



Consolidated Unaudited Results: Q3 & Nine months FY2020

Investor Presentation: *February 7, 2020*

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 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.



Q3 FY2020 Performance

Financial Highlights: Q3 FY2020

Revenue Growth

- consistently growing year-on-year

7%

EBITDA growth

- sustainable profitability

22%

Cash from Operations

₹ 2,145 Crs

Proforma Financial Results: Q3 FY2020

₹ crore

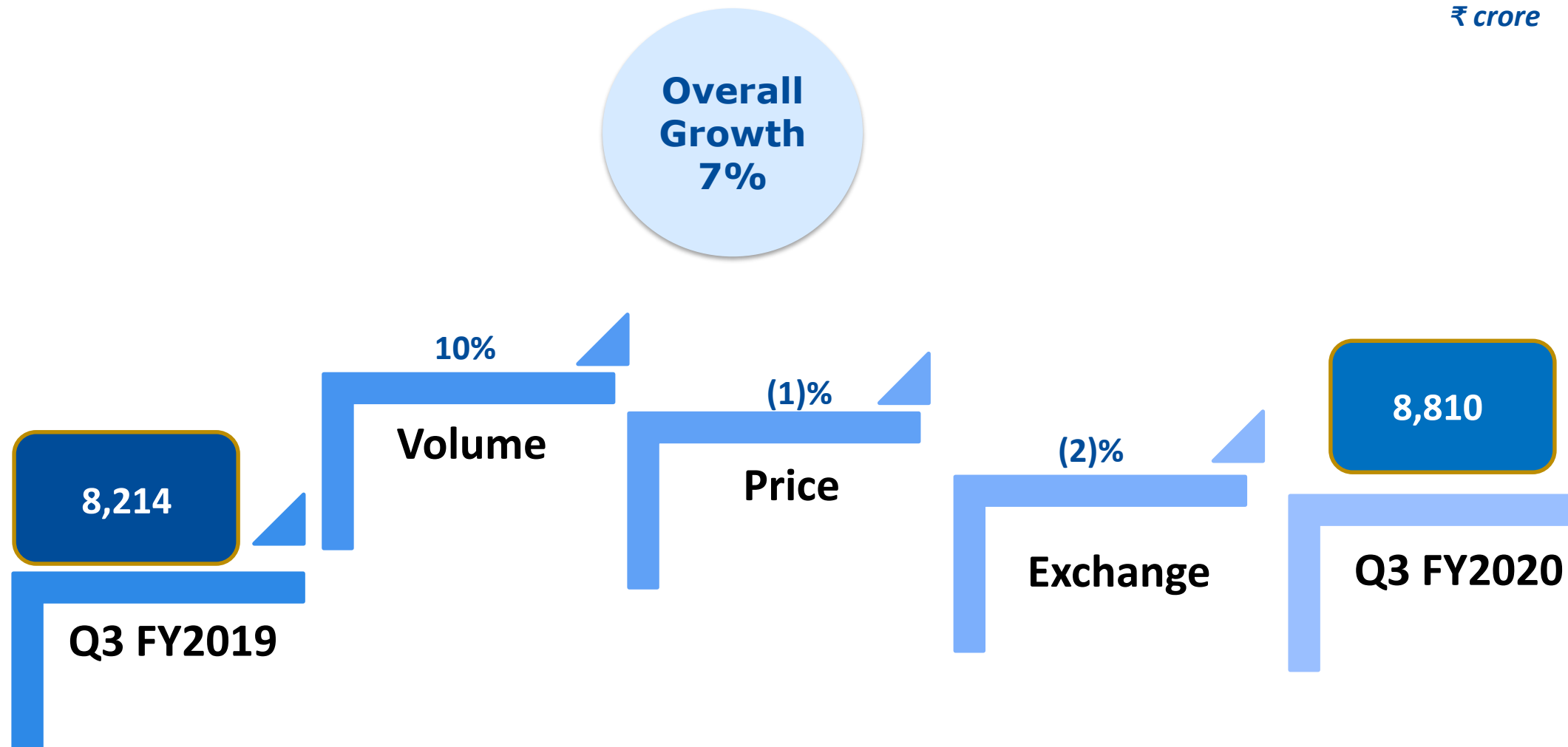
Particulars	FY20		FY19		Change
	Q-3	%	Q-3 * (Note 1)	%	%
Total Revenue from operation	8,892	100%	8,273	100%	7%
Variable Cost	5,166		4,765		8%
Gross Margin	3,726	42%	3,508	42%	6%
Fixed Overheads	1,652		1,811		-9%
EBITDA	2,075	23%	1,697	21%	22%

Note :

1) Previous years numbers (including Arysta) have been regrouped for comparison purpose.

Proforma Sales Growth Analysis: Q3 FY2020

₹ crore



Financial Results: Q3 FY2020

₹ crore

Particulars	FY20				FY19		Change
	Q-3 Reported	PPA	Q-3 * (Note 1)	%	Q-3 * (Note 2)	%	%
Total Revenue from operation	8,892	-	8,892	100%	4,922	100%	81%
Variable Cost	5,173	7	5,166	58%	2,834	58%	
Gross Margin	3,719	(7)	3,726	42%	2,088	42%	78%
Fixed Overheads	1,652		1,652	19%	1,070	22%	
EBITDA	2,068	(7)	2,075	23%	1,018	21%	104%
Other Income / (Loss)	51	-	51		(41)		
Amortization / Depreciation	494	48	446		183		
Finance Cost	515	-	515		202		
PBT	1,110	(55)	1,165	13%	592	12%	97%
Tax	198	(19)	217		29		
PAT	912	(36)	948	11%	563	11%	68%
Income/(Loss) from Associate Co. and JV	(8)	-	(8)		(5)		
Minority Interest	129	-	129		6		
Profit After Tax, Associate Income & Minority Interest	775	(36)	811	9%	552	11%	47%
Exceptional Cost	75	-	75		91		
Net Profit	700	(36)	736	8%	461	9%	60%

Note :

- 1) Purchase Price Allocation effect and Integration cost are removed from Q3 FY2020.
- 2) Previous years numbers (without Arysta) have been regrouped for comparison purpose

Revenue by Region: Q3 FY2020

Regions	Q-3 FY20		Q-3 FY19 *		Change	
	₹ Crores	%	₹ Crores	%	₹ Crores	%
Latin America	4,203	47%	3,462	42%	741	21%
Europe	767	9%	1,056	13%	(289)	-27%
Rest of World	1,884	21%	1,757	21%	127	7%
North America	1,288	14%	1,468	18%	(180)	-12%
India	750	8%	530	6%	220	42%
Total	8,892	100%	8,273	100%	619	7%

* Arysta numbers are included in Q3 FY2019 for comparison.

Revenue by Region: Comments

Latin America		
	Q3 FY2020	9 mths FY2020
Revenue Growth (%)	21%	23%
% to Total	47%	42%
<p>- Excellent business performance of UPL capitalizing on revenue synergies from portfolio and complementary customer relationships of both legacy businesses</p> <p>- Brazil crop protection demand on soybeans has benefitted from US / China trade wars, despite drought conditions in the South</p> <p>- Argentina facing economic turmoil, resulting in higher export duties for grain crops</p>		

North America		
	Q3 FY2020	9 mths FY2020
Revenue Growth (%)	-12%	-4%
% to Total	14%	13%
<p>- Our strong manufacturing footprint in India is helping customers hedge supply risks after China market disruptions earlier this year and possibly in the future (coronavirus)</p> <p>- Despite market conditions, UPL has managed to increase market share in certain key herbicides and fungicide products.</p> <p>- Trade tensions between China and the US have contributed to a soybean demand shift from US to South America, depressing the crop protection market in this region</p>		

Europe		
	Q3 FY2020	9 mths FY2020
Revenue Growth (%)	-27%	-9%
% to Total	9%	13%
<p>- Strong business performance in Southern Europe</p> <p>- UPL's Biosolutions market share keeps growing</p> <p>- Tough weather conditions impacted West European farmers in H1 increasing market channel stocks and depressing demand in H2. Market conditions starting to improve</p>		

Rest of World		
	Q3 FY2020	9 mths FY2020
Revenue Growth (%)	7%	4%
% to Total	21%	19%
<p>- Good business performance in West Africa and parts of South East Asia. We continue to expand our presence in countries like Ivory Coast, Ghana and Indonesia</p> <p>- Australia impacted by drought conditions and forest fires, putting down pressure on demand.</p>		

India		
	Q3 FY2020	9 mths FY2020
Revenue Growth (%)	42%	6%
% to Total	8%	13%
<p>- Favourable political environment towards agriculture</p> <p>- Ideal weather and water conditions in Rabi season</p> <p>- Growth driven by new launches and high-value insecticides</p>		



9 months FY2020 Performance

Financial Highlights: 9 months FY2020

Revenue Growth

- consistently growing year-on-year

8%

EBITDA growth

- sustainable profitability

16%

Cash from Operations

₹ 4,961 Crs

Proforma Financial Results: 9 months FY2020

₹ crore

Particulars	FY20				FY19		Change	
	Nine Months Reported	PPA	Nine Months (Note 1)	%	Nine Months (Note 2)	%	₹ Crores	%
Total Revenue from operation	24,615		24,615	100%	22,744	100%	1,871	8%
Variable Cost	14,568	349	14,219		12,921		1,298	10%
Gross Margin	10,047	(349)	10,396	42%	9,823	43%	573	6%
Fixed Overheads	5,113		5,113		5,251		(138)	-3%
EBITDA	4,934	(349)	5,283	21%	4,572	20%	711	16%

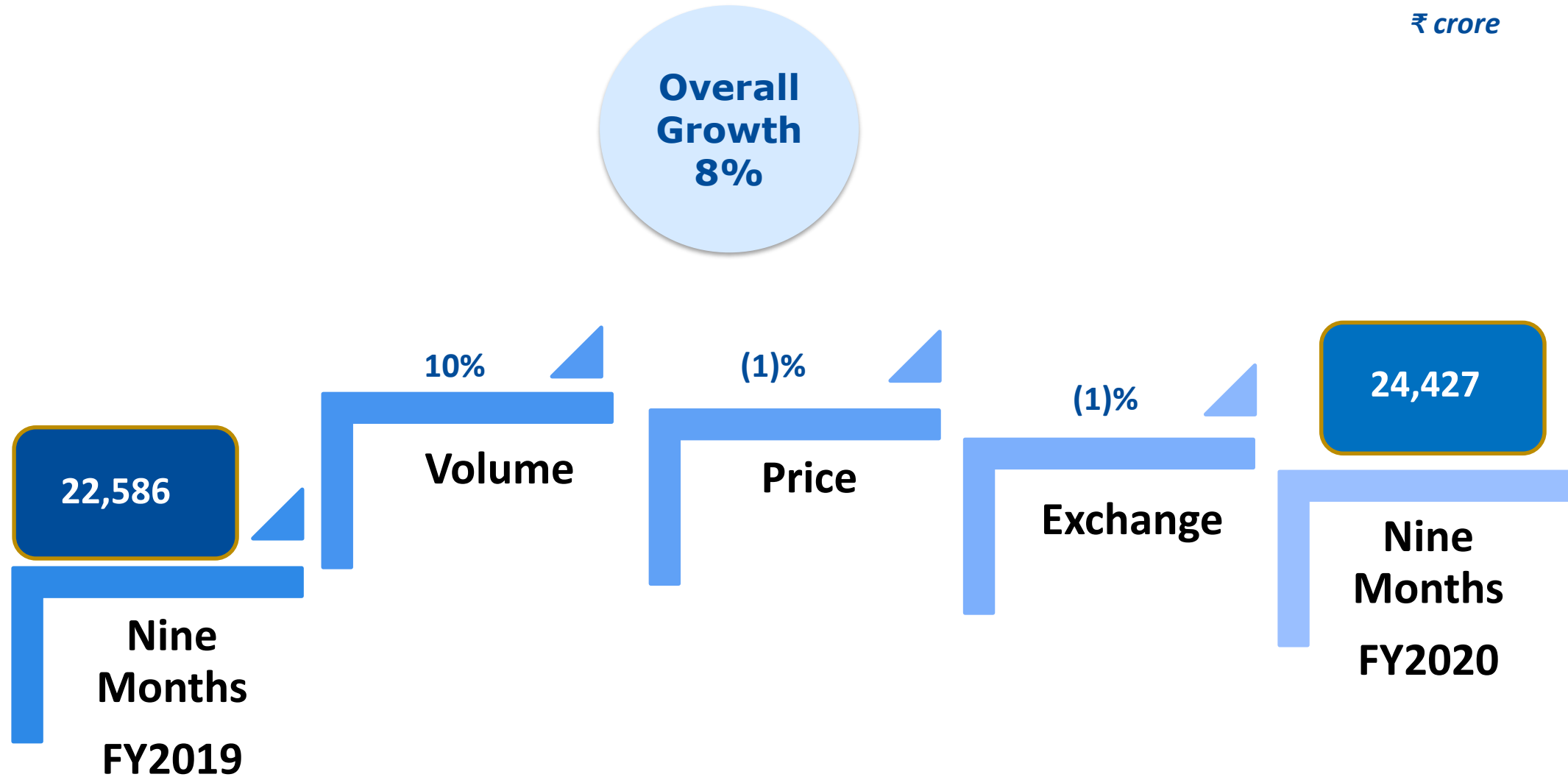
Note :

1) Purchase Price Allocation effect are removed from 9 months FY2020

2) Previous years numbers (including Arysta) have been regrouped for comparison purpose

Proforma Sales Growth Analysis: 9 months FY2020

₹ crore



Financial Results: 9 months FY2020

₹ crore

Particulars	FY20				FY19		Change
	Nine Months Reported	PPA	Nine Months (Note 1)	%	Nine Months (Note 2)	%	%
Total Revenue from operation	24,615	-	24,615	100%	13,312	100%	85%
Variable Cost	14,568	349	14,219	58%	7,586	57%	
Gross Margin	10,047	(349)	10,396	42%	5,726	43%	82%
Fixed Overheads	5,113	0	5,113	21%	3,023	23%	
EBITDA	4,934	(349)	5,283	21%	2,703	20%	95%
Other Income / (Loss)	17	-	17		12		
Amortization / Depreciation	1,417	88	1,329		538		
Finance Cost	1,294	-	1,294		558		
PBT	2,240	(437)	2,677	11%	1,619	12%	65%
Tax	374	(138)	512		196		
PAT	1,866	(299)	2,165	9%	1,423	11%	52%
Income/(Loss) from Associate Co. and JV	(20)	-	(20)		(14)		
Minority Interest	235	-	235		15		
Profit After Tax, Associate Income & Minority Interest	1,610	(299)	1,909	8%	1,394	10%	37%
Exceptional Cost	452	-	452		152		
Net Profit	1,158	(299)	1,457	6%	1,242	9%	17%

Note :

1) Purchase Price Allocation effect are removed from 9 months FY2020

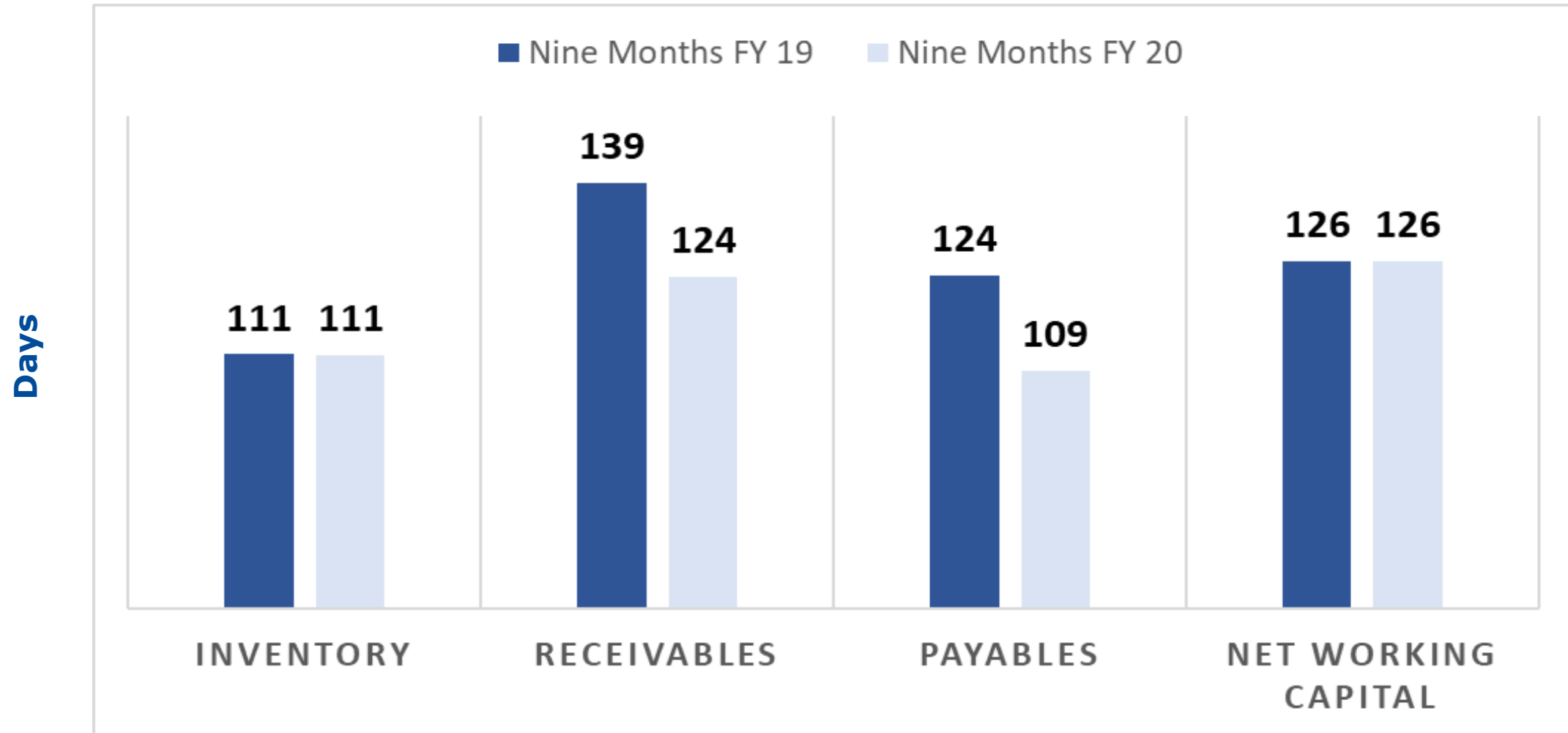
2) Previous years numbers (without Arysta) have been regrouped for comparison purpose

Revenue by Region: 9 months FY2020

Regions	Nine Months FY20		Nine Months FY19 *		Change	
	₹ Crores	%	₹ Crores	%	₹ Crores	%
Latin America	10,372	42%	8,412	37%	1,960	23%
Europe	3,306	13%	3,638	16%	(332)	-9%
Rest of World	4,698	19%	4,521	20%	177	4%
North America	3,103	13%	3,226	14%	(123)	-4%
India	3,136	13%	2,947	13%	189	6%
Total	24,615	100%	22,744	100%	1,871	8%

* Arysta numbers are included in 9 months FY2019 for comparison.

Working Capital Analysis: December 2019



Summary of targeted cost and revenue synergies

₹ crore

	Exit Synergy Target		Actioned	Accrual	
	Y3	Y1		Y1 Target	YTD Actual
Personnel	511	476	469	322	208
Non-Personnel	1,064	686	546	238	327
9 months FY2020	1,575	1,162	1,015	560	535
Q3 FY2020					215

**** Revenue synergies up to December 2019 are Rs. 746 crore**



Thank You