



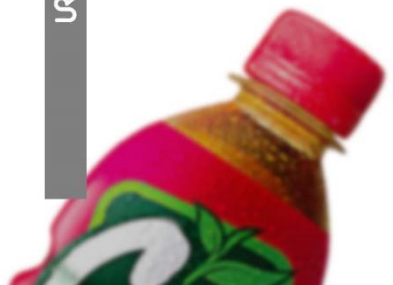
Q1 CY2021
Unaudited Results
Investor Briefing
April 30, 2021

Irwin C. Lee
President and CEO

Mickey T. Manalang
Strategy & Investor Relations
Director

Agenda

1. COVID-19 Trends Impact
2. Q1 CY2021 Unaudited Financial Results
3. Integration Updates



Varied economic impacts and cautious recovery across countries

ECONOMY

ASEAN's 2021 GDP forecasts show cautious optimism in COVID shadow

Vaccinations key as Singapore sticks to 4-6% outlook but Thailand lowers sights



Singapore

Singapore economy grows 0.2% in Q1, first expansion since COVID-19 outbreak

Economics

Australia Economy Surges Into 2021 With Cashed Up Households

- ▶ Households tapped high levels of savings to support spending
- ▶ Two quarters of GDP above 3%, a first in data history

Markets

Thailand Keeps Rate at Record Low, Cuts GDP Outlook With Tourism Stalled

- ▶ All 25 economists surveyed expected the hold; vote unanimous
- ▶ Bank cites tourism, vaccine rollout as risks to the economy

Economics

Vietnam Sees Inflation Risks Along With 6.5% GDP Growth in 2021

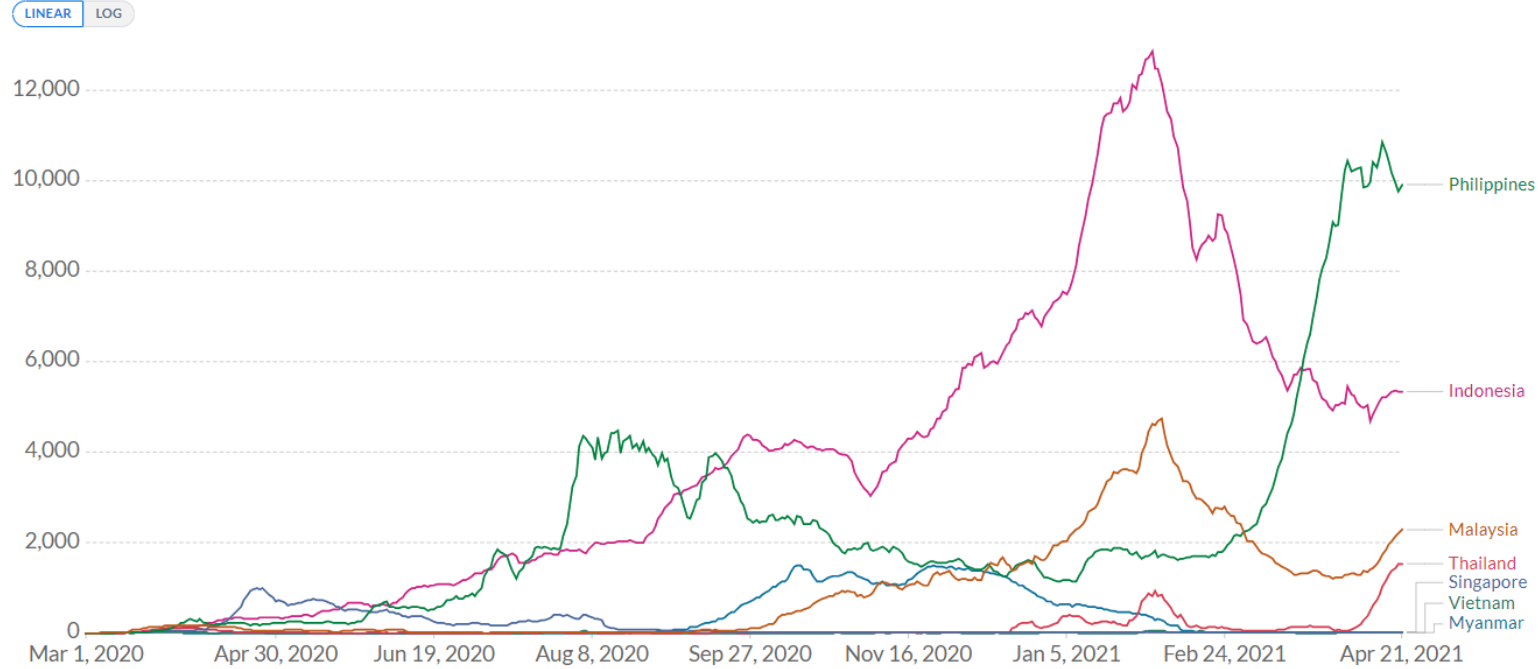
- ▶ Economy undershot expectations in the first quarter, data show
- ▶ Inflation seen rising to highest level since 2012 by December

Surge in COVID cases with vaccine rollouts slower than expected

Daily new confirmed COVID-19 cases

Shown is the rolling 7-day average. The number of confirmed cases is lower than the number of actual cases; the main reason for that is limited testing.

Our World in Data



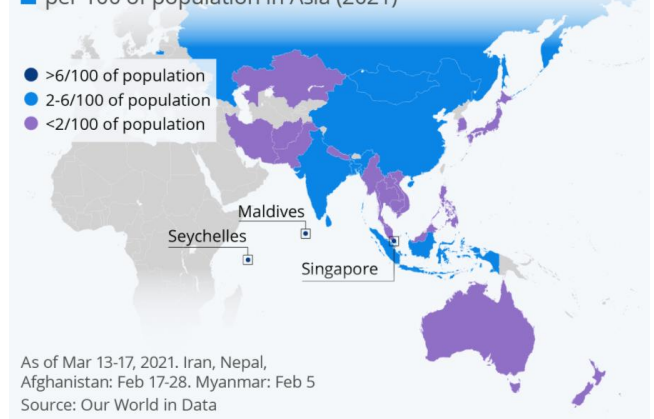
Source: Johns Hopkins University CSSE COVID-19 Data

CC BY

How Have COVID-19 Vaccinations Progressed in Asia?

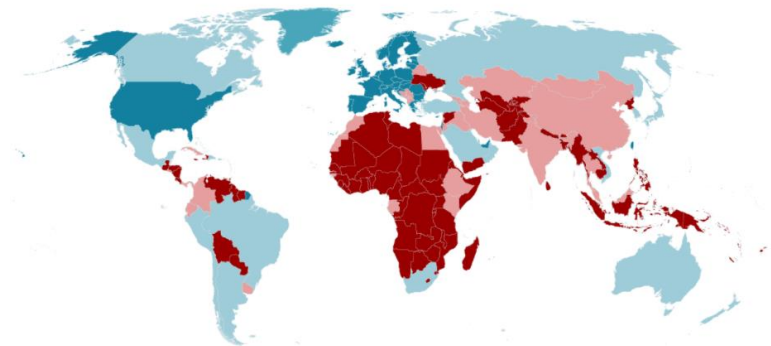
Doses of COVID-19 vaccines administered per 100 of population in Asia (2021)

- >6/100 of population
- 2-6/100 of population
- <2/100 of population



When will countries be fully covered?

- Late 2021
- Mid 2022
- Late 2022
- From early 2023



Source: The Economist Intelligence Unit, 27 Jan 2021

Product categories growth remains challenged while cost pressure increases

CATEGORY	GROWTH RATES	
	P12M	YTD 2021
Snacks	-16.9	-18.2
Candies	-34.9	-30.7
Chocolates and Coated Wafers	-19.0	-19.1
Biscuits	-20.1	-27.1
Noodles	-6.3	-9.3
RTD Tea	-37.6	-35.2
Coffee	-16.5	-22.4

*Nielsen Philippines category growth rates as February 2021

Markets


Commodity Shipping Rates Are Surging and Rally Isn't Over

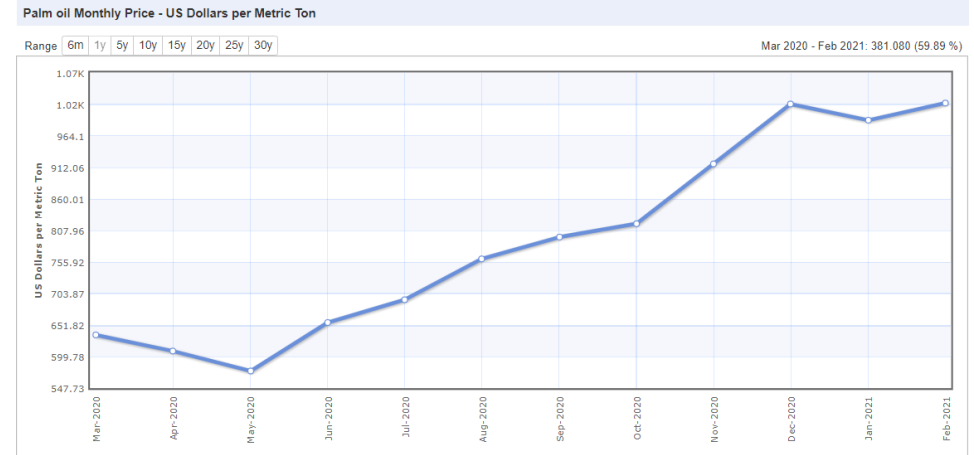
By [Isis Almeida](#), [Rachel Graham](#), and [Annie Lee](#)

April 7, 2021, 7:00 AM GMT+8 Updated on April 7, 2021, 6:31 PM GMT+8

- ▶ Cost of shipping products like corn and steel jumped over 50%
- ▶ Uneven recovery has traders swapping vessels to cut costs

Commodity prices to rise further – World Bank

Louise Maureen Simeon (The Philippine Star ) - April 22, 2021 - 12:00am



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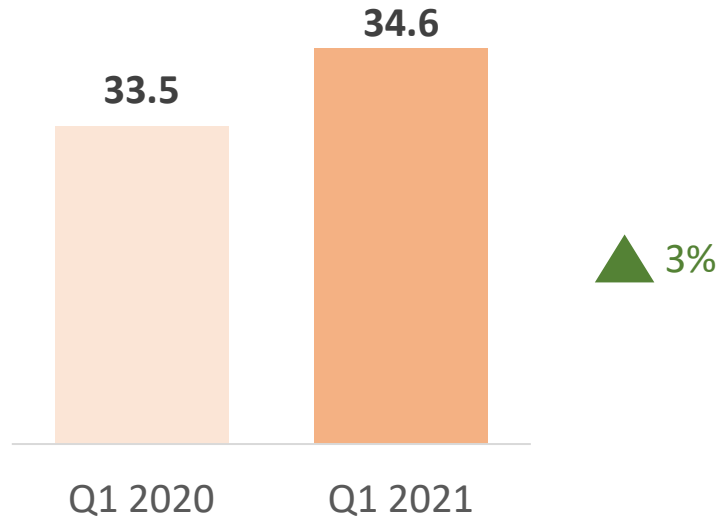


URC

Top line growth despite external challenges. Q1 profits ahead of plan.

SALES

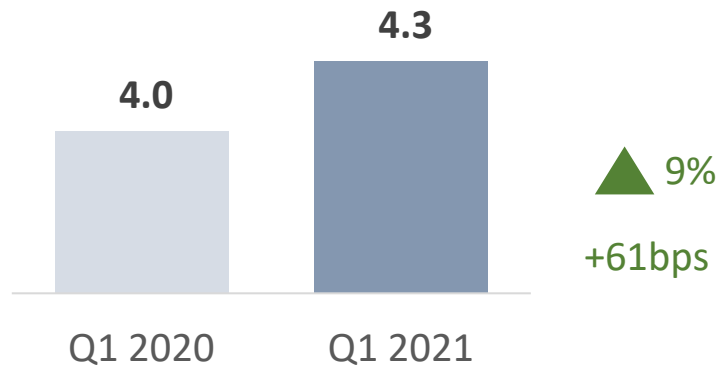
In billion pesos



- Growth driven by International and Commodities divisions
- Benefits from acquisition and favorable FX
- Philippines and Oceania cycling through higher base last year

EBIT

In billion pesos



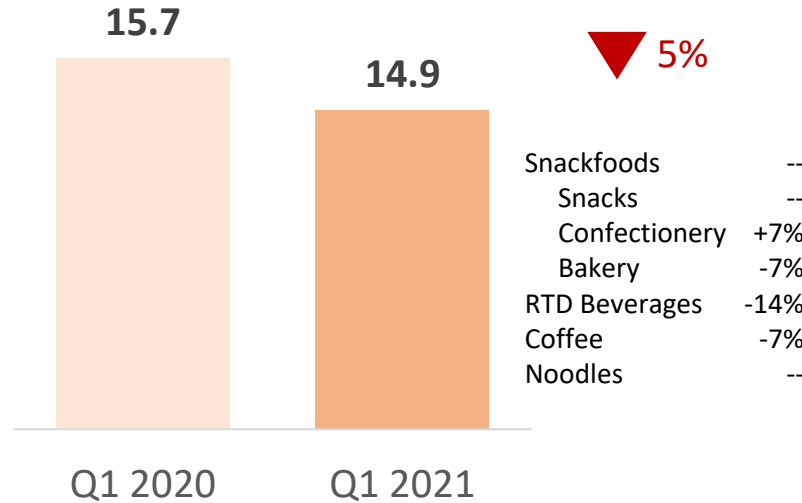
- Gross margins up 23 bps
- Managing commodity cost challenges; pricing plans in place
- Cost controls and top line growth improve OPEX leverage
- Q1 Net Income up 51% due to favorable FX and new tax bill benefit on top of EBIT growth

BCF PHILIPPINES

Growth shape in H2 due to comparables; but consumption and cost challenges remain

SALES

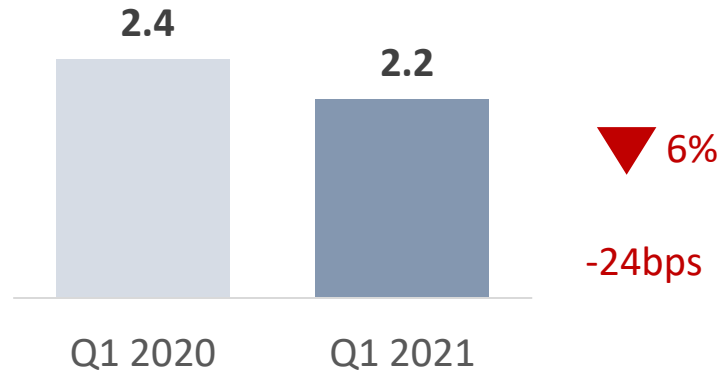
In billion pesos



- Market share gains vs. continued category declines
- Strong Q1 last year driven by initial pantry stock up from the Taal eruption and first Enhanced Community Quarantine
- High comparables up to Q2 due to first lockdown response

EBIT

In billion pesos



- Q1 gross margins up slightly despite commodity pressures
- Higher freight and selling expenses to support service levels; balance OPEX flat
- Cost inputs expected to increase further; pricing plans in place

• Excluding packaging

BCF PHILIPPINES

Continued category challenges, but URC continues to strengthen

CATEGORY	Growth
	P12M to Feb 20
Snacks	-17%
Candies	-35%
Chocolates and Coated Wafers	-19%
Biscuits	-20%
Noodles	-6%
RTD Tea	-38%
Coffee	-16%

URC Market Share	
MAT Feb20	MAT Feb21
35.9%	39.3% ▲
26.0%	28.1% ▲
21.2%	23.8% ▲
16.0%	16.6% ▲
20.2%	20.3% ▲
83.5%	87.7% ▲
22.8%	22.5% --

Notes:

- Nielsen category growth rates as of February 2021
- Nielsen MAT market shares as of February 2021 and February 2020

New product launches addressing consumer needs:



HEALTH



VALUE



IN HOME



AFFORDABLE INDULGENCE

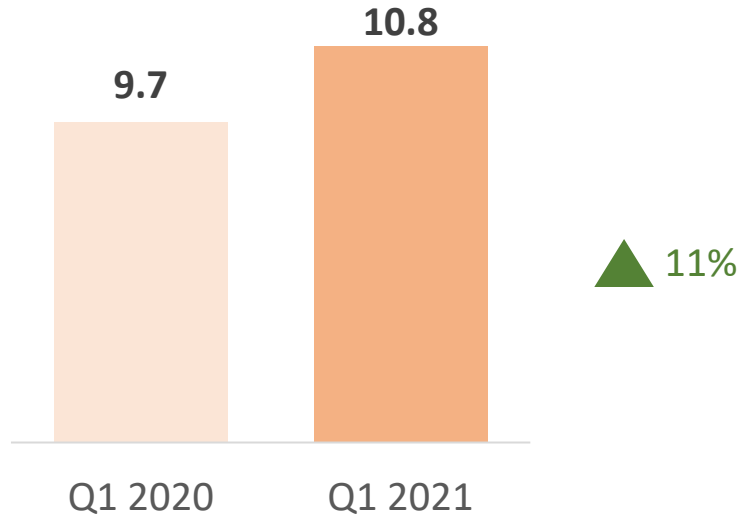


BCF INTERNATIONAL

Strong top line growth and margin expansion

SALES

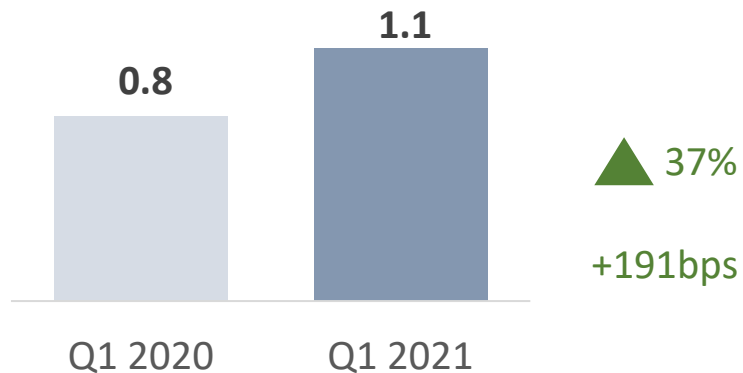
In billion pesos



- Strong growth in international sales; up +17% in USD
- Oceania flat in local currency terms as they cycle through pantry loading from Q1 last year; up double digit in USD
- Vietnam and Thailand posted strong recoveries, growing +48% and +10% respectively in local currency terms

EBIT

In billion pesos

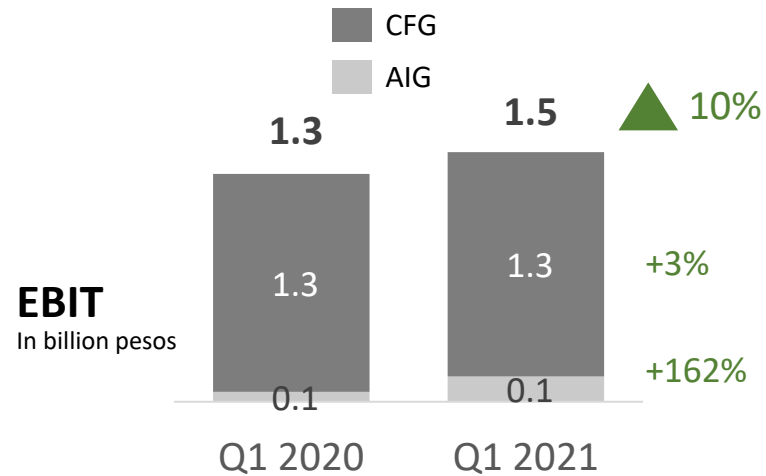
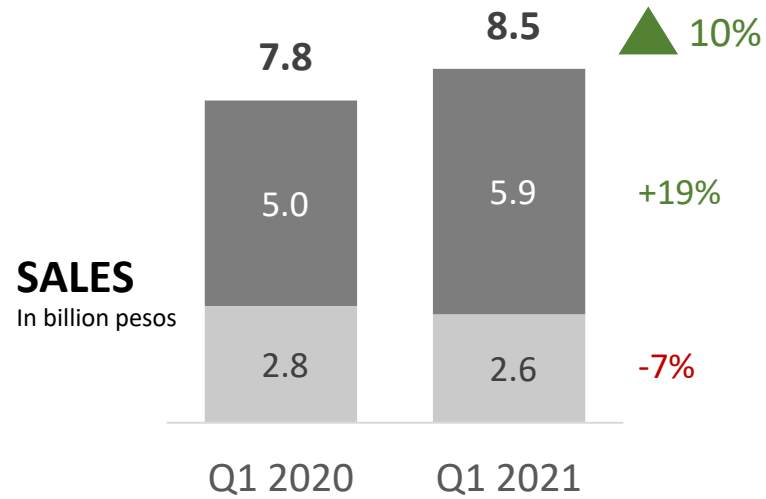


- EBIT expansion across the board on the back of resurgent top line growth coupled with good cost management

• includes Proper Crisps Sales

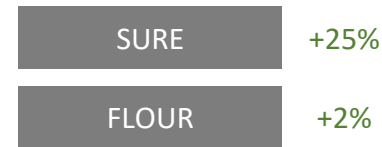
AIC

Agro-Industrial & Commodities growth driven by new businesses

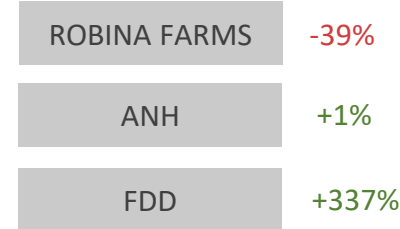


BUSINESS UNIT PERFORMANCE

Commodity Foods Group (CFG)



Agro-Industrial Group (AIG)



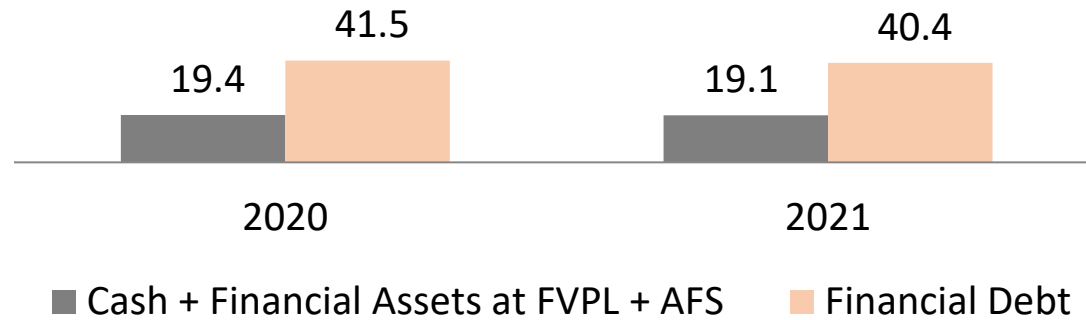
- Top line improvements in Commodities as we integrate La Carlota / ROXOL
- Lower volumes in AIG from downsized farms, offset by Animal Nutrition and Health (ANH) and Food, Drugs & Disinfectants (FDD) mainly petfood and alcohol expansion

- AIG margins benefiting from post-restructuring operational improvements
- Commodities margins growth slower due to higher wheat prices, as well as lower sugarcane yields driven by La Niña impact

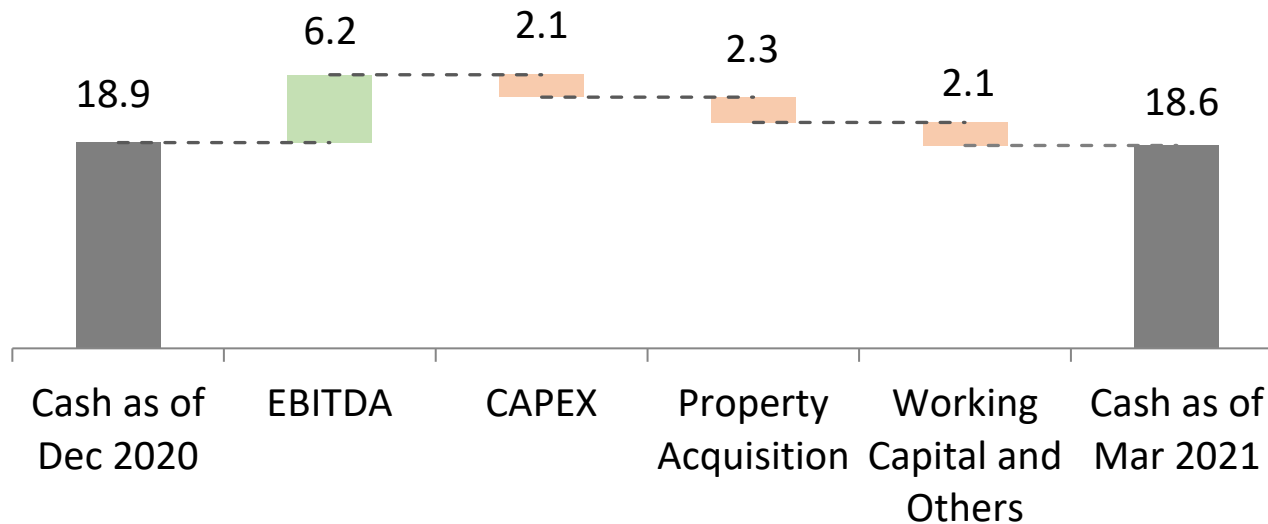
• Non-branded Consumer Foods Group is now called Agro-Industrial and Commodities (AIC)
• Feeds is now called Animal Nutrition & Health (including Pet Food) | Farms is now called Robina Farms | FDD is Food, Drugs & Disinfectants

Balance Sheet and Cash Flow

Cash and Financial Debt
In billion pesos



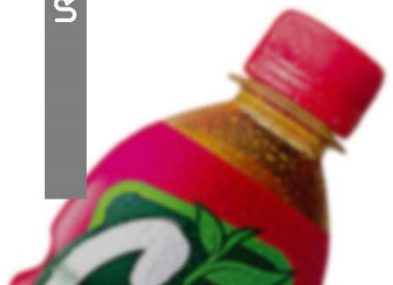
Cash Position
In billion pesos



- Cash balance healthy at Php 18.6B
- Net Debt of Php 21.3B
- Gearing ratio of 0.40
- Major cash disbursement for CAPEX and long-term infrastructure investments

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Proper Snacks Consolidation



- Premium potato chip manufacturer and brand in New Zealand, with strong top line and bottom line growth over the last few years
- Griffins acquired 50.1% stake holding in 2017; will be consolidated into the P&L from 2021 with Griffin's having majority control at board level effective Jan 1, 2021
- Synergies with Snack Brands Australia's snacking line; potential for Proper megabrand for health and wellness

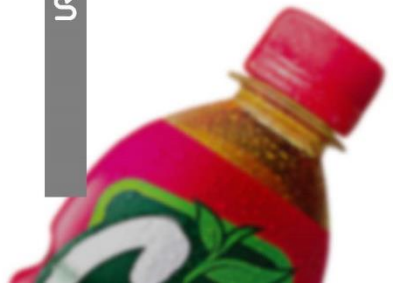


Central Azucarera de la Carlota Inc. (CACI) and Roxol Bioenergy Corporation (RBC)



- Acquisition performing ahead of initial expectations as we continue to streamline and improve operational efficiencies
- Expected full year sales of over Php 4.5B, and EBITDA of Php 1B
- Off-season capex investments to further improve the site expected in 2021

THANK YOU



Income Statement

(Php Millions)	Q1 2021	Q1 2020	YoY
	(Unaudited)	(Unaudited)	
NET SALES	34,612	33,457	3%
Cost of Sales	24,070	23,343	3%
GROSS PROFIT	10,542	10,114	4%
Operating Expense	-6,226	-6,148	1%
OPERATING INCOME	4,316	3,966	9%
Equity in net income of JVs	2	-47	
Finance cost – net	-264	-299	
Other revenues/ expenses	-25	-53	
CORE EARNINGS	4,029	3,567	13%
Market valuation gain/ (loss)	-4	-4	
Foreign exchange gain/ (loss) – net	-152	-820	
Other non-core revenues/expense	-1	-1	
INCOME BEFORE INCOME TAX	3,872	2,742	41%
Provision for Income Tax	654	605	
NET INCOME	3,218	2,137	51%
Net income attributable to holders of the parent	3,005	1,986	
EBITDA	6,234	5,826	7%

- Increase in net income attributed to higher operating income and foreign exchange gains

Balance Sheet

(Php Millions)	Q1 2021	CY 2020
	(Unaudited)	(Audited)
Cash & cash equivalents (including Financial assets at FVPL and FVOCI)	19,118	19,367
Other current assets	48,102	46,271
Property, plant, and equipment	60,310	58,990
Other noncurrent assets	51,253	51,567
TOTAL ASSETS	178,783	176,195
Current liabilities	52,479	53,668
Noncurrent liabilities	24,257	24,743
TOTAL LIABILITIES	76,736	78,411
Retained earnings	73,453	70,448
Other equity	28,593	27,336
TOTAL EQUITY	102,046	97,784

Divisional Financials

(Php Millions)	SALES			EBIT			EBIT MARGIN		
	Q1 2021	Q1 2020	YoY	Q1 2021	Q1 2020	YoY	Q1 2021	Q1 2020	bps
Branded Consumer Foods	26,067	25,673	2%	3,384	3,188	6%	13.0%	12.4%	56
Total Philippines	15,260	15,953	-4%	2,294	2,394	-4%	15.0%	15.0%	3
Philippines	14,925	15,692	-5%	2,249	2,402	-6%	15.1%	15.3%	-24
Packaging	334	261	28%	45	-8	NA	13.5%	-3.1%	1,664
International	10,807	9,720	11%	1,089	794	37%	10.1%	8.2%	191
Agro-industrial and Commodity	8,545	7,784	10%	1,450	1,324	10%	17.0%	17.0%	-4
CFG (net)	5,927	4,965	19%	1,303	1,268	3%	22.0%	25.5%	-355
Flour	1,202	1,183	2%	231	277	-17%	19.2%	23.4%	-421
SURE	4,724	3,782	25%	1,073	992	8%	22.7%	26.2%	-351
AIG (net)	2,619	2,819	-7%	147	56	162%	5.6%	2.0%	363
Animal Nutrition and Health	2,048	2,024	1%	313	306	2%	15.3%	15.1%	12
Robina Farms	473	773	-39%	-187	-257	NA	-39.5%	-33.2%	-628
Food, Drugs, Disinfectants	97	22	337%	21	7	224%	22.1%	29.8%	-769
Corporate Expense				-518	-546	-5%			
Total URC	34,612	33,457	3%	4,316	3,966	9%	12.5%	11.9%	61

*EBIT and margins include revaluation gains/loss of our biological assets for the Robina Farms Division

Market Shares

Philippines

CATEGORY	MARKET SHARE	#1	#2	#3
Snacks	39.3%	URC	21.9%	5.9%
Candies	28.1%	URC	12.1%	11.2%
Chocolates and Coated Wafers	23.8%	URC	13.4%	9.4%
Biscuits	16.6%	30.2%	25.1%	URC
Cup Noodles	49.3%	URC	38.2%	7.4%
RTD Tea	87.7%	URC	2.3%	1.9%
Coffee	22.5%	37.9%	34.6%	URC
Instant Coffee	21.3%	76.3%	URC	1.2%
Coffee Mixes	22.8%	43.3%	28.2%	URC

Thailand

CATEGORY	MARKET SHARE	#1	#2	#3
Biscuits (new)	18.5%	URC	13.5%	8.2%
Wafers	22.3%	URC	18.6%	10.0%

Vietnam

CATEGORY	MARKET SHARE	#1	#2	#3
RTD Tea	17.7%	46.6%	19.3%	URC

New Zealand

CATEGORY	MARKET SHARE	#1	#2	#3
Sweet Biscuits	40.4%	URC	21.0%	14.2%
Crackers	19.0%	30.3%	URC	12.7%

Australia

CATEGORY	MARKET SHARE	#1	#2	#3
Salty Snacks	23.3%	50.9%	URC	5.8%

AC Nielsen, Value, MAT: Snacks, Candies, Chocolates and Coated Wafers, Biscuits, Cup Noodles, RTD Tea and Coffee as of Feb 2021

URC Thailand: Biscuits (new) includes market share reading for Pretzels and Chicken Leg which was excluded in previous disclosures. Moving forward, we will use this new definition as we explore expanding growth possibilities for total Biscuits; Biscuits and Wafers – MAT Feb 2021, URC Vietnam: RTD Tea – MAT Mar 2021

New Zealand: Sweet Biscuits and Crackers-IRI MarketEdge NZ Grocery MAT 28 Mar 2021; Australia: Aztec Scan AUS Grocery MAT to 14 Mar 2021