



Full Year CY2023 Unaudited Results Investor Briefing

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Disclaimer

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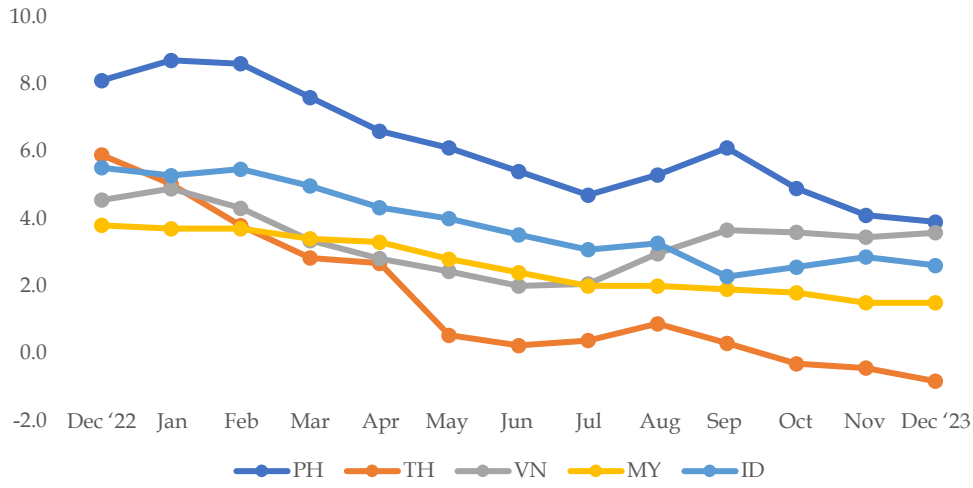
Executive Summary

- Net Sales for 2023 ended at Php158.4 billion, up 6% against a high 2022 base of 28% growth. Topline recovery for Branded businesses continued quarter-on-quarter, offsetting Q4 sugar price decline.
- Operating Income for 2023 ended at Php17.4 billion, up another 14% on top of 2022's 20% profit growth. Bottomline continues to significantly outpace topline growth, with all divisions accelerating margin recovery.
- Margins expanded through purposeful choices on pricing despite the challenging environment, as well as over-delivery of billion-peso fuel-for-growth savings target.
- Inflation is a sustained headwind. While some commodities have come down from their highs, key materials such as coffee, potato, and sugar still remain elevated.

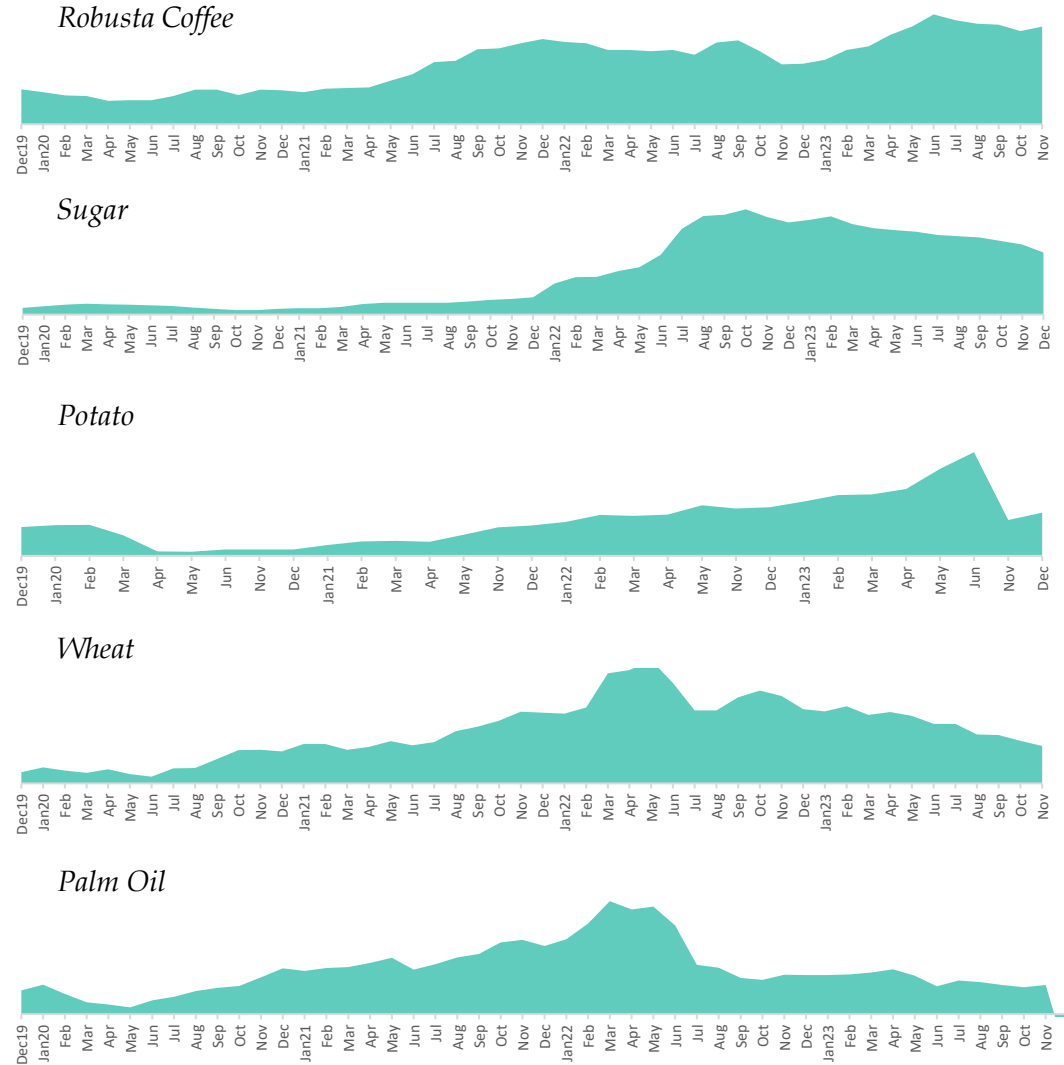


Inflation and elevated key inputs were a challenge in 2023

Inflation has slowed down but continues to affect consumers; rising costs remain a top concern



Input costs for key materials still remain elevated from pre-pandemic levels



Top concerns among APAC consumers



Increasing food prices



Economic downturn



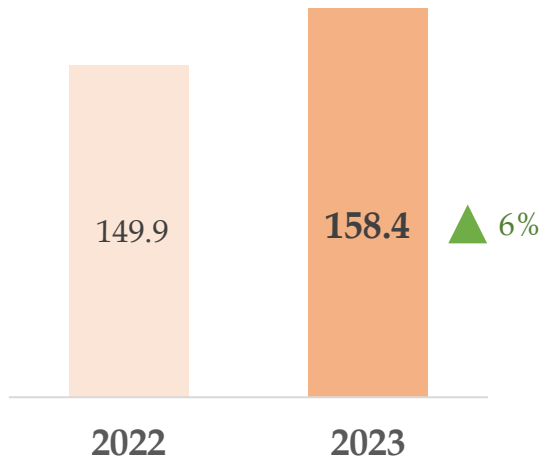
Increasing utility bills (electricity, gas, heating)



Total URC

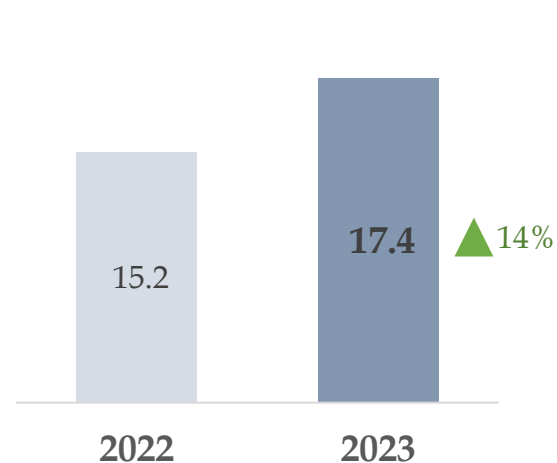
SALES

In billion pesos



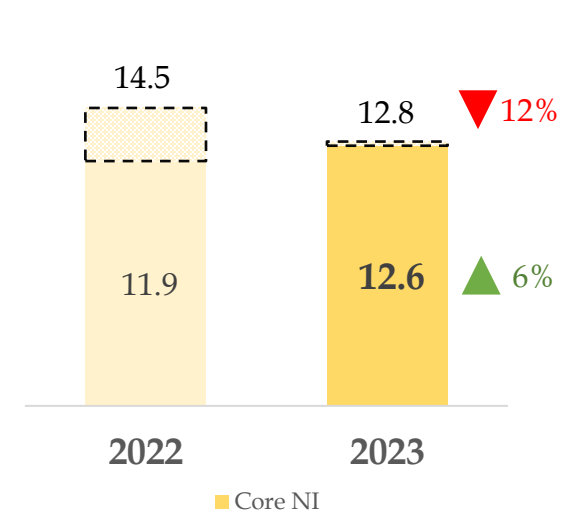
EBIT

In billion pesos



NET INCOME

In billion pesos



- Total revenue up 6% for the year, driven by the double digit growth of Agro-Industrial and Commodities
- Branded Consumer Foods grew 2% on the back of a high base; mixed performances across brands and categories

- Operating income continued to significantly outpace topline growth, increasing by 14% vs. SPLY
- Margin expanded by 80bps hitting 11%

- Net income down 12% on higher comparables from gain on land sale last year
- Core net income up 6% driven by operating income, offset by higher interest rates

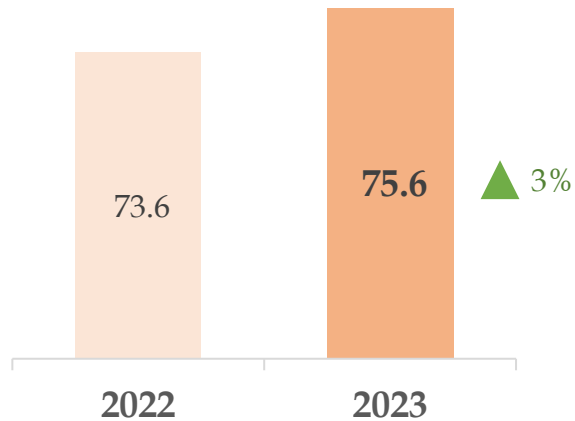


BCF PHILIPPINES

Most category performances up, driven by Snacks and Ready-to-Drink Beverages

SALES

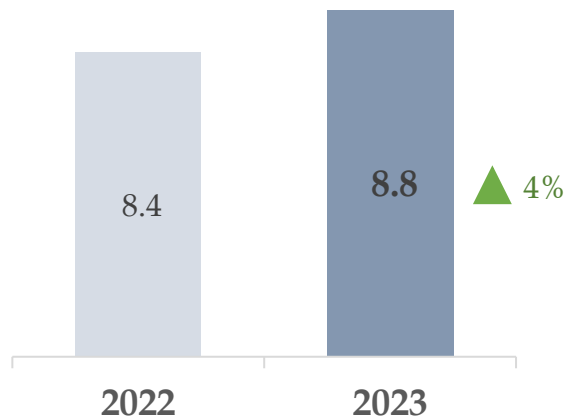
In billion pesos



- Growth seen across most categories with some brands posting double digit increases, helping offset challenged segments
- Exit market shares continue to improve vs. annual averages across most categories

EBIT

In billion pesos



- Operating income outpacing revenue growth through pricing and continued cost-saving initiatives
- Gross margin expanded by 292 bps, enabling brand investments and offsetting supply chain costs



New emerging segments delivered stellar growth, mitigating slower performance of key brands

RTD Beverages outside of Tea growing >30%, getting a bigger share of throat



#1 in Flavored Coffee Mixes; continues to grow the segment



>20% growth outside of the top 5 brands in the Snacks category



Leveraging on brand strength to expand in Cakes, growing >30%

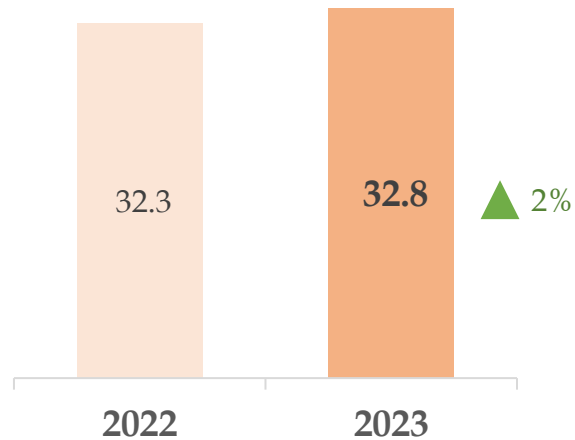


BCF INTERNATIONAL

Profits continue to outpace topline growth, expanding margins considerably

SALES

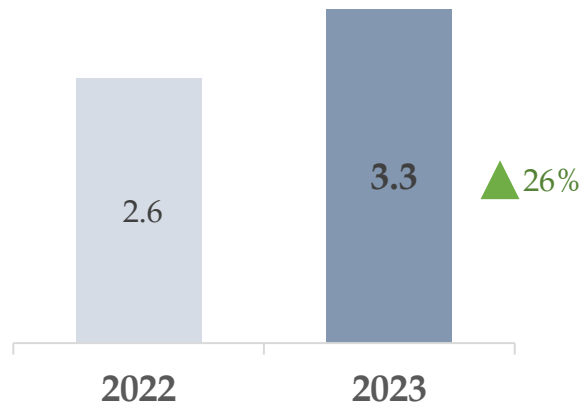
In billion pesos



- International Sales up +2% vs. LY, driven by continued growth of Vietnam and Malaysia
- Thailand and Indonesia have recovered post price correction, showing quarter-on-quarter sequential growth, with Q4 outpacing same period last year by 9% for the combined business

EBIT

In billion pesos



- Operating income growing significantly faster than topline, up double digits by 26% vs. LY
- Substantial margin improvement of close to 200 bps with URCI margins hitting double digits for the first time since 2019

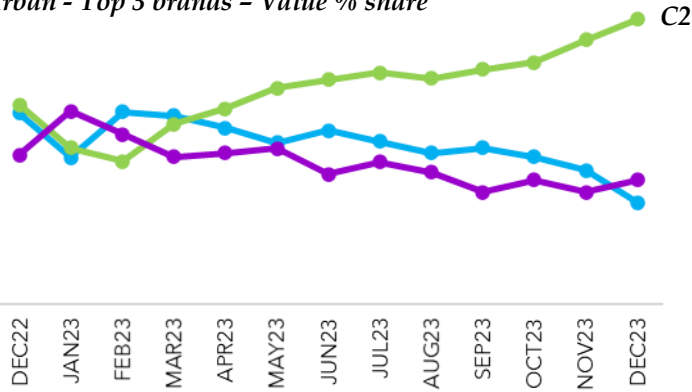


Core growth supported by new legs in International



Double-digit growth of C2 in VN despite the challenging environment; now the #1 brand in Urban VN

Urban - Top 3 brands - Value % share



Organic business growing +8% vs. LY; Biscuits reclaiming market leadership and Snacks posting a +22% increase vs. LY

Biscuits Market Shares
MAT Dec 2023

- UR 23.2%
- #2 22.1%
- #3 11.3%



Double-digit growth in Myanmar aided by introduction of new products into the market



Snacks in Thailand growing +18% vs. LY

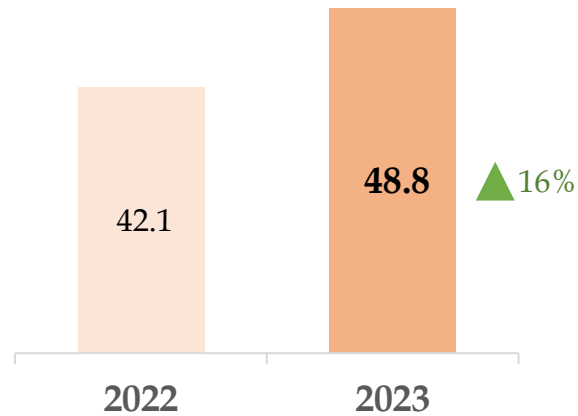


AGRO-INDUSTRIAL AND COMMODITIES

Stellar top and bottom line growth driven by higher volumes, favorable sugar prices, and Pet Food

SALES

In billion pesos

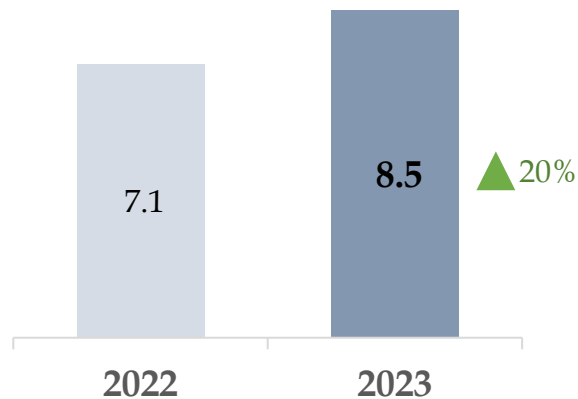


- AIG outperformance driven by strong volume and value growth; Pet Food up 27%, other Feeds up 16%
- Commodities growth driven by Flour volumes and increase in Sugar market share

Sales	vs LY
AIG	+16%
SURE	+17%
Flour	+10%

EBIT

In billion pesos

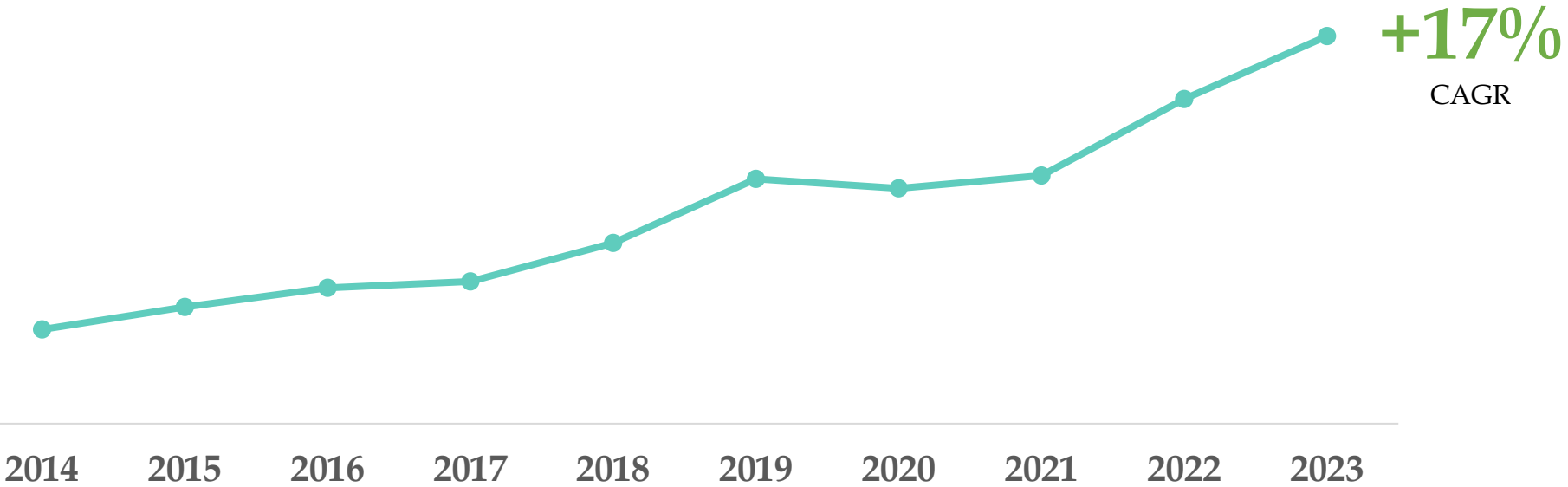


- AIG margins continue to expand on scale, mix, and lower input costs
- Normalizing sugar prices tempering margins while Flour benefitting from lower wheat costs

EBIT	vs LY
AIG	+59%
SURE	+12%
Flour	+25%



Double-digit CAGR of Animal Feeds segment and successful entry into Pet Food



Animal Feeds

+13%
CAGR



Pet Food

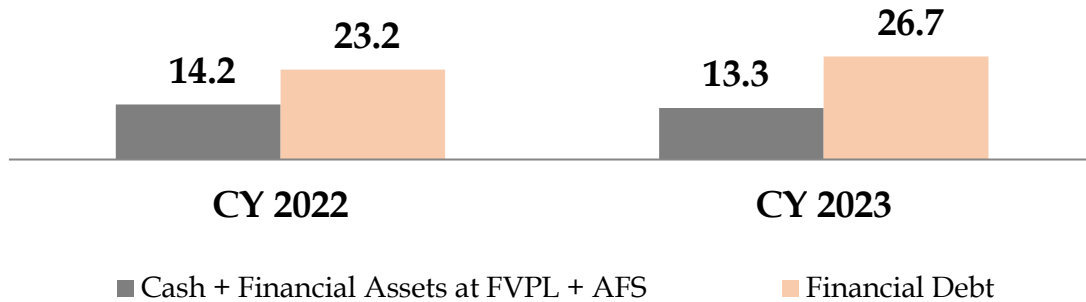
+40%
CAGR



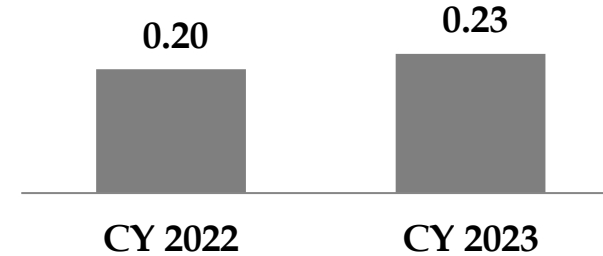
Balance Sheet and Cash Flow

Cash and Financial Debt

In billion pesos

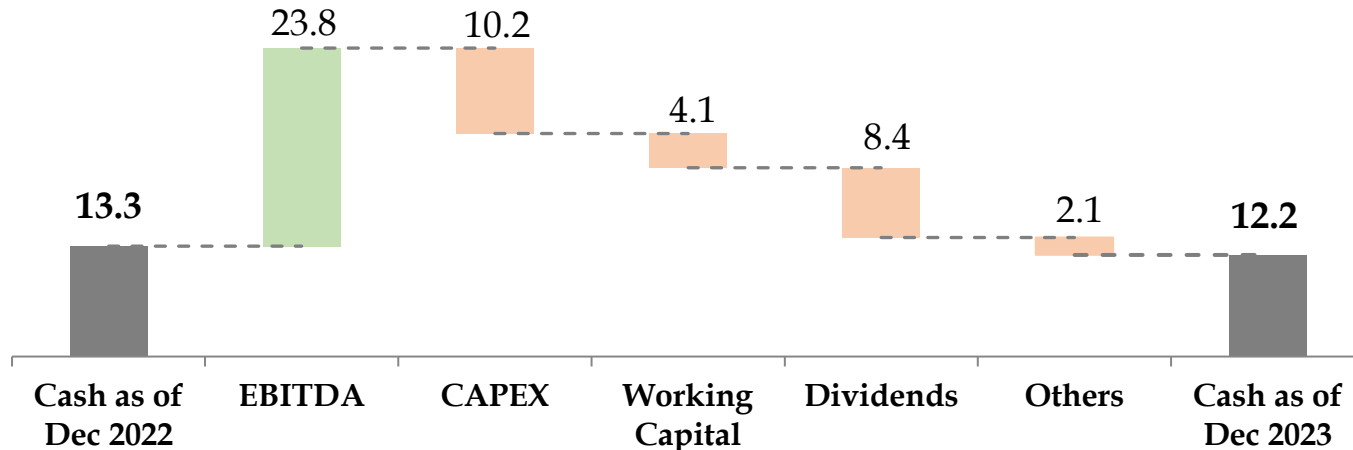


Gearing Ratio



Cash Position

In billion pesos



- Increase in financing cost due to higher interest rates
- CAPEX increase driven by investments to improve Sugar mill efficiencies and new greenfield developments
- Working capital increase driven mainly by Sugar inventories due to knock-on effects of 2022/23 delayed importation orders
- Consistent shareholder return from 5% dividend increase and completion of the first Php3B share buyback program



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- Margins expanded through purposeful choices on pricing despite the challenging environment, as well as over-delivery of billion-peso fuel-for-growth savings target.
- Inflation is a sustained headwind. While some commodities have come down from their highs, key materials such as coffee, potato, and sugar still remain elevated.
- Expecting a mid-high single digit growth in 2024 driven by volume, with continued margin expansion as inflation decelerates and consumer spending recovers.



Thank you!



Income Statement

(Php Millions)	CY 2023	CY 2022	YoY
	(Unaudited)	(Audited)	
NET SALES	158,367	149,904	6%
Cost of Sales	115,333	110,686	4%
GROSS PROFIT	43,035	39,217	10%
Operating Expense	-25,682	-23,994	7%
OPERATING INCOME	17,352	15,224	14%
Equity in net income of JVs	-287	-379	
Finance cost - net	-1,258	-511	
Market valuation gain/ (loss)	172	70	
Foreign exchange gain/ (loss) - net	262	383	
Other revenues/expense	-557	2,684	
INCOME BEFORE INCOME TAX	15,685	17,471	-10%
Provision for Income Tax	2,878	3,000	
NET INCOME	12,806	14,471	-12%
Net income attributable to holders of the parent	12,193	13,956	-13%
EBITDA	23,755	21,512	10%
CORE NET INCOME	12,614	11,889	6%



Balance Sheet

(Php Millions)	CY 2023	CY 2022
	(Unaudited)	(Audited)
Cash & cash equivalents (including Financial assets at FVPL and FVOCI)	13,311	14,191
Other current assets	75,850	66,069
Property, plant, and equipment	62,578	60,117
Other noncurrent assets	28,304	29,576
TOTAL ASSETS	180,043	169,954
Current liabilities	56,758	49,401
Noncurrent liabilities	4,692	4,582
TOTAL LIABILITIES	61,449	53,983
Retained earnings	99,612	95,304
Other equity	18,982	20,666
TOTAL EQUITY	118,594	115,970



Divisional Financials

(Php Millions)	SALES			EBIT			EBIT MARGIN		
	CY 2023	CY 2022	YoY	CY 2023	CY 2022	YoY	CY 2023	CY 2022	bps
Branded Consumer Foods	109,615	107,767	2%	11,909	11,115	7%	10.9%	10.3%	55
Philippines	75,599	73,639	3%	8,759	8,427	4%	11.6%	11.4%	14
International	32,792	32,297	2%	3,285	2,603	26%	10.0%	8.1%	196
Packaging	1,225	1,832	-33%	-134	85		-11.0%	4.6%	(1,562)
Agro-Industrial and Commodities (net)	48,752	42,136	16%	8,537	7,129	20%	17.5%	16.9%	59
SURE	25,719	21,994	17%	6,352	5,685	12%	24.7%	25.8%	(115)
Flour	6,287	5,711	10%	394	316	25%	6.3%	5.5%	74
AIG	16,746	14,431	16%	1,791	1,129	59%	10.7%	7.8%	287
Corporate Expense				-3,094	-3,020	2%			
Total URC	158,367	149,904	6%	17,352	15,224	14%	11.0%	10.2%	80

*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	35.0%	URC	25.2%	6.0%
Candies	25.0%	URC	14.8%	14.1%
Chocolates and Coated Wafers	22.3%	URC	14.2%	7.4%
Biscuits	14.7%	28.7%	27.4%	URC
Cup Noodles	53.3%	URC	37.2%	4.1%
Pouch Noodles	14.4%	74.0%	URC	3.5%
RTD Tea	85.9%	URC	3.7%	2.9%
Coffee	18.4%	40.6%	35.5%	URC
Instant Coffee	19.4%	77.3%	URC	1.5%
Coffee Mixes	18.1%	44.2%	31.6%	URC

Thailand

CATEGORY	MARKET SHARE	#1	#2	#3
Biscuits	14.5%	URC	13.2%	7.3%
Wafers	19.4%	22.6%	URC	8.3%

Vietnam

CATEGORY	MARKET SHARE	#1	#2	#3
RTD Tea	22.1%	35.6%	URC	20.6%

Malaysia

CATEGORY	MARKET SHARE	#1	#2	#3
Biscuits	23.2%	URC	22.1%	11.3%

Source: AC Nielsen, Value Shares

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

Thailand: Biscuits and Wafers - MAT Dec 2023

Vietnam: RTD Tea - MAT Dec 2023

Malaysia: Biscuits - MAT Dec 2023

