

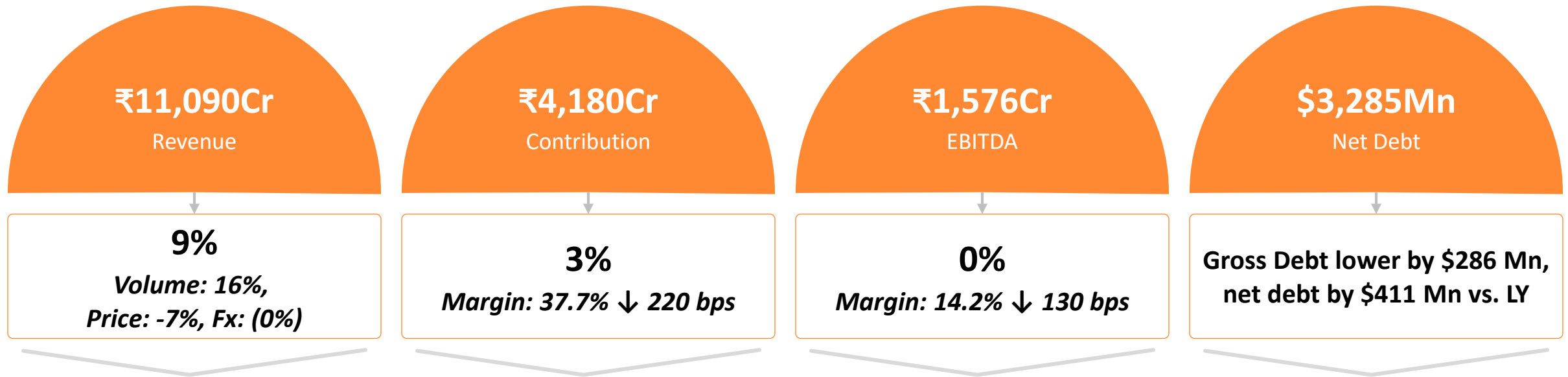
Q2 FY25 Investor Presentation

11th November, 2024

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.

Q2 FY25: Strong Vol. Growth Continues, EBITDA and Net Debt Trending Towards Guidance



- **Continued vol. growth** across key regions, with pricing pressure
- Strong growth in **Europe**, led by fungicide and NPP volumes, supported by **Brazil, North America**; **India** led by volumes, along with margin accretion
- Moderate growth in **seeds**, driven by grain sorghum, corn
- **Contribution margin** compressed by 220 bps, mainly due to key AIs pricing pressure
- Debt increase in Sep'24 vs March'24 at \$627 Mn, significantly lower than \$1,639 Mn increase over the same period last year

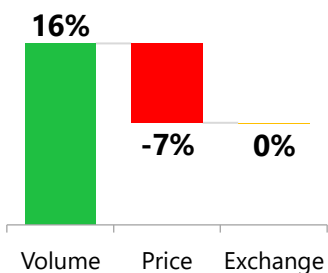
Note: All changes are year-on-year basis i.e., Q2 FY25 vis-à-vis Q2 FY24

UPL Group: Vol. Led Growth in Q2; Improvement in Margin Gap vs. Q1, Lower vs. LY

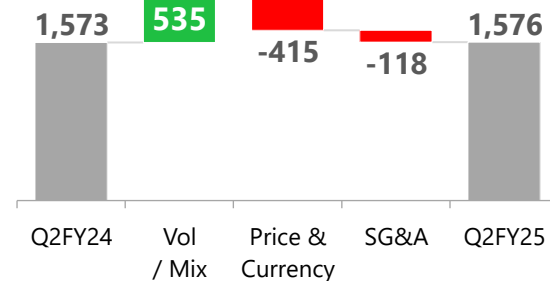
(₹ Crore)	Q2 FY25	Q2 FY24	YoY%	H1 FY25	H1 FY24	YoY%
Revenue	11,090	10,170	9%	20,157	19,133	5%
Contribution Profit	4,180	4,060	3%	7,764	8,158	-5%
Contribution Margin	37.7%	39.9%	-220bps	38.5%	42.6%	-410bps
Fixed Overheads	2,604	2,486	5%	5,043	4,991	1%
EBITDA	1,576	1,573	0%	2,721	3,167	-14%
EBITDA Margin	14.2%	15.5%	-130bps	13.5%	16.6%	-310bps
Amortization /Depreciation	697	656		1,357	1,293	
Net Finance Cost	847	822		1,587	1,572	
FX Gain / (Loss)	(375)	(229)		(518)	(431)	
Other Income / (Loss)	39	35		63	69	
PBT	(304)	(99)		(678)	(60)	
Tax	137	(96)		210	(260)	
PAT before AI, MI and Exceptional Items	(441)	(3)		(888)	200	
Income/(Loss) from Associates & JV	(135)	(203)		(167)	(261)	
Exceptional Cost	8	88		57	130	
Net Profit before MI	(584)	(293)		(1,112)	(191)	
Minority Interest	(142)	(105)		(285)	(168)	
Net Profit	(443)	(189)		(827)	(23)	

Q2FY25 vs. Q2FY24

Revenue Variance

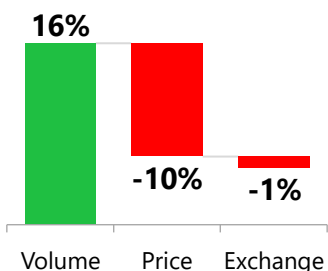


EBITDA Variance

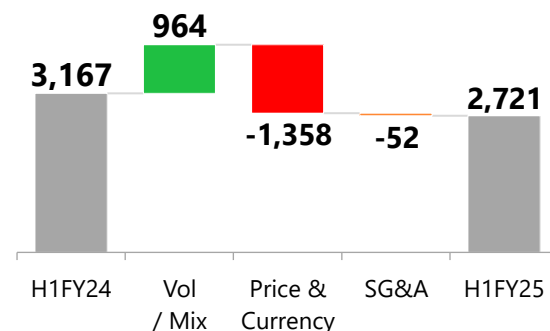


H1FY25 vs. H1FY24

Revenue Variance



EBITDA Variance



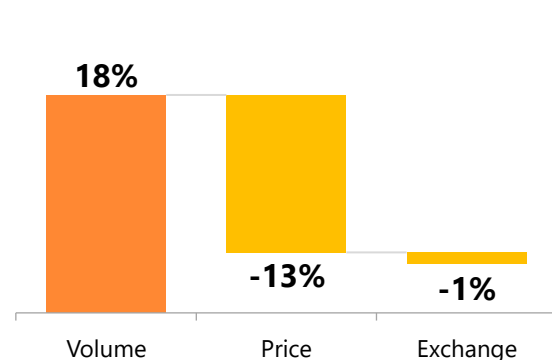
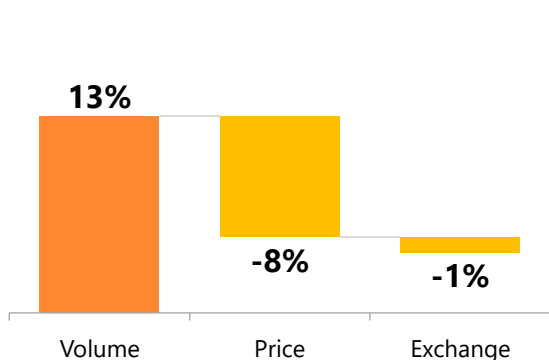
UPL Corporation: Volume Driven Growth, With Focus On Increasing Market Share

(₹ Crore)	Q2 FY25	Q2 FY24	YoY%	H1 FY25	H1 FY24	YoY%
Revenue	7,676	7,415	4%	13,816	13,271	4%
Contribution Profit	2,376	2,402	-1%	4,215	4,507	-6%
Contribution Margin	31.0%	32.4%	-150bps	30.5%	34.0%	-350bps
Fixed Overheads	1,631	1,584	3%	3,157	3,125	1%
EBITDA	745	818	-9%	1,058	1,382	-23%
EBITDA Margin	9.7%	11.0%	-130bps	7.7%	10.4%	-280bps

Note: Above financials are after considering proforma adjustments

Sales Variance – Q2FY25 vs. Q2FY24

Sales Variance – H1FY25 vs. H1FY24



Q2FY25 performance update

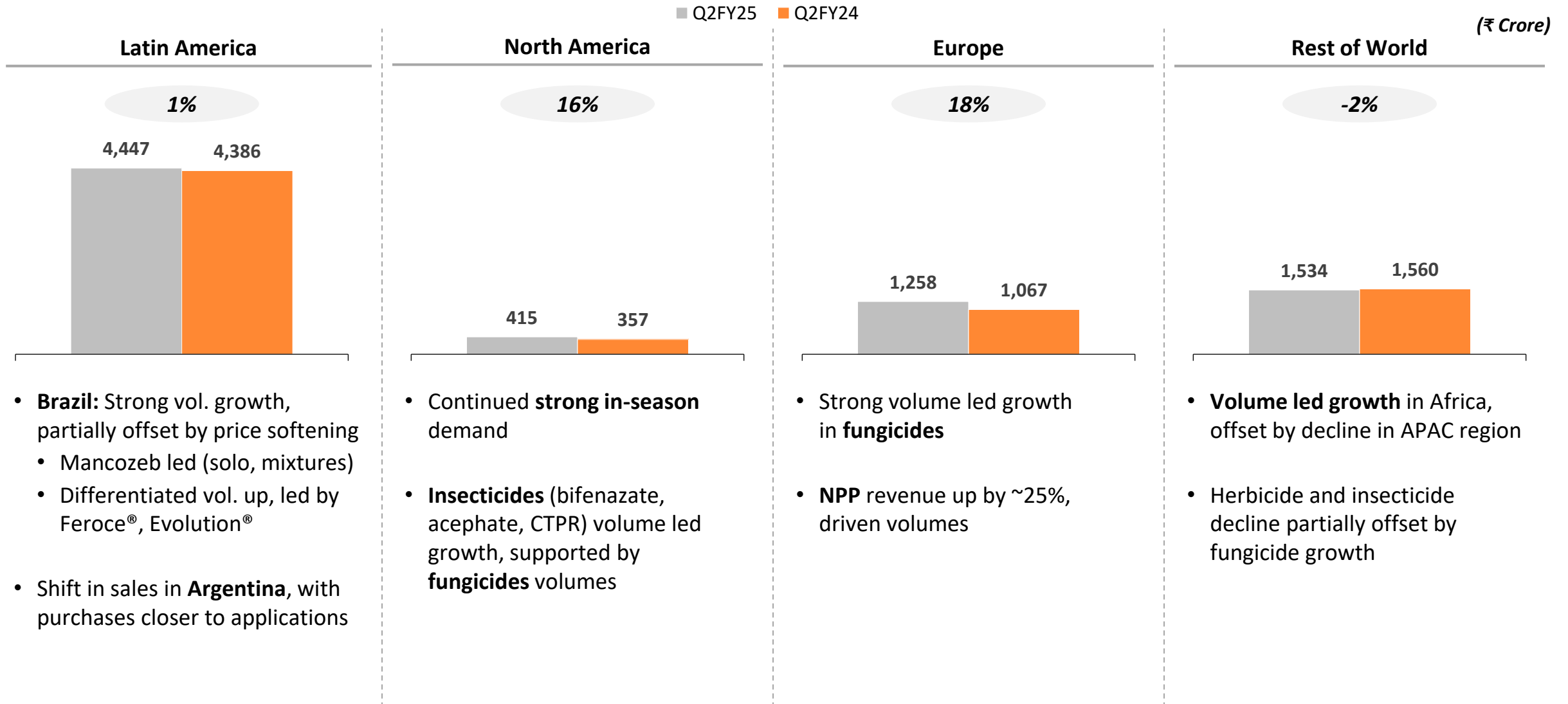
- Rev. var.: vol.: 13%, price: (8%), fx: (1%)
- Vol. growth across key regions, offset by pricing pressure
- Fungicides vol. up in Brazil (mancozeb), Europe; herbicides impacted in Argentina, North America; key insecticide AI prices eroded in Brazil, partially offset by North America vol.
- Strong NPP performance, led by biocontrol in LATAM, Europe, along with key biostimulants in Brazil
- Contribution margin contracted due to overall pricing pressure mainly in LATAM, and unfavorable mix in Europe
- Latin America ECL and bad debt impacted overall SG&A

Outlook

- Continued strong farmgate demand, with some headwinds due to lower farmgate pricing
- Pricing pressure to be offset by lower input cost in H2 FY25 for key AIs, with an upside on margins

Differentiated, sustainable segment grew by 7% YoY, led by 21% volume growth in Q2FY25

UPL Corporation: Growth Led by Europe, Supported by North America and Latin America



UPL SAS: Robust Q2 Rev. Growth, with margin accretion; H1 Rev. in-line vs. LY with margin improvement

(₹ Crore)	Q2 FY25	Q2 FY24	YoY%	H1 FY25	H1 FY24	YoY%
Revenue	1,013	843	20%	2,016	2,044	-1%
Contribution Profit	304	144	111%	587	478	23%
Contribution Margin	30.0%	17.1%	1,290bps	29.1%	23.4%	570bps
Fixed Overheads	101	115	-12%	215	235	-8%
EBITDA	203	29	592%	372	244	52%
EBITDA Margin	20.0%	3.5%	1,650bps	18.5%	11.9%	655bps

Note: Above financials pertain to India Crop Protection business only based on proforma adjustments and exclude 'Nurture'

Nurture – Update

- **H1FY25:** Rev.: ~₹22 crore ; EBITDA: ~(₹44 crore) narrowed vs. ~(₹60 crore) LY
- **Nurture.retail** showing positive indications; double digit growth in engagement time, active users compared to last year.
- **Noteworthy cost optimization in fixed structure**

Note: Nurture nos. are based on proforma adjustments

Q2FY25 Performance Update

- Led by higher vol., **sales happening closer to application season** helping optimize working capital and minimizing likelihood of sales return
 - Resurgence of **herbicides** backed by stable prices
 - **Cotton** impacted due to **fewer sprays** caused by continuous rains in the north
 - Normalized channel inventory levels signaling **better ground consumption**
- **Contribution margin % accretion vs LY** driven by new launches and strong performance of key brands
- **Upside from rice, maize, sugarcane** to de-risk dependence on cotton
- **12% savings** in overheads – alignment towards cost effective structure
- **Prioritized** collections with focus on cash flow management

Outlook

- **Continued focus on stricter credit, inventory norms and margins to drive better cash flows** (complete impact to be seen post Kharif)
- Strong Rabi demand expected

Advanta: Driving Growth in Q2 FY25 with Strong Performance Across Key Markets

(₹ Crore)	Q2 FY25	Q2 FY24	YoY%	H1 FY25	H1 FY24	YoY%
Revenue	1,111	1,070	4%	2,096	2,131	-2%
Contribution Profit	638	602	6%	1,226	1,264	-3%
Contribution Margin	57.4%	56.3%	117 bps	58.5%	59.3%	-83 bps
Fixed Overheads	386	337	15%	719	635	13%
EBITDA	252	265	-5%	507	630	-20%
EBITDA Margin	22.7%	24.8%	-212 bps	24.2%	29.5%	-538 bps

Stronger Q2 vs. Q1

- **Revenue:** recovery from Q1 (7% down vs. LY)
- **Contribution:** swing from Q1 margin dilution by (270bps) to +117bps in Q2
- **EBITDA:** ~30% Q1 decline; Q2 EBITDA closer vs. LY

Q2 FY25 performance update

- **Q2 volume: flat, price: +2%, FX: +2%**
- Rev. driven by grain sorghum (Argentina, Australia), corn (India, Thailand, ASEAN)
- Price increase offset higher input costs from production shortages
- CM% improved by 117 bps vs. LY, led by growth in grain sorghum and corn

H1 FY25 performance update

- **H1 volume: -4%, price: +1%, FX: +1%**
- CM% impacted due to:
 - Higher prod. costs from weather challenges
 - Lower recoveries in India, Thailand, Indonesia

EBITDA performance

- Strategic investments in o/h to support H2 growth

Strong balance sheet and robust cash generation

- Net cash of INR 263 crore (excl. money with UPL, Argentina Investment)
- Net WC days for H1FY25 at 150 days (PY: 138 days) due to seasonality

Outlook

- Continued business momentum expected to yield favorable results in H2FY25



UPL Specialty Chemicals | Improved Q2 margins through mix, despite flat revenue

(₹ Crore)	Q2 FY25	Q2 FY24	YoY%	H1 FY25	H1 FY24	YoY%
Revenue	2,601	2,598	0%	4,746	5,356	-11%
Contribution Profit	596	566	5%	1,128	1,345	-16%
Contribution Margin	23.0%	21.8%	120bps	23.8%	25.1%	-130bps
Fixed Overheads	284	279	-4%	544	605	-10%
EBITDA	312	287	14%	584	740	-21%
EBITDA Margin	12.0%	11.0%	100bps	12.3%	13.8%	-150bps

*Basis standalone platform figures and Includes proforma inter segment adjustments

Stronger Q2 vs. Q1

- **Revenue:** recovery from Q1 (22% down vs. LY), driven by positive shift in captive business
- **Contribution:** swing from Q1 margin dilution by (344bps) to +120bps in Q2, led by mix
- **EBITDA:** ~40% Q1 decline, to +14% in Q2 vs. LY led by margin improvement; Q2 EBITDA% +100bps in Q2 vs. LY, up vs. (374 bps) in Q1

Q2 FY25 performance update

Rev. in line with LY

Captive:

- Rev. marginally lower vs. LY, primarily due to mix
- Captive margins in line with LY

Non-Captive:

- Rev. up by 26% vs. LY (vol. +33%, price -7%)
- Vol. led by high margins segments such as lubricants, flame retardants
- EBITDA% improved by 7% (mix, cost improvement)

H1 FY25 performance update

Captive:

- Rev. declined by 16% (mix, lower dispatches)
- Margin dilution due to special pricing terms

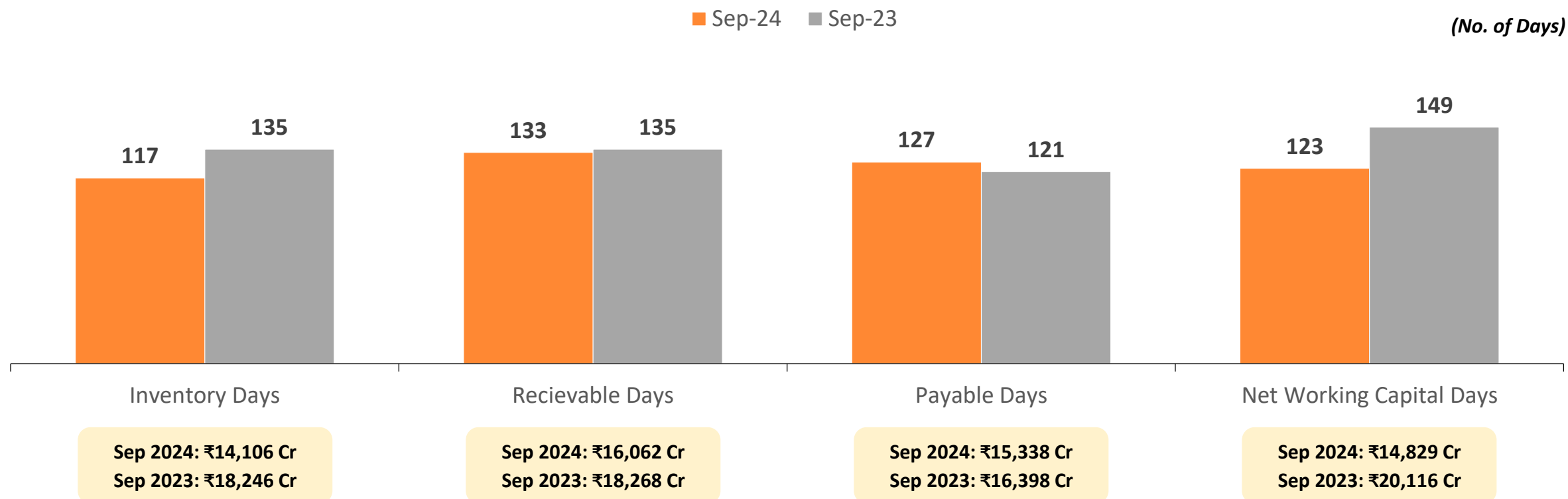
Non-Captive:

- Revenue up by 23% vs LY (vol.: +36%, price -13%)
- Growth in high margins segments (e.g., lubricants, flame retardants, stabilizers); recovery in Key Account business.
- Lower prices due to competition in optical brightener, dyes, pharma intermediates
- EBITDA% improved by 7% due to mix

Outlook

- Strong captive business expectations expected to yield strong H2

Lower NWC Primarily Due to Improved Inventory Days



Note: As a risk management measure, receivables are factored on non-recourse basis to banks.

Non-recourse receivables factoring as of 30 September'24: ₹ 4,679 crore (\$558 Mn), 30 September'23: ₹ 6,091 crore (\$733 Mn)

- **Working capital days decreased by 26 days YoY as on Sep 2024 primarily due to –**
 - Better inventory management (DIO declining from 135 days to 117 days)
 - DSO reduced by 2 days, while DPO increased by 6 days; reduction in non-recourse factoring by ₹ 1,412 crore on a yoy basis (12 days DSO equivalent)

Net Debt at ~\$3.3 Bn as of Sep'24; Lower vs LY Primarily Due to Better WC Management

Gross & Net Debt Position — Sep 2024 vs. Sep 2023 & Mar 2024

All figures are in US\$ Mn and ₹ Crore¹

Particulars	Sep'24	Sep'23	Change YoY	Mar'24	Change vs Mar'24
Gross Debt	\$3,800 ₹31,843	\$4,086 ₹33,934	(\$286) (₹2,091)	\$3,410 ₹28,438	\$390 ₹3,405
Cash and cash equivalent ²	\$515 ₹4,312	\$390 ₹3,237	\$125 ₹1,075	\$751 ₹6,264	(\$236) (₹1,952)
Reported Net Debt	\$3,285 ₹27,531	\$3,696 ₹30,697	(\$411) ₹3,165	\$2,659 ₹22,174	\$627 ₹5,357
Net Debt Adjusted for Currency Impact	₹27,284	₹30,697	(₹3,413)		

- **Net debt at ~\$3.3 Bn as of September'24 – maintained vs. June'24**

- Adjusted for lower factoring, net debt stands at \$3.11 Bn (down by \$586 Mn YoY)
- Debt increase in September'24 vs March'24 at \$627 Mn, significantly lower than \$1,639 Mn increase over the same period last year

Note: ¹USD /INR depreciated from 83.05 as on 30 Sep 2023 to 83.80 as on 30 Sep 2024. ²Includes liquid investment of INR 68 crore as of Sep'23 and INR 402 crore in Sep'24

*Operating CF before WC less interest, tax and other cash expenses

ANNEXURE

Breakdown of Net Finance Cost – Q2 FY25 and H1 FY25

Net Finance Cost Breakdown

(₹ crore)

Particulars	Q2FY25	Q2FY24	Change	H1FY25	H1FY24	Change
Interest on Borrowings	581	558	23	1,096	926	170
Interest on Leases & Others	189	181	8	379	468	-89
Other Financial Charges	62	31	31	100	69	31
NPV – Interest & Finance	88	122	-34	159	247	-88
Interest Income	-72	-71	-1	-146	-137	-9
Total Net Finance Cost	848	821	27	1,588	1,573	15



Thank You