



1H CY2023 Unaudited Results Investor Briefing

August 4, 2023



Irwin C. Lee
President and CEO

Pancho M. Del Mundo
Chief Investments, Strategy, and Corporate
Services Officer

Jose Miguel T. Manalang
Strategy and Investor Relations Director

Disclaimer

This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of Universal Robina Corporation (URC) and plans and objectives of the management of URC. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of URC to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward looking statements were based on numerous assumptions regarding URC's present and future business strategies and the political and economic environment in which URC will operate in the future.



Executive Summary

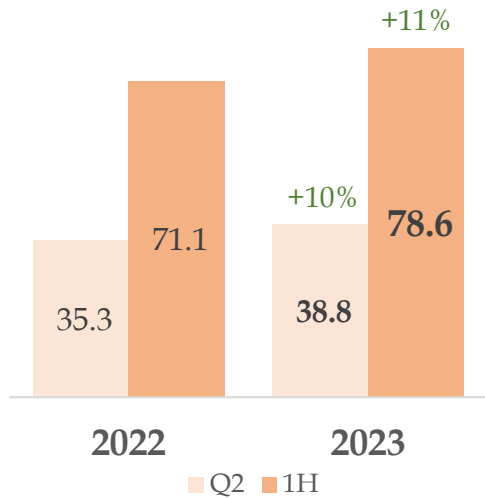
- **Momentum continues into Q2 2023 with Net Sales hitting Php38.8 billion, up 10% vs. same period last year, despite the higher base from last year's reopening dividend. 1H Net Sales at Php78.6 billion, up 11% vs. SPLY.**
- **Operating Income outpacing topline growth, reaching Php3.9 billion, up 18% for Q2 2023 vs. SPLY. 1H at Php8.6 billion, up 16% vs. SPLY.**
- Margins grew vs. last year despite cost pressures from key commodities and higher logistics expenses, aided by the impact of pricing moves and continued cost discipline.
- Consumers across markets have remained resilient as growth normalizes versus the highs from the economic reopening in 2022



Total URC

SALES

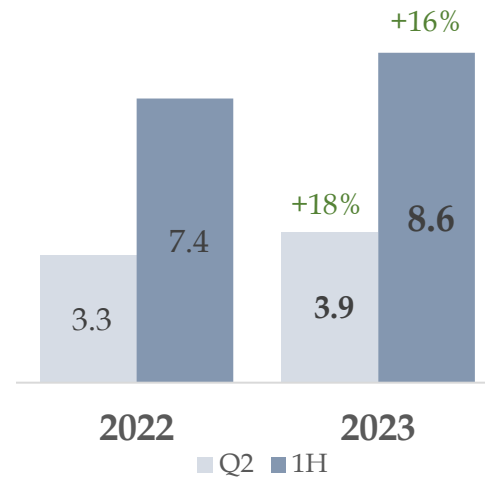
In billion pesos



- Total revenue for the 2nd quarter up 10% vs. last year with growth across all the business units
- SURE and AIG driving topline with double digit growth

EBIT

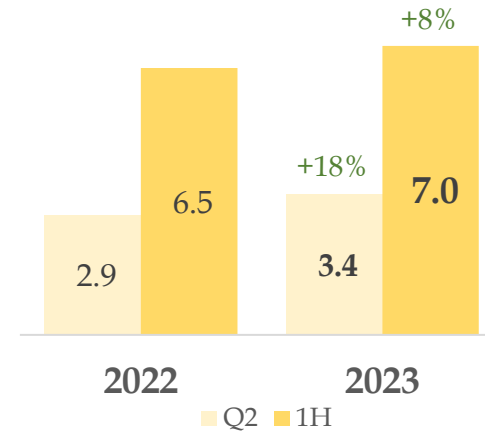
In billion pesos



- Profits continued to grow faster than revenue, up 18% for the 2nd quarter and 16% for the 1st half
- Impact of pricing measures and continued cost-savings initiatives boosted profits

NET INCOME

In billion pesos

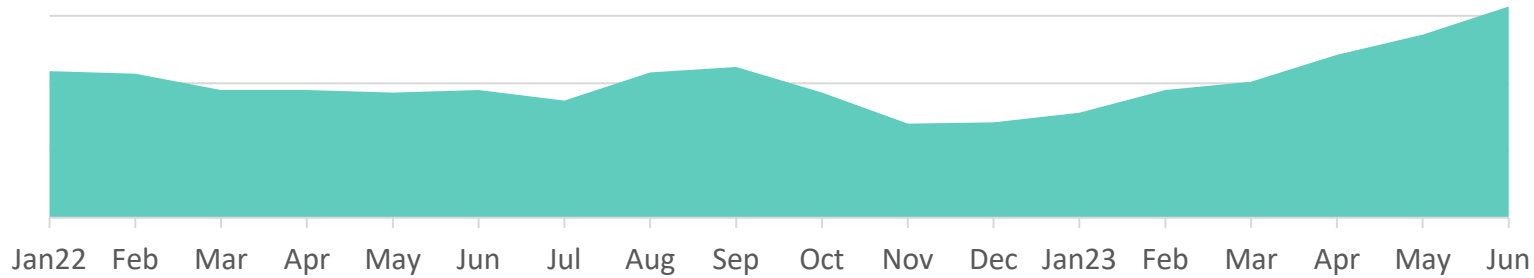


- 2nd quarter net income up 18%, in line with operating income growth
- Core net income and EBITDA up 11% and 10%, respectively, for the quarter



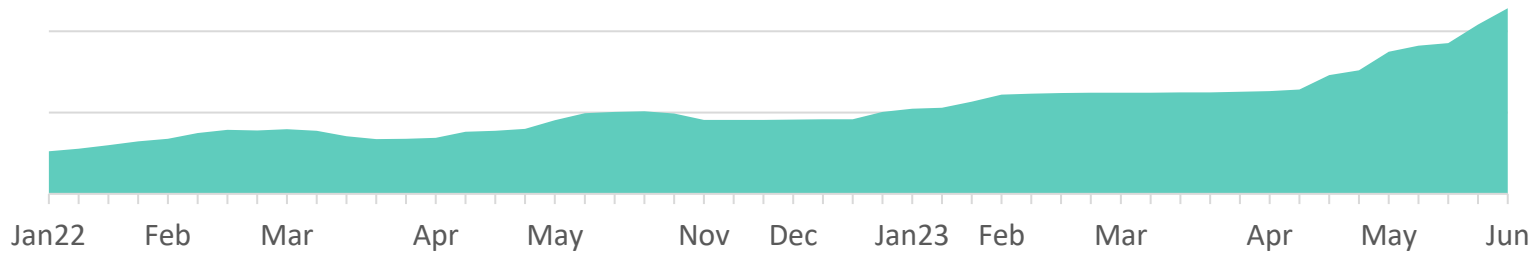
Key commodities still elevated

Coffee, Robusta (USD/Kg)



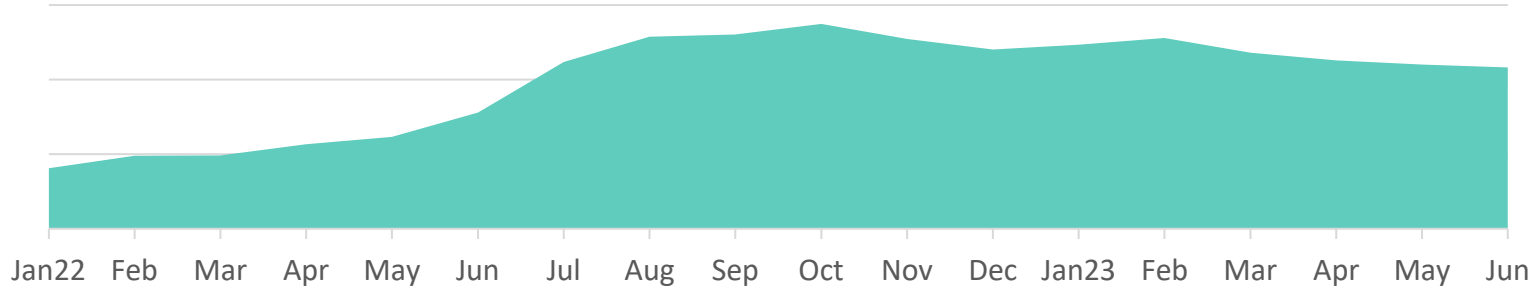
+19% vs Q2 2022
+11% vs 2022 peak

Potato (Eur/Kg)



+72% vs Q2 2022
+54% vs 2022 peak

Sugar (PHP/Kg)



+27% vs Q2 2022
-11% vs 2022 peak

Mixed view on consumers as reopening dividend tapers off, but spending remains resilient



INQUIRER.NET

'Revenge spending' waning; food, beverage sales seen slowing

Republic of the Philippines
PHILIPPINE NEWS AGENCY

Consumer spending seen to settle at 5.5% this year

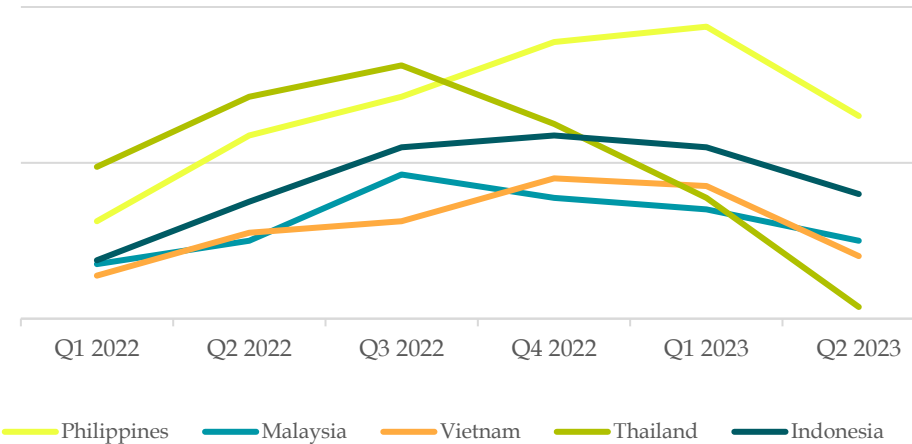
REUTERS®

Thai consumer confidence at 40-month high in June, politics a worry

KANTAR

FMCG Monitor Q2 2023: Hurdles ahead

Quarterly Inflation Trend
(2022 - 2023)



Republic of the Philippines
PHILIPPINE NEWS AGENCY

Economist sees 6.1% PH economic growth in 2023

Bloomberg
Vietnam Economy Accelerates First Time in Three Quarters

cna **Thailand's economy on recovery path as tourism rises**

The Star

GDP growth for 2023 revised higher to 4.6%

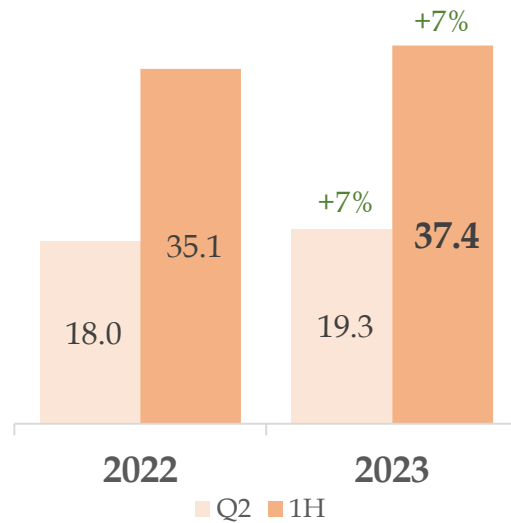


BCF PHILIPPINES

Growth across categories into the 2nd quarter

SALES

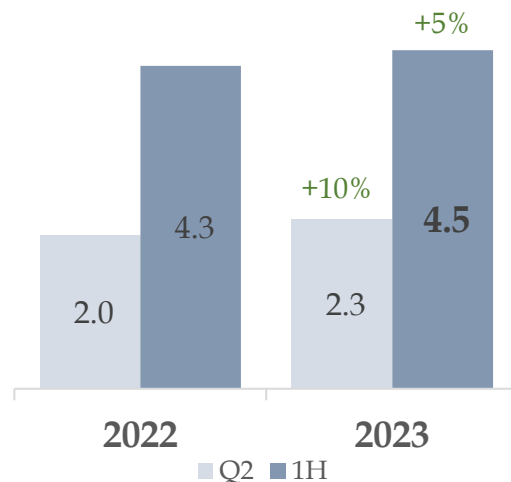
In billion pesos



- Sales growth aided by impact of pricing initiatives in Apr 2023
- Order fill rates continue to improve, hitting over 80% in June

EBIT

In billion pesos



- Operating income growth for the 2nd quarter accelerates vs. same period last year
- Pricing and continued cost savings projects offsetting elevated commodity prices and logistics costs

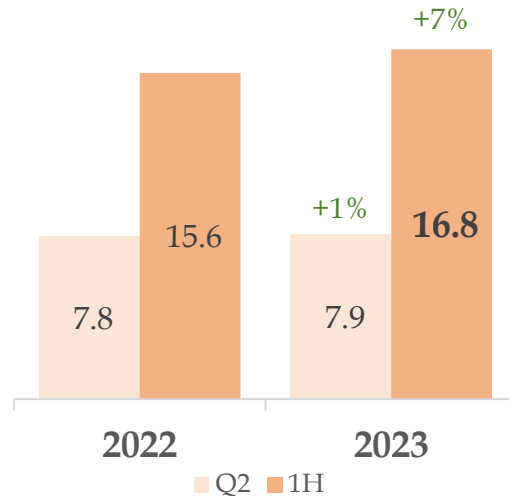


BCF INTERNATIONAL

Profits continue to outpace revenue growth

SALES

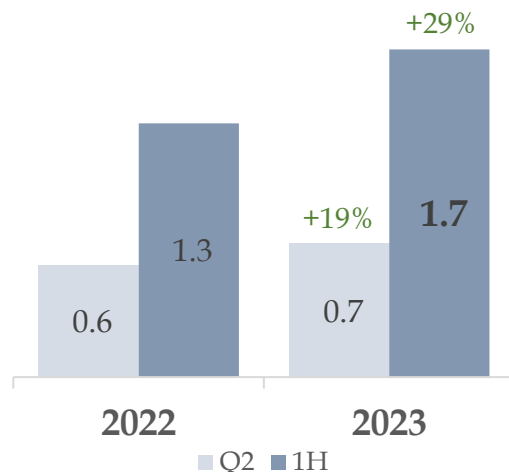
In billion pesos



- URCI maintains growth for the period, led by Vietnam, Malaysia, and Myanmar
- Early results on product price-point reengineering, with Indonesia returning to growth trajectory while Thailand resetting trade inventories in the 2nd quarter

EBIT

In billion pesos

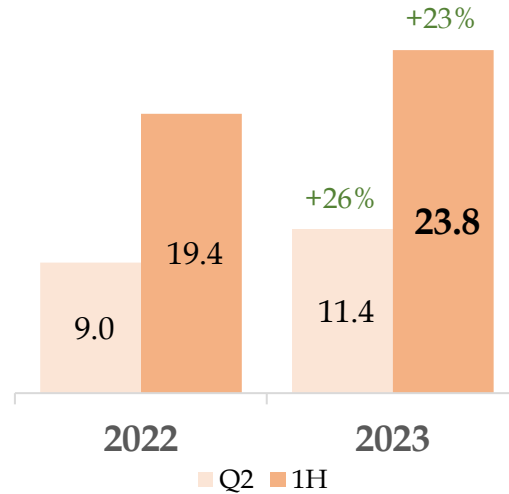


- Cost structure corrections and opex initiatives driving profit growth, with clear focus on further improving margins

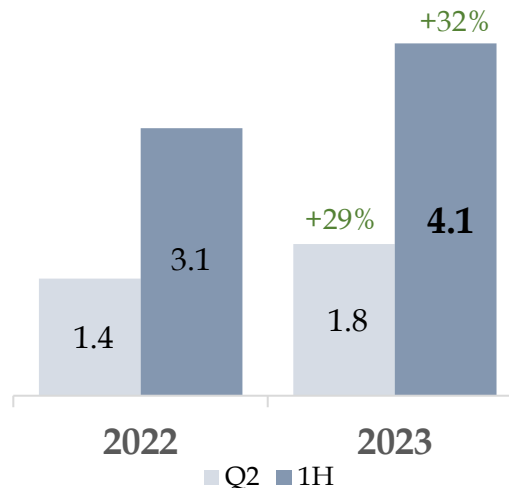


Strong growth driven by Sugar and Feeds

SALES In billion pesos



EBIT In billion pesos



- SURE posted growth on higher selling prices amidst tight supply
- AIG's double digit growth propelled by the robust performance of the feeds division
- Flour topline steady on higher selling prices

	Q2 vs LY	1H vs LY
SURE	+36%	+28%
AIG	+21%	+24%
Flour	+6%	+3%

- Profits for SURE remain elevated on lower comparables on selling price, and continued operating efficiencies
- AIG performance driven by topline growth and margin expansion of Feeds
- Flour profits improving quarter on quarter

	Q2 vs LY	1H vs LY
SURE	+28%	+35%
AIG	+74%	+62%
Flour (in Php B)	-0.06	-0.15



Acquisition of Central Azucarera Don Pedro Inc. (CADPI) assets



- Acquired idle assets valued at Php ~900M
- The purchased sugar milling machinery and equipment of CADPI increases Balayan's sugar mill production efficiency and capacity (from 5,000 tons cane/day to 8,000 tons cane/day) ensuring sugar supply for URC's customers
- Supports and secures livelihood of displaced sugarcane farmers while capturing additional cane supply in Batangas



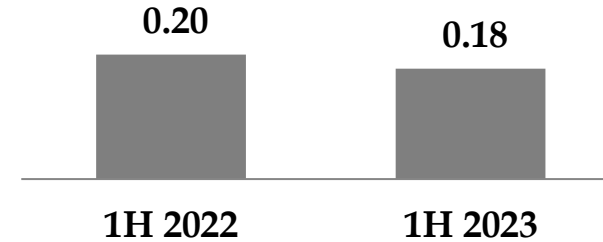
Balance Sheet and Cash Flow

Cash and Financial Debt

In billion pesos

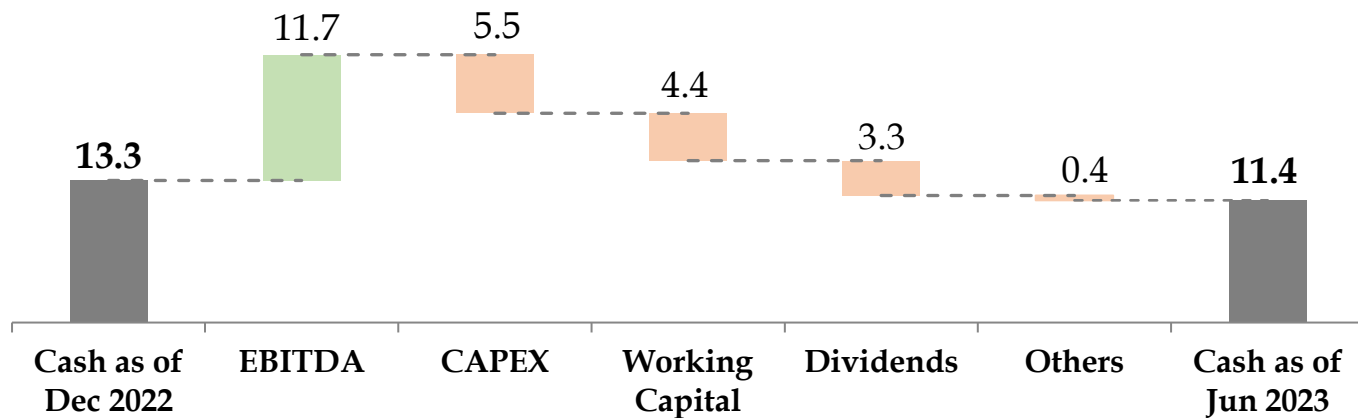


Gearing Ratio



Cash Position

In billion pesos



- Balance sheet continues to be healthy with a gearing ratio at 0.18
- Working capital reflect rebuilding inventory levels in BCF Philippines, as well as timing of commodities deliveries



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- Margins grew vs. last year despite cost pressures from key commodities and higher logistics expenses, aided by the impact of pricing moves and continued cost discipline.
- Consumers across markets have remained resilient as growth normalizes versus the highs from the economic reopening in 2022
- Reiterating guidance on high single- to low double-digit revenue growth, with operating income continuing to grow faster than topline



Thank you!



Income Statement

(Php Millions)	1H 2023	1H 2022	YoY
	(Unaudited)	(Unaudited)	
NET SALES	78,629	71,108	11%
Cost of Sales	57,711	52,140	11%
GROSS PROFIT	20,918	18,968	10%
Operating Expense	-12,358	-11,590	7%
OPERATING INCOME	8,560	7,378	16%
Equity in net income of JVs	-33	-334	
Finance cost - net	-558	-140	
Market valuation gain/ (loss)	120	67	
Foreign exchange gain/ (loss) - net	721	746	
Other revenues/expense	-323	-15	
INCOME BEFORE INCOME TAX	8,486	7,700	10%
Provision for Income Tax	1,475	1,221	
NET INCOME	7,011	6,480	8%
Net income attributable to holders of the parent	6,662	6,201	7%
EBITDA	11,737	10,508	12%



Balance Sheet

(Php Millions)	1H 2023	CY 2022
	(Unaudited)	(Audited)
Cash & cash equivalents (including Financial assets at FVPL and FVOCI)	12,465	14,191
Other current assets	76,362	66,069
Property, plant, and equipment	61,666	60,117
Other noncurrent assets	27,100	29,576
TOTAL ASSETS	177,593	169,954
Current liabilities	55,664	49,401
Noncurrent liabilities	3,712	4,582
TOTAL LIABILITIES	59,376	53,983
Retained earnings	98,699	95,304
Other equity	19,518	20,666
TOTAL EQUITY	118,217	115,970



Divisional Financials

(Php Millions)	SALES			EBIT			EBIT MARGIN		
	1H 2023	1H 2022	YoY	1H 2023	1H 2022	YoY	1H 2023	1H 2022	bps
Branded Consumer Foods	54,827	51,727	6%	6,092	5,661	8%	11.1%	10.9%	17
Philippines	37,372	35,081	7%	4,496	4,289	5%	12.0%	12.2%	(20)
International	16,761	15,632	7%	1,657	1,283	29%	9.9%	8.2%	168
Packaging	694	1,014	-32%	-61	89		-8.8%	8.8%	(1,762)
Agro-Industrial and Commodities (net)	23,802	19,381	23%	4,124	3,133	32%	17.3%	16.2%	116
SURE	12,748	9,960	28%	3,315	2,457	35%	26.0%	24.7%	133
Flour	2,989	2,899	3%	76	224	-66%	2.5%	7.7%	(519)
AIG	8,065	6,522	24%	733	452	62%	9.1%	6.9%	216
Corporate Expense				-1,656	-1,417	17%			
Total URC	78,629	71,108	11%	8,560	7,378	16%	10.9%	10.4%	51

*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	34.8%	URC	24.9%	5.7%
Candies	25.3%	URC	14.4%	13.5%
Chocolates and Coated Wafers	22.3%	URC	13.9%	7.9%
Biscuits	15.0%	27.9%	27.2%	URC
Cup Noodles	56.2%	URC	31.9%	5.8%
Pouch Noodles	15.9%	73.2%	URC	3.6%
RTD Tea	86.1%	URC	3.7%	3.2%
Coffee	19.8%	39.4%	35.1%	URC
Instant Coffee	21.0%	76.2%	URC	1.1%
Coffee Mixes	19.5%	43.4%	30.7%	URC

Thailand

CATEGORY	MARKET SHARE	#1	#2	#3
Biscuits (new)	16.0%	URC	13.9%	7.7%
Wafers	20.0%	23.7%	URC	8.6%

Vietnam

CATEGORY	MARKET SHARE	#1	#2	#3
RTD Tea	21.2%	38.0%	URC	20.6%

Malaysia

CATEGORY	MARKET SHARE	#1	#2	#3
Biscuits	23.1%	23.3%	URC	10.7%

Source: AC Nielsen, Value Shares

Philippines: Snacks, Candies, Chocolates and Coated Wafers, Biscuits, Cup Noodles, RTD Tea and Coffee - MAT Jun 2023

Thailand: Biscuits and Wafers - MAT Jun 2023

Vietnam: RTD Tea - MAT Jun 2023

Malaysia: Biscuits - MAT Jun 2023

