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31<sup>st</sup> January 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 and nine months ended 31<sup>st</sup> December 2021.

We request you to take the above information on records.

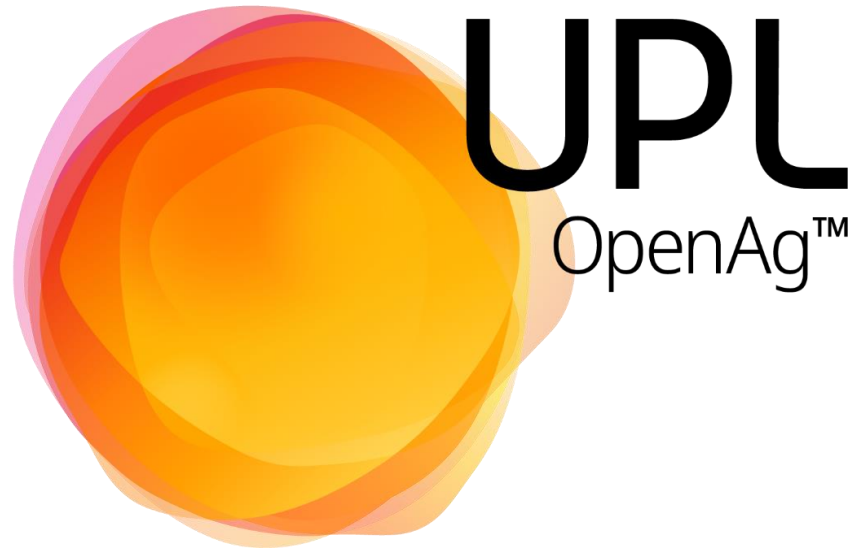
Thanking you,

Yours faithfully,  
For **UPL Limited**

A handwritten signature in black ink, appearing to read 'Sandeep Deshmukh', written over a horizontal line.

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

Encl: As above



# **Quarter and Nine Months Ended 31st December 2021 Results Presentation**

January 2022

## Safe Harbor Statement

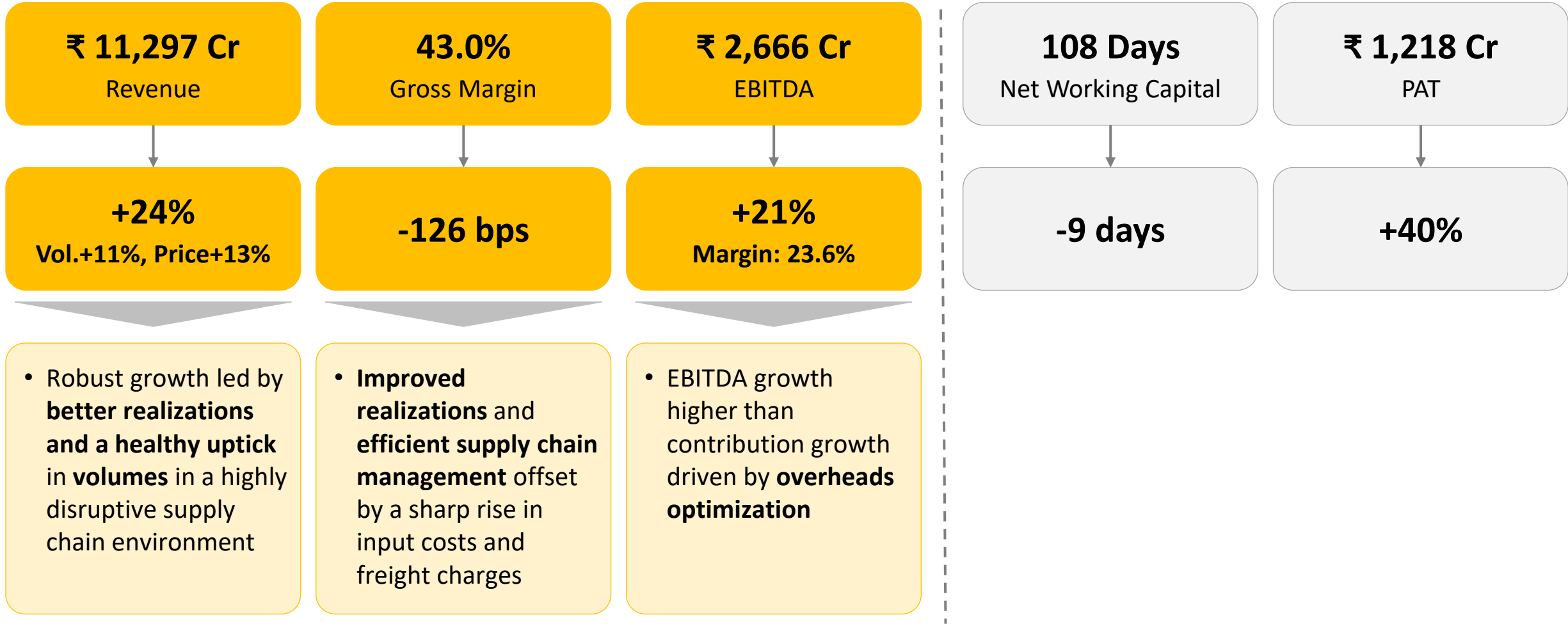
*This document contains certain forward-looking statements with respect to the financial condition, results of operations and business of UPL Limited (UPL) and certain of the plans and objectives of UPL with respect to these items. Examples of forward-looking statements include statements made about 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.*

# Key Q3 FY2022 Developments

- Ranked **No. 1 for Sustainability Performance** by Sustainalytics amongst peers second year in a row
- Recognized by **World Benchmarking Alliance (WBA)** as a **leading Agricultural company worldwide**
  - UPL ranked 2nd out of 55 companies in Agriculture and 15th out of 350 companies in Food and Agriculture
- Successfully launched **“The Gigaton Challenge”** in Brazil/ Chile –1 Bn ton **CO<sub>2</sub>** reduction by 2040
  - Received **‘The Zero Award’** during The Zero Summit for outstanding contribution in ‘Fighting Climate Change’
- Progressing UPL’s **Soil Health Initiatives**:
  - Launched **Global Soil Health Program** during COP26
  - **Carbon & Soil Health Radicle Challenge** to access disruptive technologies, and identify equity investments; >150 submissions from 40 countries
- Raised **tranche 2** of **\$700M sustainability loan** (total: \$1.45B) at **35bps lower rate** than acquisition debt
- **nurture.farm “end the burn”**: >425K acres saved from burning, and converted to sustainable farming practices, preventing a potential release of ~1 million tons of CO<sub>2</sub> emissions
- Won CII Industrial IP Award 2021 for third consecutive year
- Bunge to acquire 33% in Sinagro, **accelerating its growth plans in Brazil and UPL sales potential**



# Q3 Business Highlights



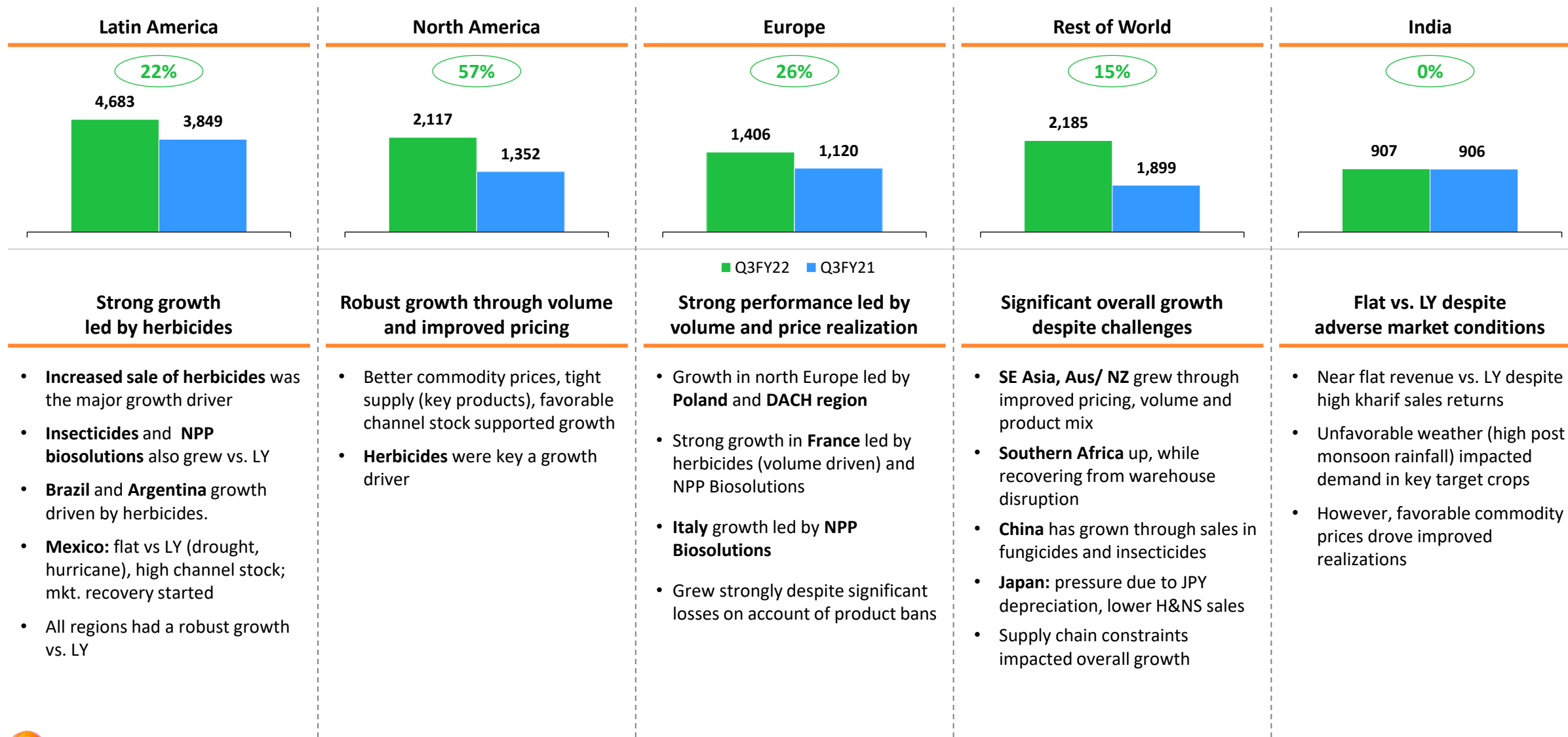
*Note:*

- All changes vs Dec 2020
- Adjusting for investment on digital platform of INR 75 crore in Q3 FY22 and INR 27 crore in Q3 FY21, EBITDA growth stood at 23% and EBITDA margins at 24.3% for Q3 FY22



# Q3 FY2022 Regional Highlights

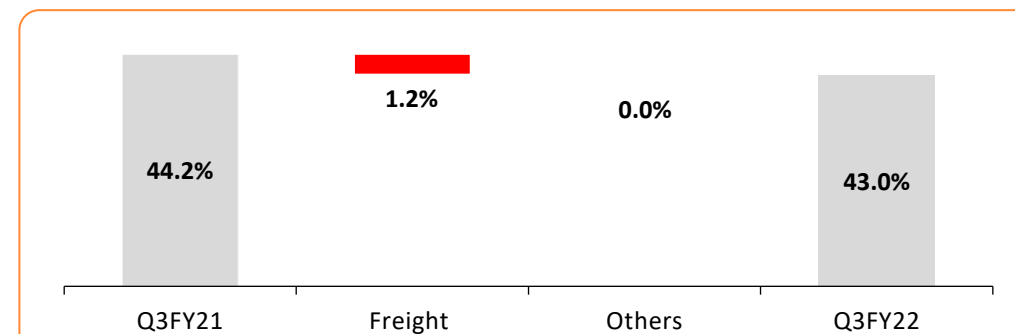
(₹ crore)



# Q3 Performance Highlights

(₹ Crore )	Q3 FY 2022	Q3 FY 2021	B/(W) LY
Revenue	11,297	9,125	24%
Gross Margin	43.0%	44.2%	-126 bps
Fixed OH	2,190	1,828	20%
EBITDA	2,666	2,209	21%
EBITDA Margin	23.6%	24.2%	-61 bps

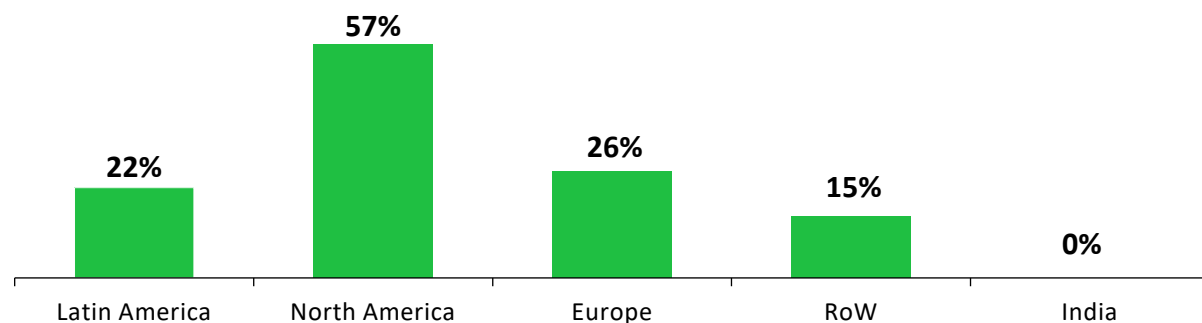
## CM% Variance



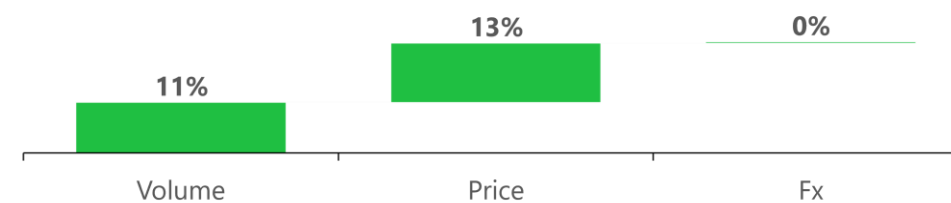
### Marginally lower contribution margin vs. LY:

- Increased freight charges (by ~122 bps) key factor for margin reduction

## Revenue Development by Region



## Revenue Variance



### 24% higher revenue vs. LY:

- Witnessed strong traction across most regions driven by higher volumes and price hikes

Note: Adjusting for investment on digital platform of INR 75 crore in Q3 FY22 and INR 27 crore in Q3 FY21, Q3 FY22 EBITDA stood at INR 2,741 crore while EBITDA growth was at 23% and EBITDA margins at 24.3% for Q3 FY22

# Q3 Profit and Loss Account

(₹ crore)

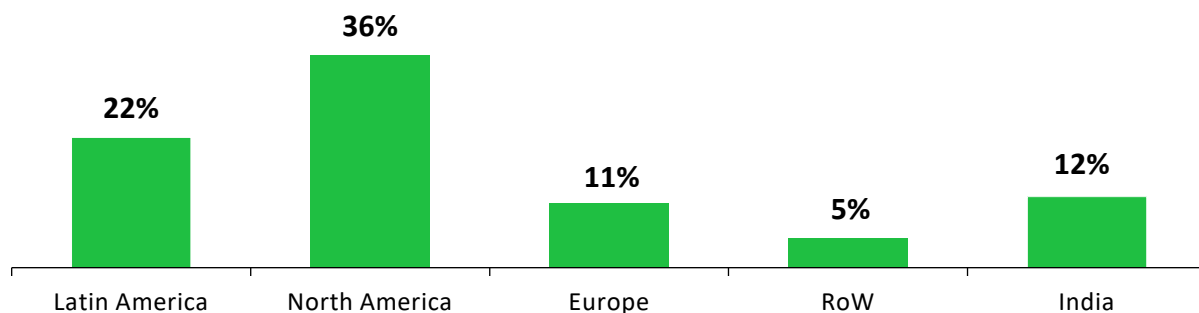
Particulars	Q3 FY2022		Q3 FY2021		Change
	Reported	%	Reported	%	%
<b>Total Revenue from operation</b>	<b>11,297</b>	<b>100%</b>	<b>9,125</b>	<b>100%</b>	<b>24%</b>
Variable Cost	6,442	57%	5,088	56%	
<b>Gross Margin</b>	<b>4,856</b>	<b>43%</b>	<b>4,037</b>	<b>44%</b>	<b>20%</b>
Fixed Overheads	2,190	19%	1,828	20%	
<b>EBITDA</b>	<b>2,666</b>	<b>24%</b>	<b>2,209</b>	<b>24%</b>	<b>21%</b>
Other Income / (Loss)	(152)		61		
Amortization / Depreciation	600		542		
Finance Cost	529		745		
<b>PBT</b>	<b>1,385</b>	<b>12%</b>	<b>982</b>	<b>11%</b>	<b>41%</b>
Tax	167		109		
<b>PAT</b>	<b>1,218</b>	<b>11%</b>	<b>872</b>	<b>10%</b>	<b>40%</b>
Income/(Loss) from Associate Co. and JV	13		(7)		
Minority Interest	243		150		
<b>Profit After Tax, Associate Income &amp; Minority Interest</b>	<b>989</b>	<b>9%</b>	<b>715</b>	<b>8%</b>	<b>38%</b>
Exceptional Cost	52		(78)		
<b>Net Profit</b>	<b>937</b>	<b>8%</b>	<b>793</b>	<b>9%</b>	<b>18%</b>



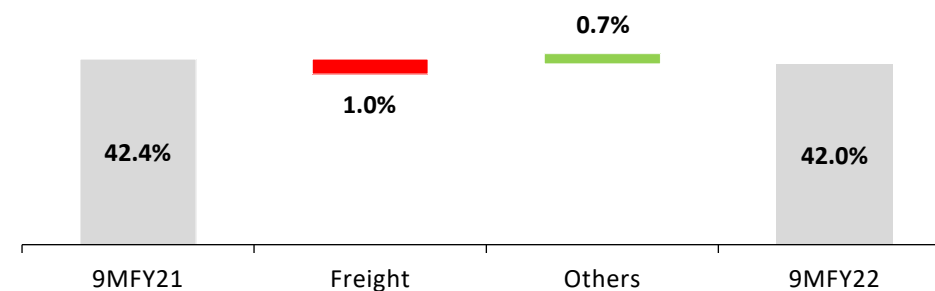
# 9M Performance Highlights

(₹ Crore )	9M FY 2022	9M FY 2021	B/(W) LY
Revenue	30,379	25,898	17%
Gross Margin	42.0%	42.4%	-33 bps
Fixed OH	6,193	5,249	18%
<b>EBITDA</b>	<b>6,574</b>	<b>5,720</b>	<b>15%</b>
<b>EBITDA Margin</b>	<b>21.6%</b>	<b>22.1%</b>	<b>-45 bps</b>

## Revenue Development by Region



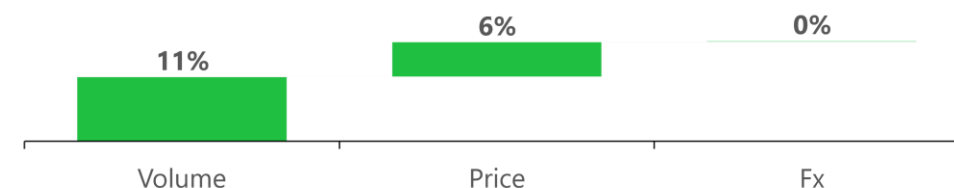
## CM% Variance



### 33 bps lower contribution margin vs. LY:

- Higher freight costs (~102 bps) primarily led to decline in margins
- Favorable regional mix and higher proportion of differentiated portfolio supported overall margins

## Revenue Variance



### 17% higher revenue vs. LY:

- Growth across all regions led by better realizations and uptick in volumes except RoW

Note: Adjusting for investment on digital platform of INR 199 crore in 9M FY22 and INR 53 crore in 9M FY21, 9M FY22 EBITDA stood at INR 6,773 crore while EBITDA growth was at 17% and EBITDA margins at 22.3% for 9M FY22

# 9M Profit and Loss Account

(₹ crore)

Particulars	Nine Months FY2022		Nine Months FY2021		Change
	Reported	%	Reported	%	%
<b>Total Revenue from operation</b>	<b>30,379</b>	<b>100%</b>	<b>25,898</b>	<b>100%</b>	<b>17%</b>
Variable Cost	17,613	58%	14,929	58%	
<b>Gross Margin</b>	<b>12,767</b>	<b>42%</b>	<b>10,968</b>	<b>42%</b>	<b>16%</b>
Fixed Overheads	6,193	20%	5,249	20%	
<b>EBITDA</b>	<b>6,574</b>	<b>22%</b>	<b>5,720</b>	<b>22%</b>	<b>15%</b>
Other Income / (Loss)	(260)		190		
Amortization / Depreciation	1,717		1,597		
Finance Cost	1,495		1,639		
<b>PBT</b>	<b>3,102</b>	<b>10%</b>	<b>2,673</b>	<b>10%</b>	<b>16%</b>
Tax	264		365		
<b>PAT</b>	<b>2,838</b>	<b>9%</b>	<b>2,309</b>	<b>9%</b>	<b>23%</b>
Income/(Loss) from Associate Co. and JV	20		(18)		
Minority Interest	455		326		
<b>Profit After Tax, Associate Income &amp; Minority Interest</b>	<b>2,403</b>	<b>8%</b>	<b>1,965</b>	<b>8%</b>	<b>22%</b>
Exceptional Cost	156		158		
<b>Net Profit</b>	<b>2,247</b>	<b>7%</b>	<b>1,807</b>	<b>7%</b>	<b>24%</b>

# Q3 & 9M Finance Cost and Other Income Breakdown

## Finance Cost Breakdown

(₹ crore)

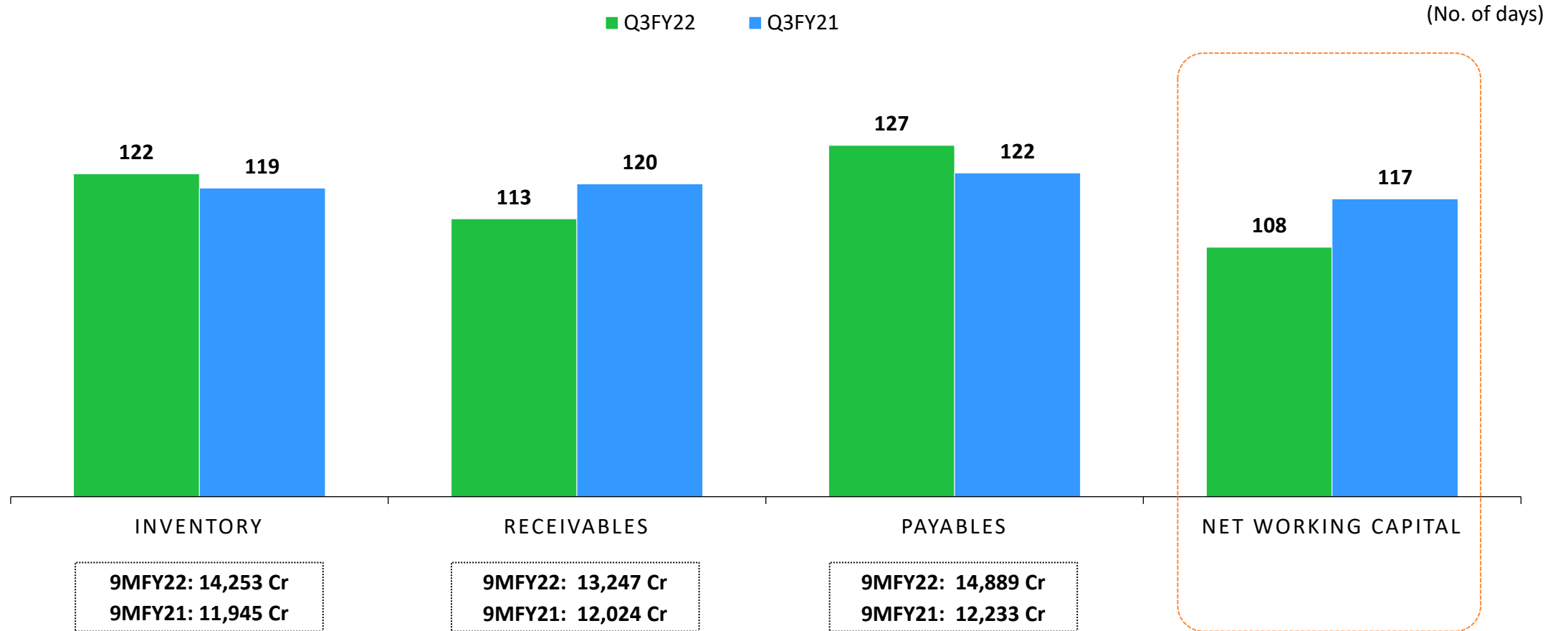
Particulars	Q3FY22	Q3FY21	Change	9MFY22	9MFY21	Change
<b>Interest on Borrowings</b>	<b>361</b>	<b>421</b>	<b>(61)</b>	<b>927</b>	<b>1,042</b>	<b>(116)</b>
Other Financial Charges	62	39	23	140	111	28
Exchange impact in Finance Cost	8	199	(191)	177	279	(103)
NPV –Interest & Finance	98	86	12	252	206	46
<b>Total Finance Cost</b>	<b>529</b>	<b>745</b>	<b>(216)</b>	<b>1,495</b>	<b>1,639</b>	<b>(144)</b>

## Other Income Breakdown

(₹ crore)

Particulars	Q3FY22	Q3FY21	Change	9MFY22	9MFY21	Change
Interest Income	28	57	(29)	84	162	(78)
Net Exchange Impact	(221)	(6)	(215)	(424)	(19)	(406)
Others	41	10	31	80	47	34
<b>Total Other Income / (Loss)</b>	<b>(152)</b>	<b>61</b>	<b>(213)</b>	<b>(260)</b>	<b>190</b>	<b>(450)</b>

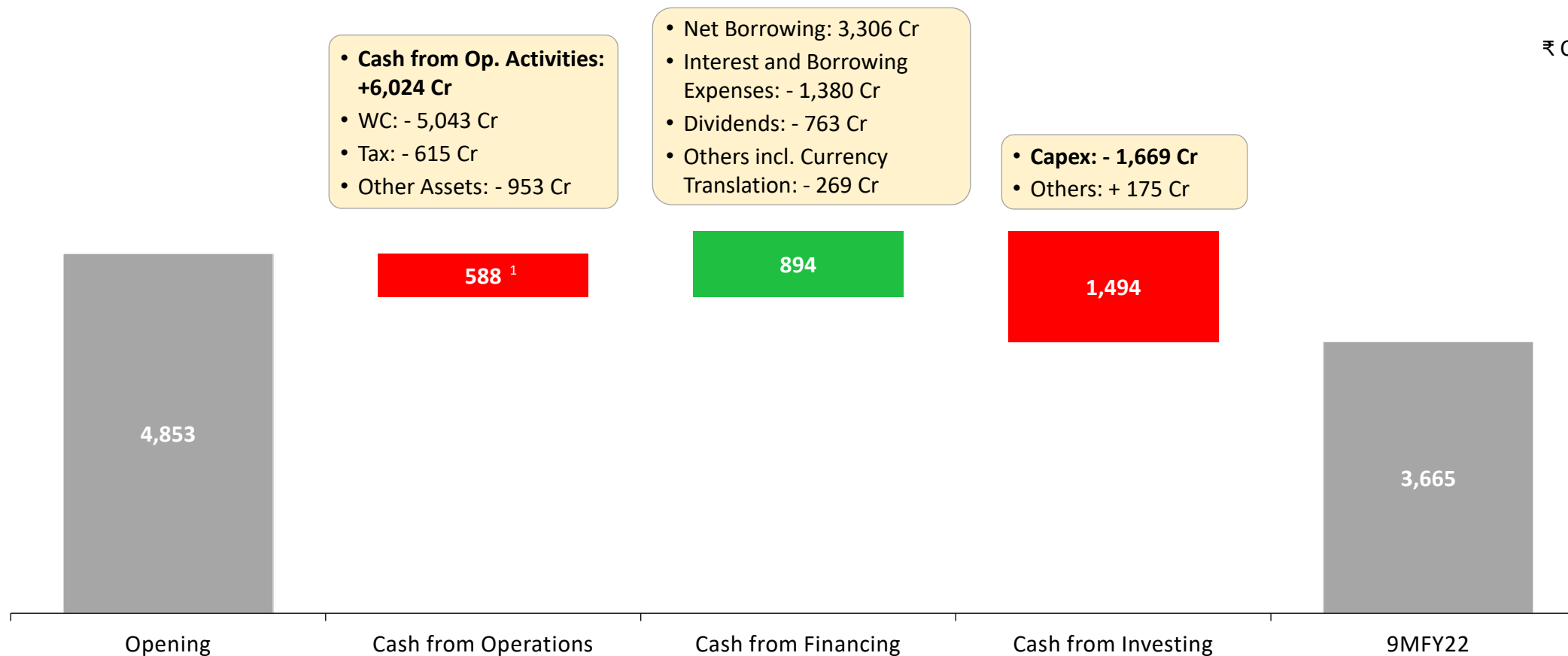
# Working Capital Analysis



Note: As a risk management measure, the company has been selling its receivables on non-recourse basis to banks. Receivables sold as of 31<sup>st</sup> Dec 2021 were 7,175 crore (31<sup>st</sup> Dec 2020: 4,570 crore, 31<sup>st</sup> March 2021: 7,623 crore)

# Cash Flow Statement (1st April 2021 to 31st Dec 2021)

₹ Crore



- Higher build-up of working capital as of 31<sup>st</sup> Dec 2021 in line with the revenue growth
- The company has prepaid debt of INR 940 crore in Jan 2022

<sup>1</sup> Includes ~500cr. receivables on account of insurance claim of South Africa