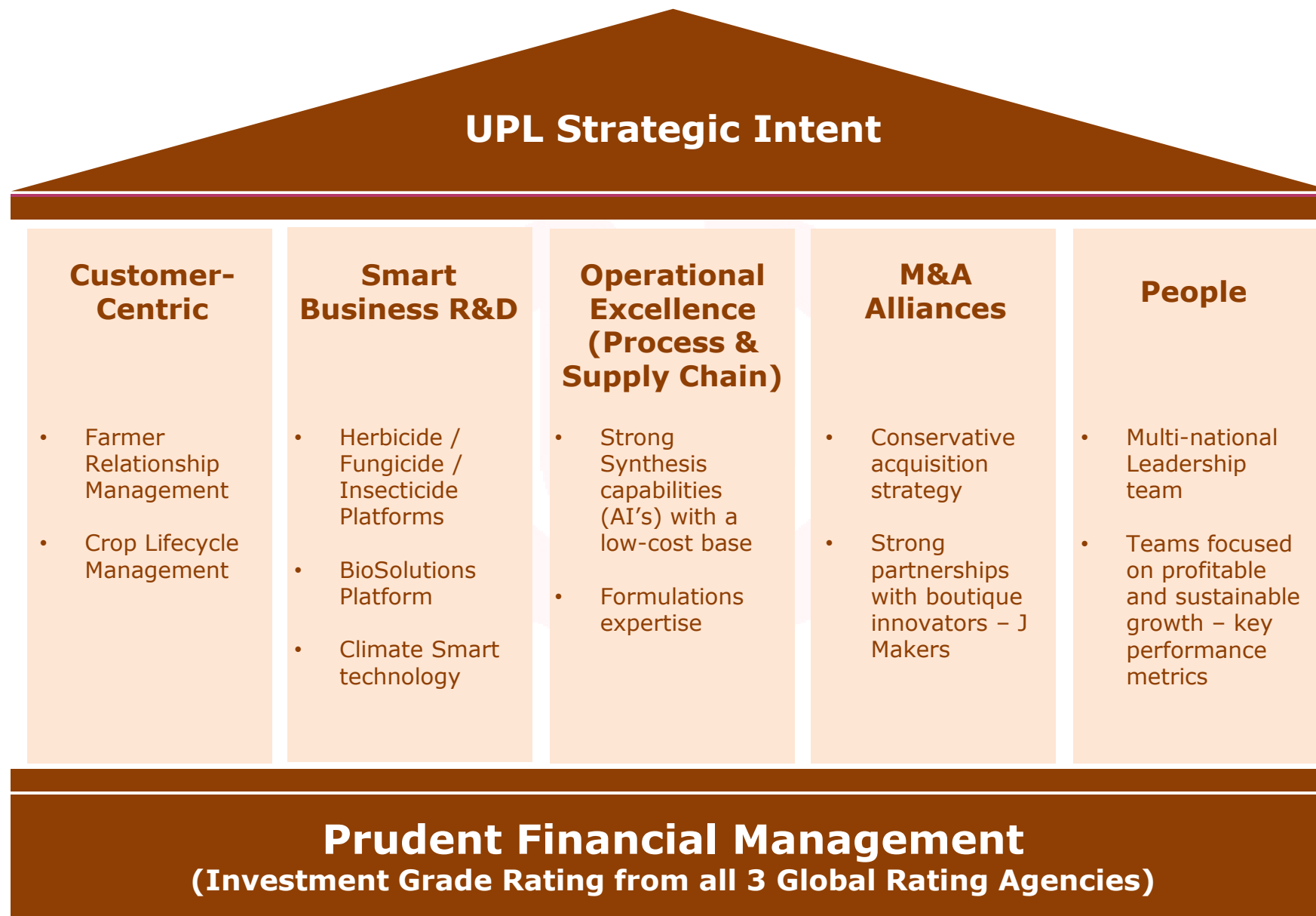
<sup>1</sup> UPL audited figures of FY 2018 and Arysta management account figures of CY 2018



# Transforming from a local player to a Global Crop LifeCycle and Farmer-Relationship Management Company



# Strategic pillars to drive value in the new UPL



## Headwinds

- Climate Change / Farmer Profitability
- Global Warming
- Pest and Disease resistance

## Opportunities

- Food Security, Safety and Growing Population
- Sustainability
- IT Technologies – Robotics, Automation, Big Data, IOT, AI
- Nutrition Needs (Traceability)

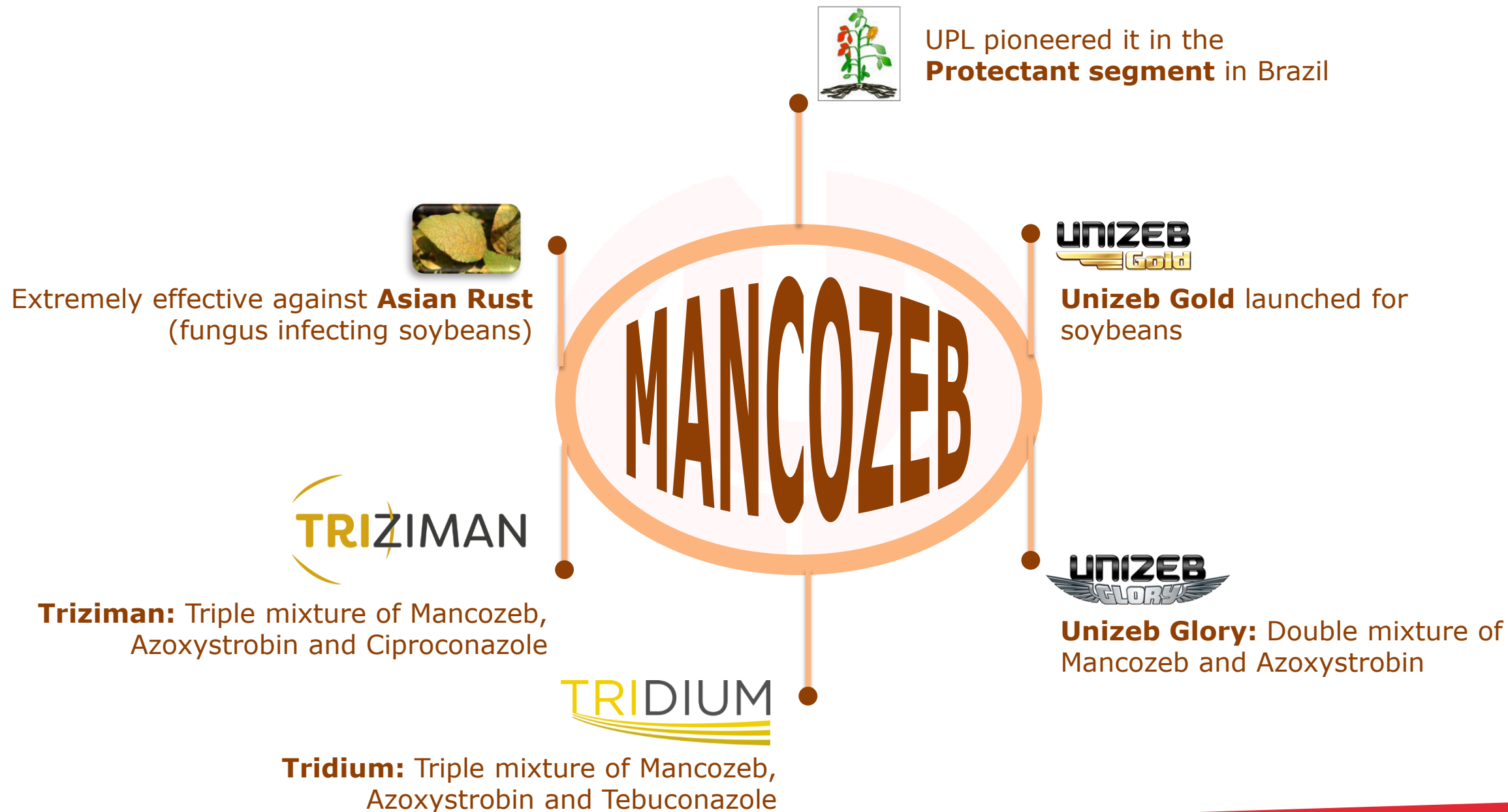


**US\$ 100 bn  
opportunity**

**THE WORLD'S FOOD SYSTEM IS TRANSFORMING RAPIDLY**

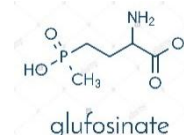
# **UPL INNOVATION PLATFORMS**

# Innovation: *Fungicides*





# Innovation: *Herbicides*



One of the **first post-patent players to launch** in US, in differentiated formulations preferred by farmers



Very **effective as a tank mix** with competing molecules



**Huge potential:** competing molecules facing resistance issues



**Broad-spectrum herbicide:** highly effective against a wide range of weeds

# GLUFOSINATE



**Lifeline** launched for fruits and tree nuts



**Interline** launched for corn, soybeans and cotton

# Innovation: *Insecticides*



Launched insecticides to target sucking insects that plague several key crops in Brazil



Single solution ..... thereby reducing number of sprays



UPL's expertise lies in identifying right opportunity at right time

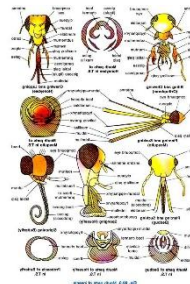
## sucking & chewing Insects



**Sperto:** a mixture of Acetamiprid and Bifenthrin



**Perito:** contains Acephate and works extremely well on fruits and vegetables



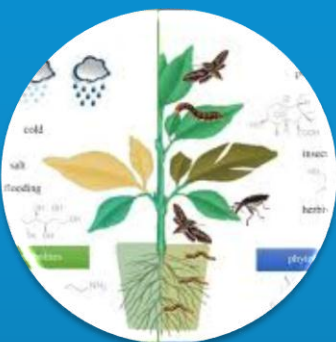
UPL not impacted by Intacta technology, as it was meant to combat only chewing insects

# BioSolution Platform



## Soil Probiotics

- Copio
- Zeba



## Plants Stress management

- Macarena
- Shingo



## Quality improvement supplement

- Gainexa
- Brique



## Residue Management

- Gainexa



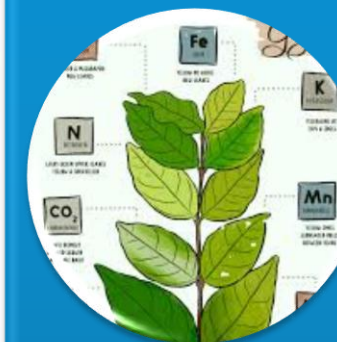
## Sucking Pest complex management

- Ingift



## Nematode Control

- Zander



## Crop Nutrition

- Wuxal/Complezal



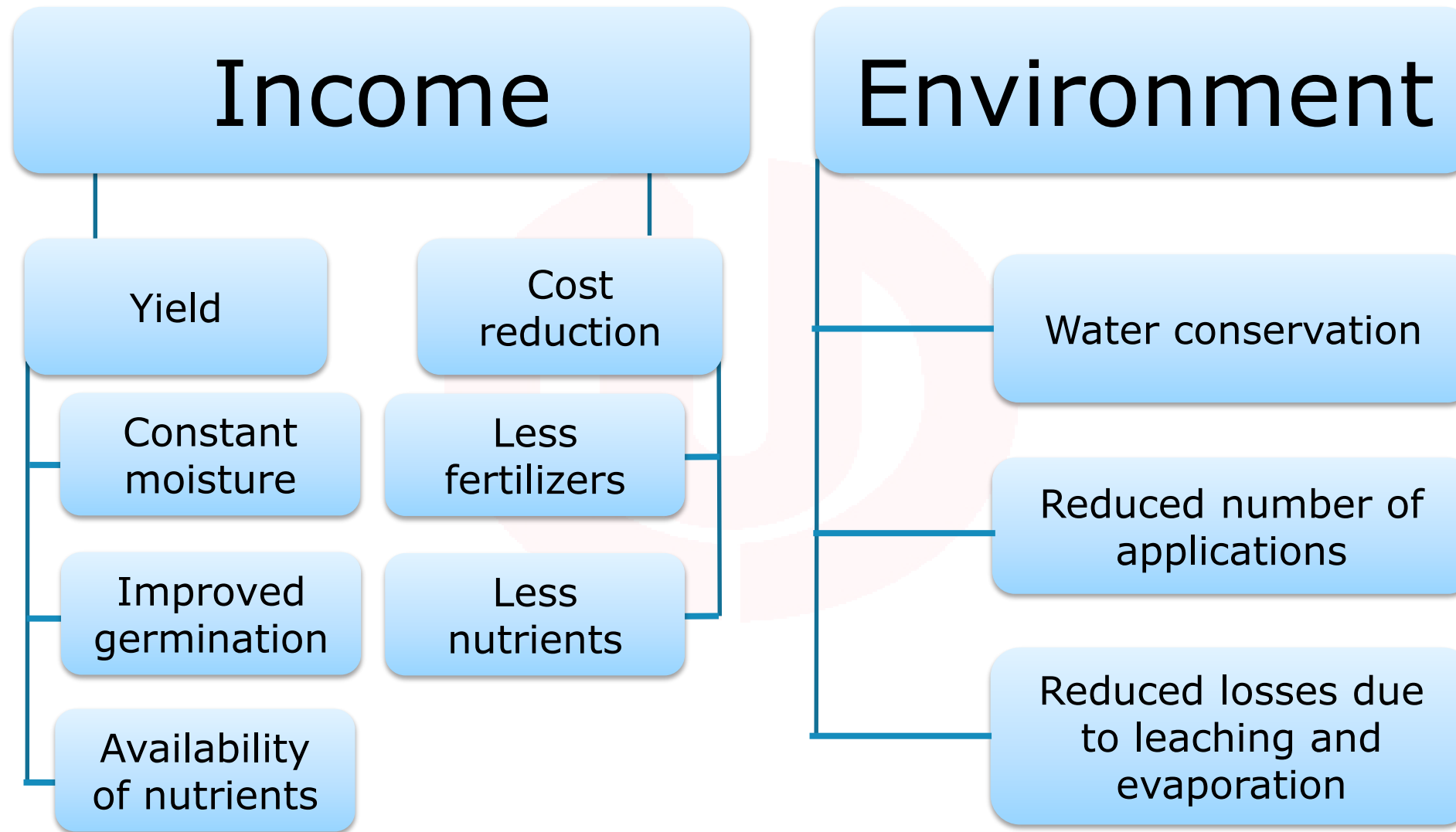
# **Zeba®: Climate Smart Technology**

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## ***Making farmers resilient to impact of climate change***

- **ZEBA absorbs and releases water as needed by plants**
  - **Reduces plant stress caused by heat and limited water availability**
  - **Maximizes crop input investments by absorbing and releasing soil nutrients, water-soluble fertilizer and chemicals**





# Zeba®: *Impact*

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- Yield increase in Potato - average 4.94 t/ha increase
- Yield increase in Sugarcane - average 9 mt/acre increase
- Support to increase plant population ..... Reducing top soil compaction in sugar beet – Turkey trials

# Zeba®: Update

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- India

- Moved past 'proof of concept' stage and successful commercialisation done across range of crops in both Kharif and Rabi season
- Key crops where commercialisation is done are:
  - Kharif: Cotton, Groundnut, Sugarcane, Tomato
  - Rabi: Potato, Onion, Garlic, Cumin, Pomegranate, Orange, Kinnow
- Results have been validated by two state agricultural universities and ICAR Institute

- Outside India

- Registration obtained in Philippines, Colombia and Turkey
- Commercialisation started in Brazil
- Excellent results from Sugarcane - 1 mn ha opportunity
- Collaboration with global food processor companies started - aim is to include Zeba in their package of practise done with their contract growers

## UPL's Adarsh Farm Service Offering

- An initiative of UPL to offer farm services to farmer's field using high tech state of art Agro Machines
- One of the main objective being, providing *best farm mechanization technology and services*, leading to *transformation in farming through better **efficacy**, better **yields** and building **direct relationship*** with farming community
- Reduces operator exposure during spraying operations











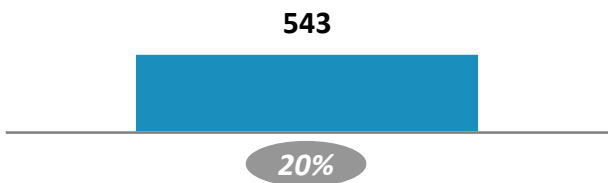
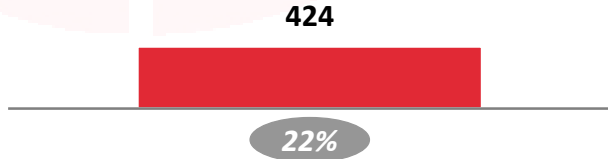
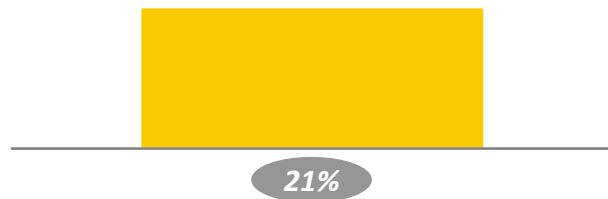


**S.M.A.R.T.**

**SPRAY MORE ACRES IN  
REDUCED TIME**



# Snapshot: UPL + Arysta

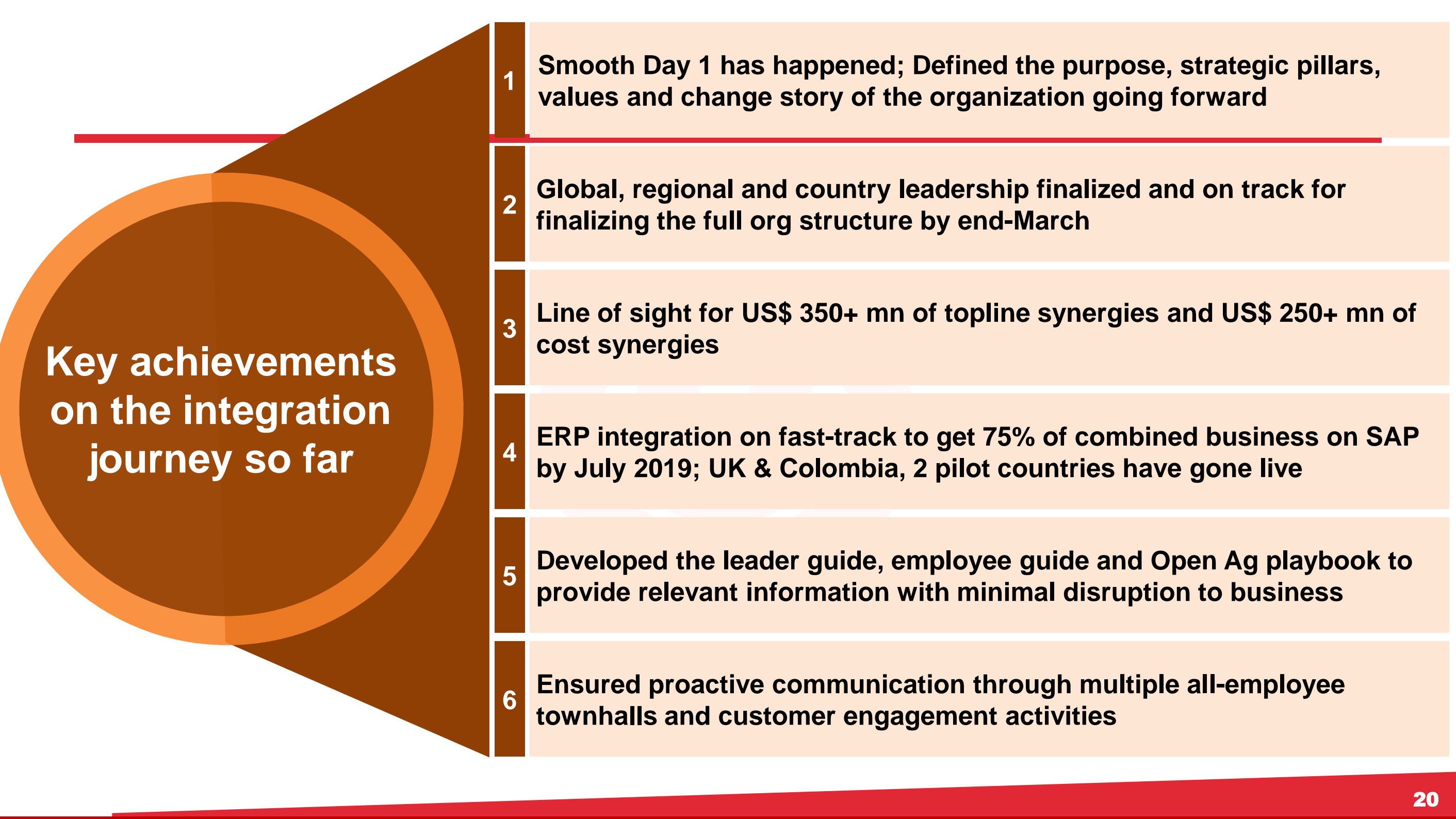
	UPL Limited	Arysta	Combination
			
Market Position	<ul style="list-style-type: none"> <li>#7 Agricultural solutions player</li> <li>Focus on post-patent products with end-to-end global agricultural input presence across crops</li> </ul>	<ul style="list-style-type: none"> <li>#10 Agricultural solutions player</li> <li>Global agricultural platform with a differentiated focus on specialty and protected markets</li> </ul>	<ul style="list-style-type: none"> <li>#5 Agricultural solutions player with a healthy mix of Main row crops and specialty crops categories</li> <li>Strong presence in high growth markets</li> </ul>
Product Registrations	• 6,150+	• 6,850+	• 13,000+
Revenue <sup>2</sup> (\$mm)			
EBITDA <sup>2</sup> (\$mm) and EBITDA Margin			
Manufacturing and Formulation	<ul style="list-style-type: none"> <li>Low-cost manufacturing of complex AI's and formulations</li> <li>Wide geographical footprint</li> </ul>	<ul style="list-style-type: none"> <li>Asset light model with strong focus on outsourcing</li> </ul>	<ul style="list-style-type: none"> <li>Prudent mix of own manufacturing and outsourcing – improved margins and capital efficiencies</li> </ul>

Source: Company filings, <sup>1</sup> UPL mix as of Mar 31, 2017, Arysta mix as of Dec 31, 2017; <sup>2</sup> UPL and Arysta adjusted as of March 31, 2018; <sup>3</sup> UPL mix as of Mar 31, 2018, Arysta mix as of Dec 31, 2017

# Snapshot: UPL + Arysta (Contd.)

	UPL Limited	Arysta	Combination
Geographic Mix <sup>3</sup>	<p>RoW 36%, Latin America 33%, North America 18%, Europe 13%</p>	<p>RoW 12%, Latin America 36%, North America 13%, Europe 39%</p>	<p>RoW 26%, Latin America 34%, North America 16%, Europe 24%</p>
Product Mix <sup>1</sup>	<p>Herbicides 29%, Fungicides 26%, Insecticides 25%, Others 20%</p>	<p>Herbicides 34%, Fungicides 17%, Insecticides 30%, Bio solutions 8%, Others 11%</p>	<p>Herbicides 31%, Fungicides 23%, Insecticides 27%, Bio solutions 3%, Others 16%</p>
Product Portfolio	<ul style="list-style-type: none"> <li>Seeds to Post Harvest</li> <li>Crop Focus: F&amp;V, Rice, Soybean, Cotton, Sugarcane, Corn</li> </ul>	<ul style="list-style-type: none"> <li>BioSolutions and Seed Treatment</li> <li>Late stage R&amp;D with a strong pipeline of differentiated solutions</li> <li>Crop focus: F&amp;V, Cotton, Sugarcane, Sunflower, Cocoa &amp; cereals</li> </ul>	<ul style="list-style-type: none"> <li>Comprehensive product portfolio addressing arable and specialty crops</li> </ul>
New Product Development and Registration	<ul style="list-style-type: none"> <li>Greater focus on innovative formulations, combinations, mixtures and label extensions</li> <li>Local registrations expertise across geographies</li> </ul>	<ul style="list-style-type: none"> <li>Late stage development capabilities and access to J-makers</li> <li>Strong relationships with innovators –source of AI's</li> </ul>	<ul style="list-style-type: none"> <li>Access to new AI's and J-makers</li> <li>Late stage product development combined with innovative formulations, mixtures, combinations product strategy</li> </ul>

Source: Company filings, <sup>1</sup> UPL mix as of Mar 31, 2018, Arysta mix as of Dec 31, 2017; <sup>2</sup> UPL and Arysta adjusted as of March 31, 2018



## **Key achievements on the integration journey so far**

- 1 Smooth Day 1 has happened; Defined the purpose, strategic pillars, values and change story of the organization going forward**
- 2 Global, regional and country leadership finalized and on track for finalizing the full org structure by end-March**
- 3 Line of sight for US\$ 350+ mn of topline synergies and US\$ 250+ mn of cost synergies**
- 4 ERP integration on fast-track to get 75% of combined business on SAP by July 2019; UK & Colombia, 2 pilot countries have gone live**
- 5 Developed the leader guide, employee guide and Open Ag playbook to provide relevant information with minimal disruption to business**
- 6 Ensured proactive communication through multiple all-employee townhalls and customer engagement activities**



# APPENDICES

- ARYSTA ACQUISITION
- KEY MILESTONES – ACQUISITIONS, OTHERS

# UPL + Arysta: Creating a global leader in agricultural solutions

- UPL Corporation Limited (“UPL Corp”), the international arm of UPL Limited (“UPL”), has entered into an agreement to acquire **Arysta LifeScience Inc.** (“Arysta”) for ~US\$4.2 billion
- Following the acquisition, UPL will enhance its position as a **global leader** in agricultural solutions
  - ~US\$5 billion in combined sales
  - ~US\$1 billion EBITDA: **20%+ EBITDA margin pre-synergies**
- Transaction provides a compelling value proposition and underscores UPL’s **“Farmer First” mission** to continue the transformation of UPL into a leading crop solutions company
  - A “perfect match” with powerful synergies across geographies, crops and products, strengthened through best-in-class manufacturing and differentiated R&D capabilities
  - Brings together two winning teams with strong values and successful track records
- Expected to be **EPS accretive** by ~INR 10 to 12 in FY 2020<sup>1</sup>
- Acquisition expected to drive annual **synergies of over US\$200 million**
- Transaction is backed by a US\$1.2 billion equity investment in UPL Corp from long-term investors including a wholly-owned subsidiary of the **Abu Dhabi Investment Authority (“ADIA”)** and **TPG**, a leading global alternative asset firm
- UPL targets to retain an **investment grade credit rating** following the transaction

Note: FYE – Financial Year ending March 31; <sup>1</sup> Excluding the impact of any non-cash amortization of goodwill

# Transaction summary

## Transaction summary

- UPL Corp will acquire Arysta for ~US\$4.2 billion

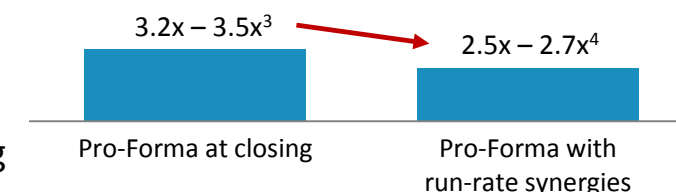
## Financial Metrics

LTM Mar 31, 2018 (US\$mm)	UPL Limited	Arysta	Combination
Sales	2,714	1,956	4,670
EBITDA (excluding synergies)	543	424 <sup>1</sup>	967
% margin	20%	22%	21%
Synergies – run-rate <sup>2</sup>			205–255

## Financing

- A mix of new equity and debt issuance by UPL Corporation
  - US\$1.2 billion equity issuance to ADIA and TPG
  - US\$3.0 billion underwritten bank facility in place
- Strong cash flows of combined business expected to retain investment grade credit rating

### Deleveraging profile for UPL (Net debt / EBITDA):



## Value creation

- Expected to be EPS accretive for UPL by ~INR 10 — 12 in FY 2020 <sup>5</sup>

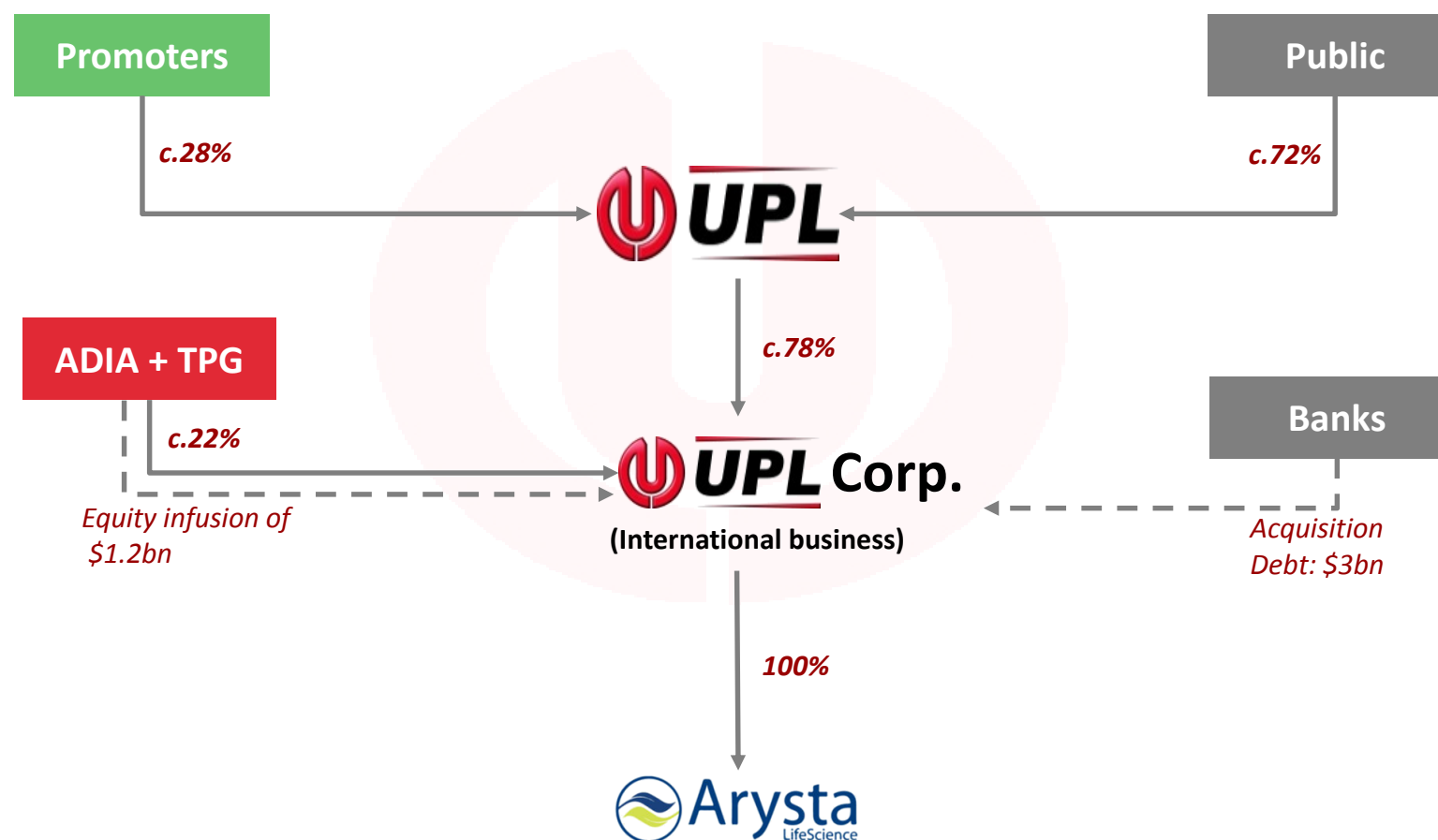
## Closing timeline

- Closing expected in late CY 2018 or early CY 2019, subject to regulatory approvals and other customary closing conditions

Note: <sup>1</sup> Management adjusted EBITDA; <sup>2</sup> \$110mm of cost synergies expected to accrue in first year and full synergies in year 2 onwards; <sup>3</sup> Assuming net debt ranging from US\$3.4 – 3.5bn and EBITDA ranging from US\$1 – 1.05bn; <sup>4</sup> Assumes run-rate synergies of ~US\$230mm; <sup>5</sup> Excluding the impact of any non-cash amortization of goodwill

# Transaction structure

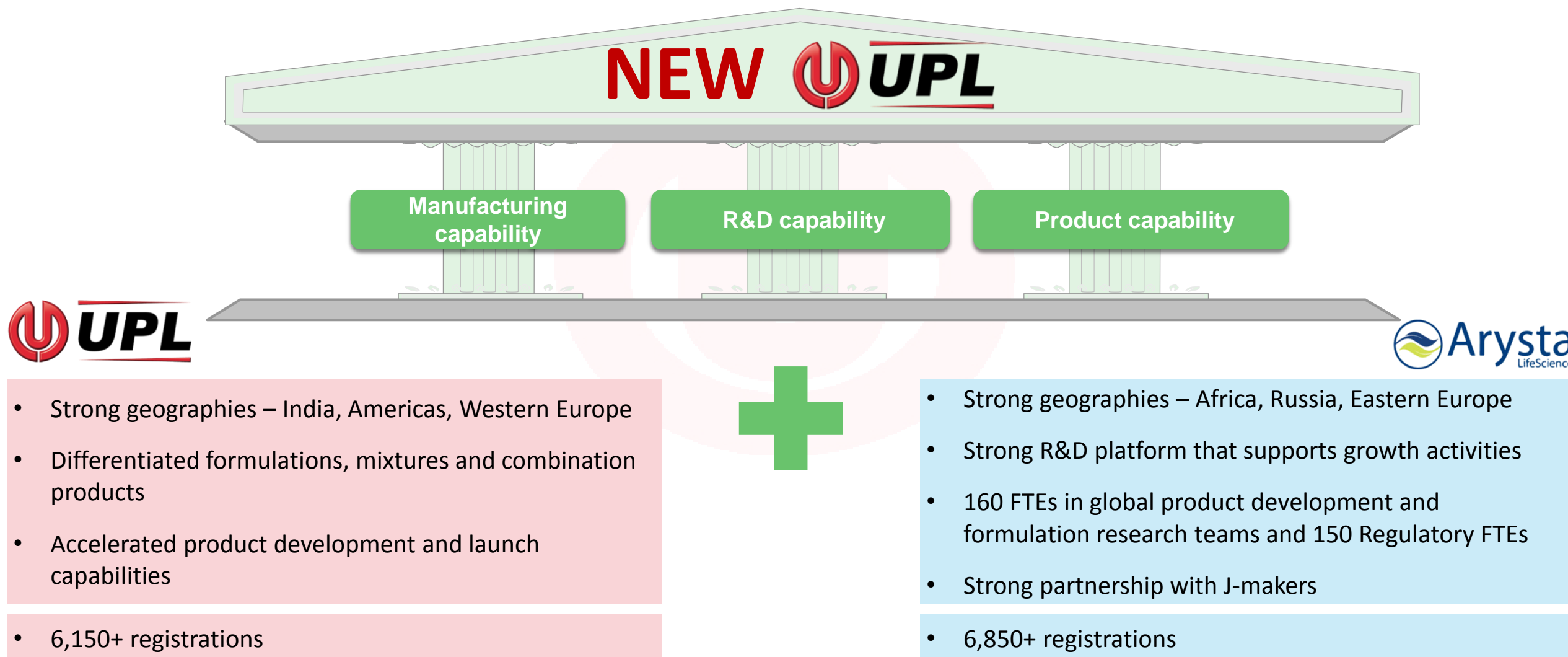
## Post-acquisition holding structure



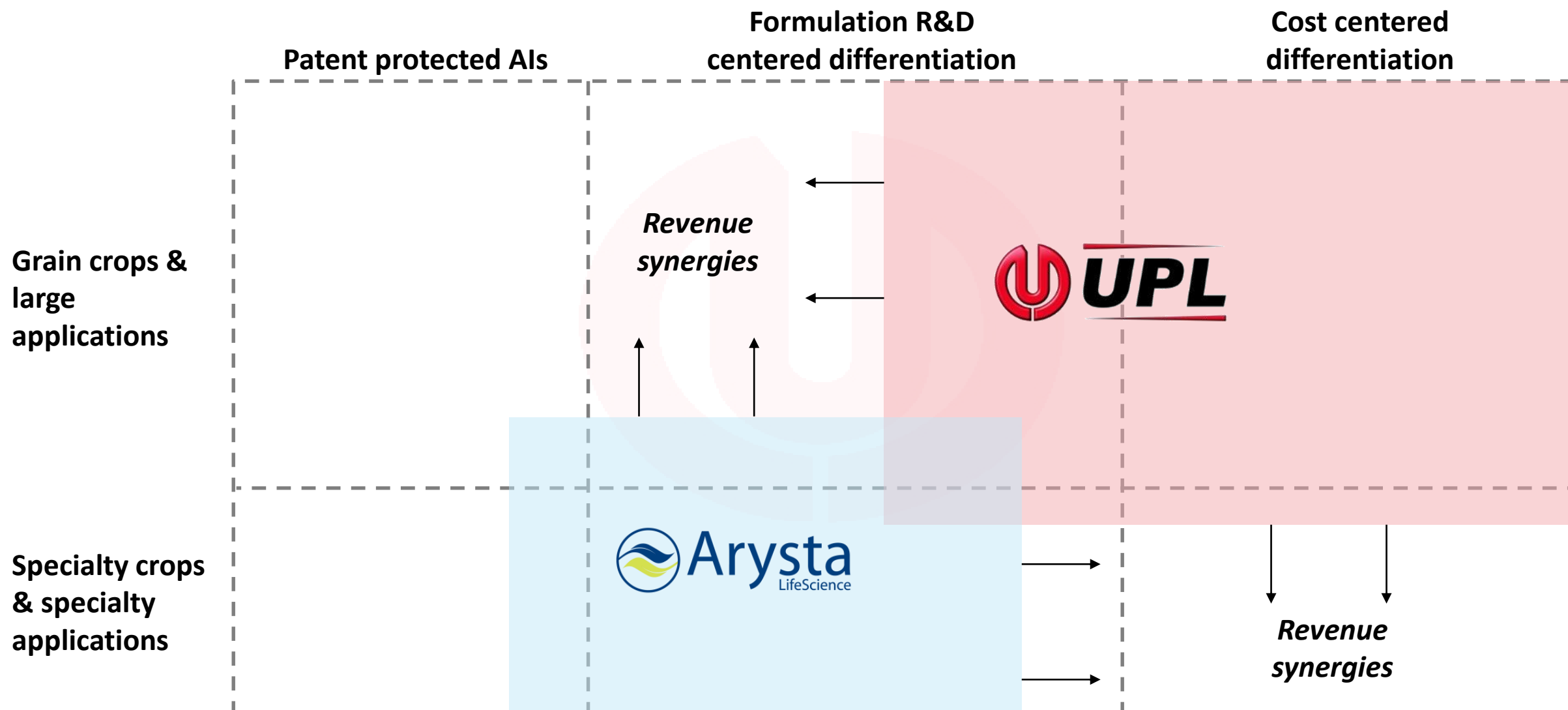


# Highly complementary capabilities will help drive New UPL's strategy

'New UPL' to leverage best of both companies to come up with innovative products for more customer-oriented solution approach



# Significant revenue synergies driven by complementary capabilities



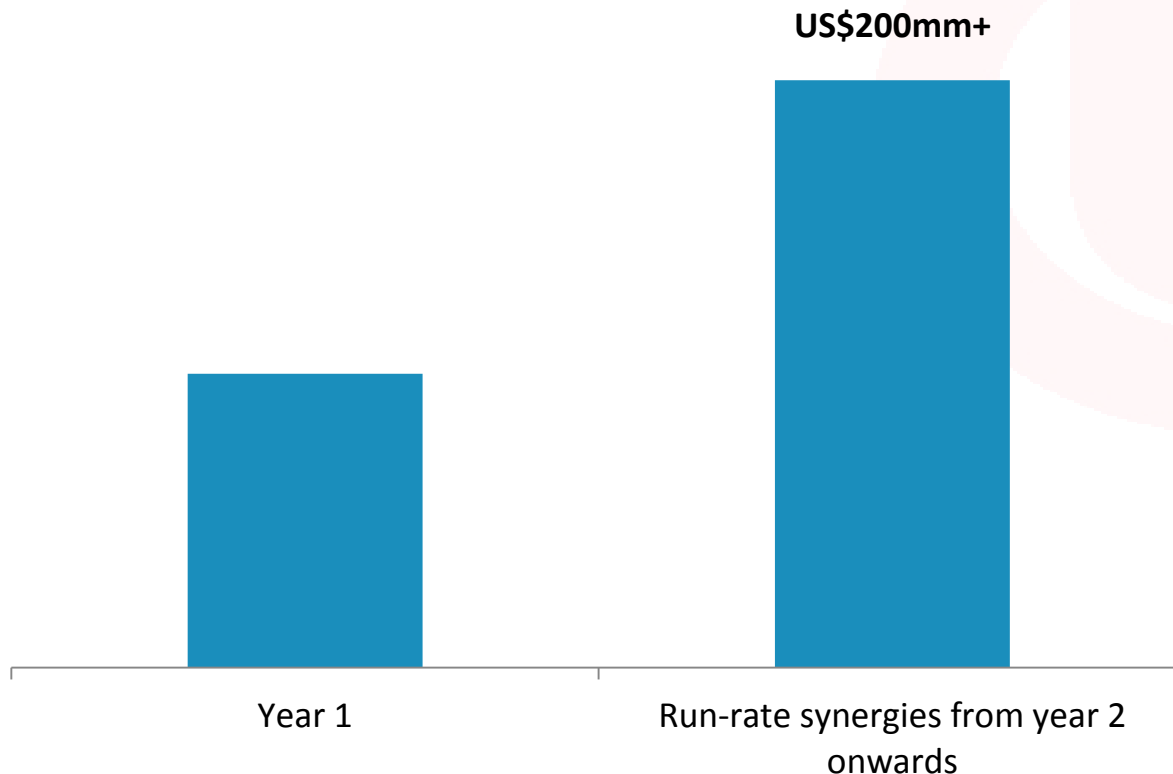
# Annual run-rate synergies from business optimization estimated to be US\$200mm+

Perfect match with powerful synergies across geographies, crops and product portfolio, strengthened through core manufacturing, R&D and intellectual property

## Business optimization synergies

## Revenue synergies

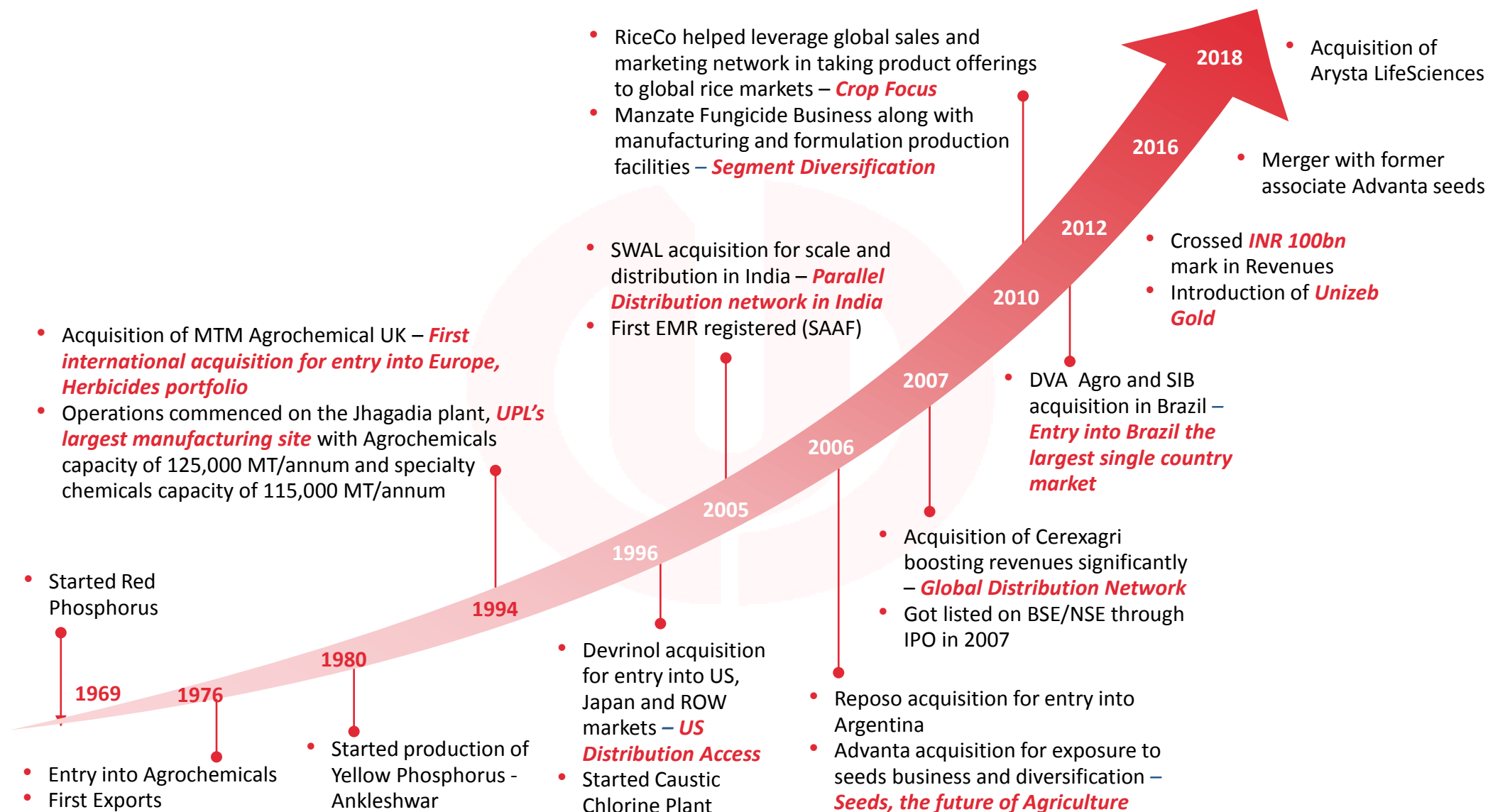
Net EBITDA impact of synergies (US\$mm)



- Visible sources of revenue synergies –not accounted for in business optimization synergies:
  - Meet grower/ channel needs through complementary AI portfolio and access to new crops
  - Cross Sell through expanded geographic reach
  - Deeper penetration and expanded reach

# Key milestones

*Well balanced organic & inorganic growth*





High-value seeds  
and traits for farmers  
around the world

#### Seeds



A range of crop  
protection products and  
techniques to keep pests  
away, ensuring a healthy  
harvest every season

#### Crop Protection



Innovative soil  
enhancement technologies  
to offset the effect of  
inconsistent water  
supply during the crop-  
cycle

#### Soil Enhancement



Farmer engagement  
initiatives to  
educate, assist and  
address everyday  
challenges of  
farming

#### Farming Initiatives



Post harvest solutions  
to  
prevent damage to grain  
and fruits during  
transportation  
and storage

#### Post Harvest

# FARMER FIRST ALWAYS

When we put the farmer first,  
we put food on every  
plate. Because every day  
our products, solutions  
and services across the  
globe work to improve  
yields for farmers and  
gain food for people