

1H CY2022 Unaudited Results Investor Briefing

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Irwin C. Lee
President and CEO

Jose Miguel T. Manalang
Strategy & 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

- **1H 2022 net sales grew 23%** as strong sales momentum continues across all business units; BCF Philippines with another record-breaking performance
- **1H 2022 Operating Income up 2%** despite higher cost environment
- **Aggressive price increases and cost savings programs supported profit growth to plan**; commodity costs expected to decrease but some offset from USD strength
- **Sustainability initiatives contributing to overall savings**; recommitting to ambitious mid- and long-term targets

Consumer demand growing but watchout on inflationary challenges

BUSINESS

ADB slashes Asia growth forecast as fuel, food prices rise

Philippine inflation near 4-year high, cements prospect of more rate hikes

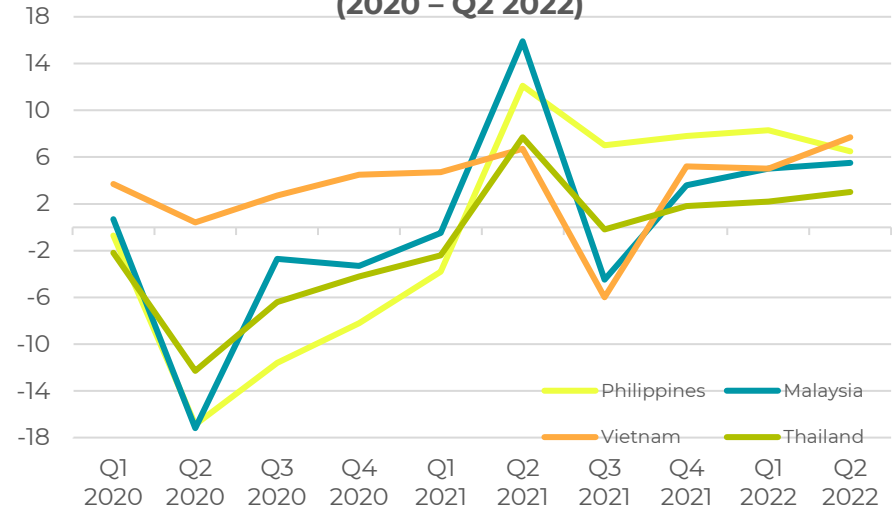
By Enrico Dela Cruz and Karen Lema

Thailand's consumer confidence index (CCI) moved upward in June

Vietnam Sees 2022 Growth Beating Goal as Recovery Powers On

- GDP growth quickened to 7.72% in the quarter ended June
- Officials expect double-digit growth in the third quarter

Quarterly GDP Trend (2020 – Q2 2022)



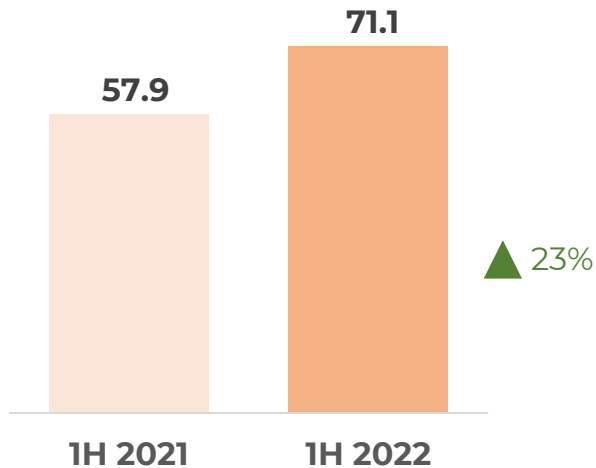
	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2
PH	-3.8	12.1	7.0	7.8	8.3	6.5*
TH	-2.4	7.7	-0.2	1.8	2.2	3.0*
VN	4.7	6.7	-6.0	5.2	5.0	7.7
MY	-0.5	15.9	-4.5	3.6	5.0	5.5*

*Forecasted GDP Growth

URC (Continuing Operations)

SALES

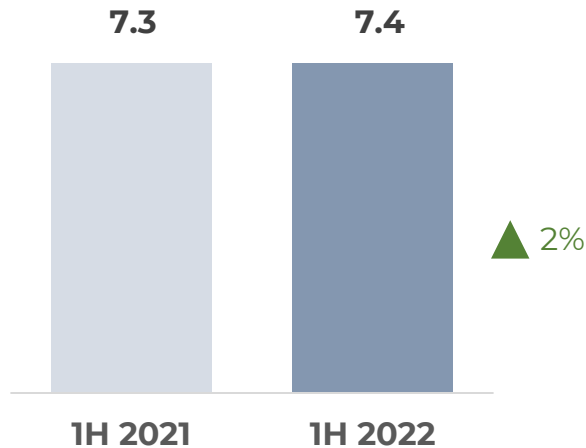
In billion pesos



- Double digit topline growth continues into Q2 2022, closing the first half with a 23% increase vs. LY
- Demand signals remain strong despite inflationary pressures

EBIT

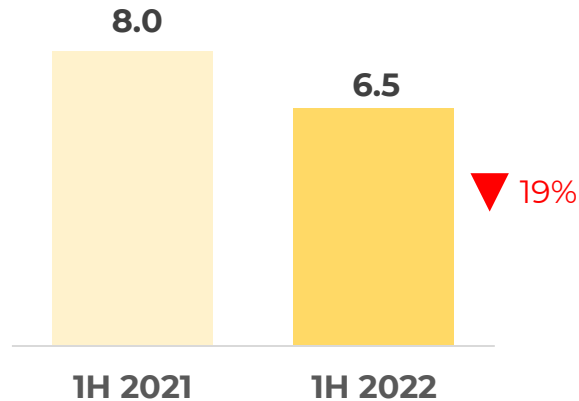
In billion pesos



- Absolute profits recovered as planned despite material cost increases and strength of the US dollar
- Further pricing action ready for balance 2022 to support profit growth as necessary

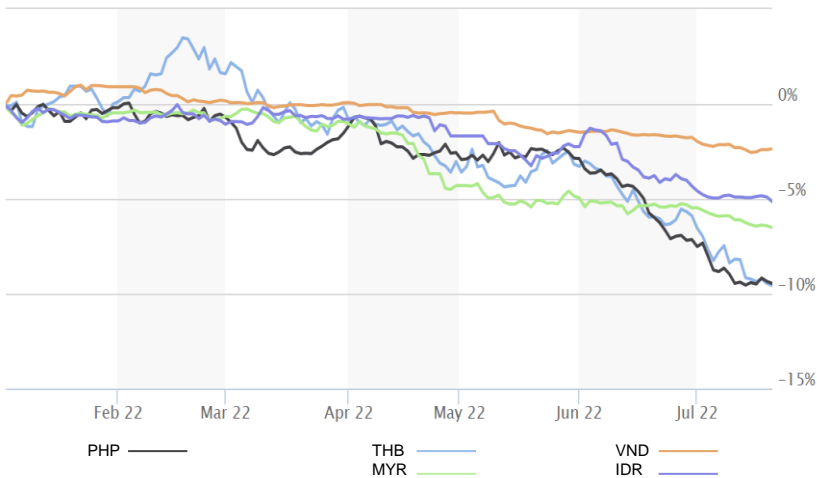
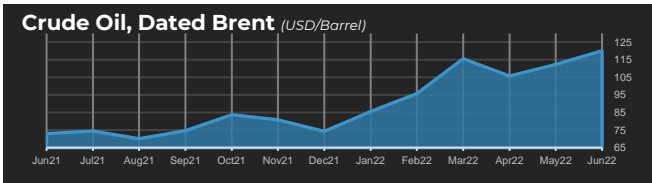
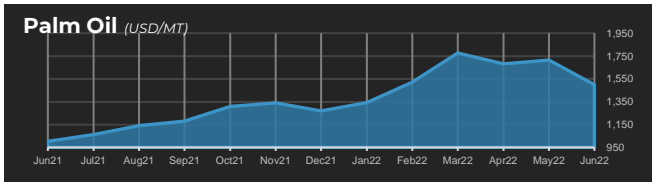
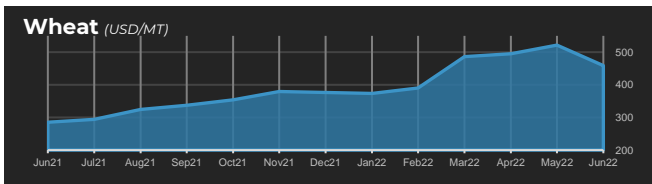
NET INCOME

In billion pesos



- Decline in net income due to gain on sale of idle assets in 2021, partially offset by forex gains

Commodity costs elevated into Q2 but slowly easing on improved supply; forex remains a challenge



~14 pts

YTD Margin impact of Material Cost Increases

~12 pts

YTD Margin Impact of Pricing and Cost Savings

High global inflation weighs on manufacturing sector

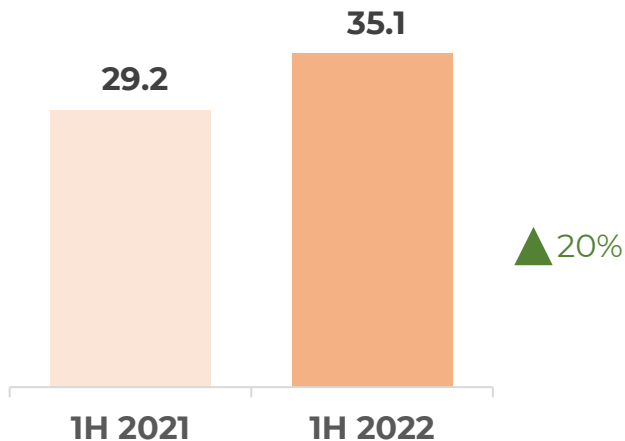
By: Ben O. de Vera - Reporter / @bendeveraINQ Philippine Daily Inquirer / 04:50 AM July 18, 2022

BCF PHILIPPINES

Sales momentum continues as BCF Philippines posted another record quarter

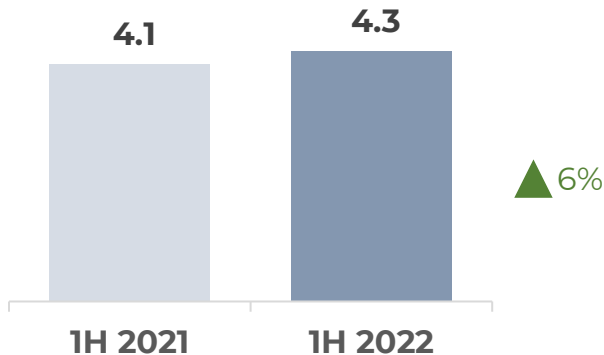
SALES

In billion pesos



EBIT

In billion pesos



- Highest monthly and quarterly sales in history, breaking previous quarter's record
- Double-digit growth seen across most categories, as consumption signals remain strong
- New product launches and category entries for future growth
- Robust topline and programmed pricing moves led to EBIT growth within plan
- Some margin volatility expected as higher-priced inventories are run down
- Cost savings programs on track; additional pricing moves for balance year ready for deployment as necessary

Market Share

CATEGORY	URC Market Share		YoY Category Growth	
	MAT Feb20 (pre-pandemic)	MAT Jun22	Nielsen YTD Jun22	URC (internal) 1H 2022
PHILIPPINES				
Snacks	35.9%	36.3%	+16%	+20%
Candies	25.6%	26.5%	+13%	+11%
Chocolates	21.1%	23.2%	+22%	+21%
Biscuits	16.1%	15.8%	+13%	+19%
Cup Noodles	48.4%	53.4%	+28%	+54%
Pouch Noodles	13.0%	14.1%	+10%	+23%
RTD Tea	85.1%	88.8%	+40%	+38%
Coffee	22.5%	21.7%	+6%	+7%

- Stable market shares across Branded PH, with YTD internal sales mostly above broad category growth

* MAT – Moving Annual Total (past 12 months)

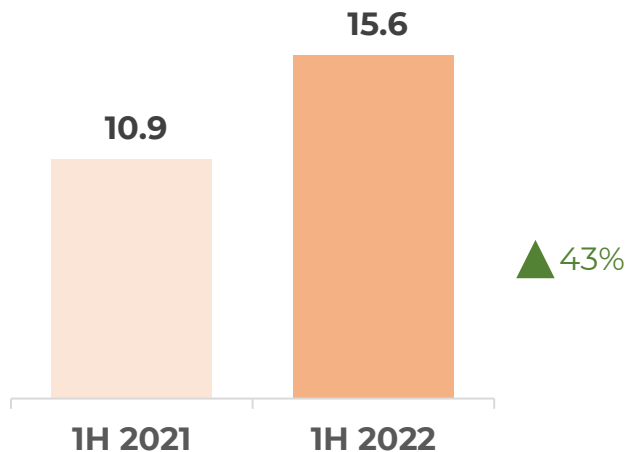
** YTD Jun 22 – Jan to Jun 2022 category growth from Nielsen

BCF INTERNATIONAL

Continued strong growth across the region

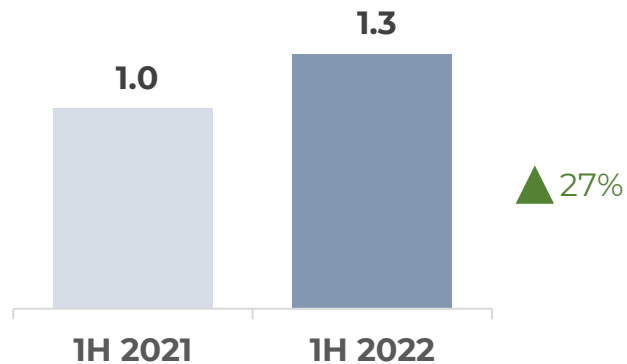
SALES

In billion pesos



EBIT

In billion pesos



- URCI up 38% in constant currency terms
- Core international business posting double digit sales growth of 18% (13% on constant currency) with most markets growing at double digit rates
- Strong growth driven by volume and pricing
- Margin volatility on higher commodity costs and operating expenses
- Q2 and Q3 pricing moves for core SKUs and geographies to support margins

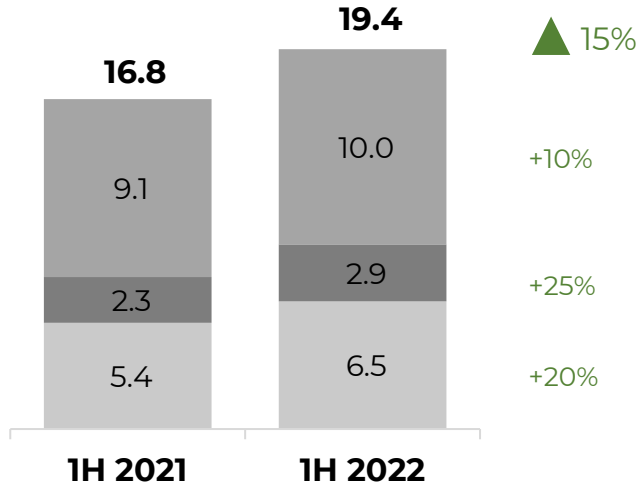
AIC

Double digit growth across all business units

SALES

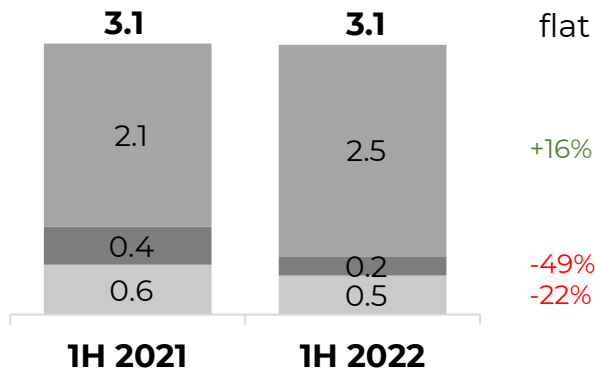
In billion pesos

- SURE
- Flour
- AIG



EBIT

In billion pesos



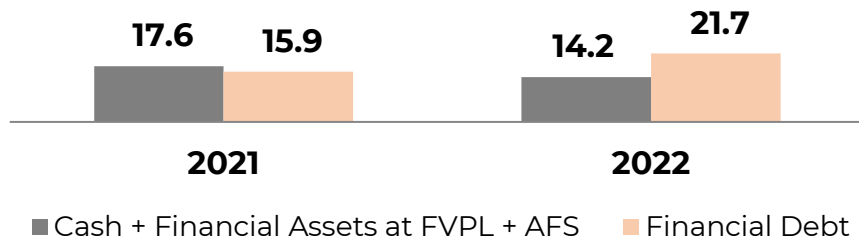
- Double digit growth seen across all BUs driven by higher selling prices
- Growth in SURE, despite lower output caused by tighter cane supply and shorter milling season
- Feeds drives strong showing of AIG; Petfood continues to outperform, on track to hit all-time highs
- Strong performance of SURE helped offset lower comparables from Flour and AIG
- Sequential improvement in Flour margins; further expansion in balance year
- AIG impacted by higher costs but supported by price increases

*Non-branded Consumer Foods Group is now called Agro-Industrial and Commodities (AIC)

Balance Sheet and Cash Flow

Cash and Financial Debt

In billion pesos

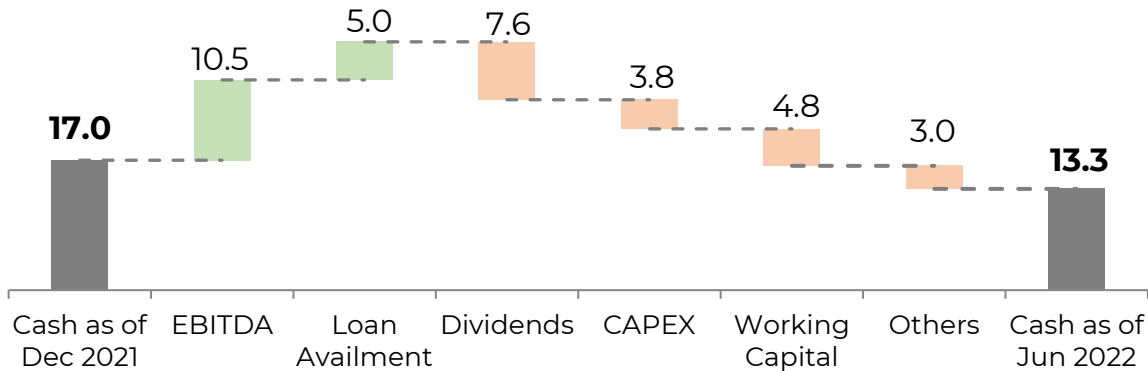


Gearing Ratio



Cash Position

In billion pesos



- Balance sheet remains healthy. Gearing ratio increased to 0.20 from dividend payout on April 29
- Board approval received for new share buyback program

URC's Renewed Sustainability Commitments



Climate Action

Move towards a low-carbon economy



Water

Improve water use efficiency & protect watersheds



Packaging

Reduce our packaging footprint



People & Communities

Make people's lives better



Product

Improve choices in our product portfolio



Sourcing

Promote responsible sourcing of key ingredients



30% WUR reduction by 2030 vs. 2020



Plastic neutrality by 2030

URC's Sustainability Journey

~Php1B

Estimated Cost Avoidance for 2022

Project JAGUAR

(Journey in Achieving Sustainability Goals
thru Utilities and Assets Renewal)

Project Solar

Renewable Electricity
Utilization



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- **Sustainability initiatives contributing to overall savings**; recommitting to ambitious mid- and long-term targets
- Continued expectation of **full-year revenue growth in the mid-teens** coupled with **absolute operating income growth**

Income Statement

(Php Millions)	1H 2022	1H 2021	YoY
	(Unaudited)	(Unaudited)	
NET SALES	71,108	57,877	23%
Cost of Sales	52,140	40,672	28%
GROSS PROFIT	18,968	17,205	10%
Operating Expense	-11,590	-9,946	17%
OPERATING INCOME	7,378	7,260	2%
Equity in net income of JVs	-334	-92	
Finance cost – net	-140	-136	
Market valuation gain	67	32	
Foreign exchange gain/ (loss) – net	746	-300	
Other revenues/expense	-15	2,240	
INCOME BEFORE INCOME TAX	7,700	9,004	-14%
Provision for Income Tax	1,221	963	
NET INCOME FROM CONTINUING OPERATION	6,480	8,040	-19%
NET INCOME FROM DISCONTINUED OPERATION	0	461	
NET INCOME	6,480	8,501	-24%
Net income attributable to holders of the parent	6,201	8,055	-23%
EBITDA	10,508	10,347	2%

*Full P&L includes market revaluation gain/loss for Farms, excludes Oceania in continuing operation

Balance Sheet

(Php Millions)	1H 2022	CY 2021
	(Unaudited)	(Audited)
Cash & cash equivalents	14,171	17,629
(including Financial assets at FVPL and FVOCI)		
Other current assets	57,224	49,863
Property, plant, and equipment	57,405	55,881
Other noncurrent assets	28,977	29,283
TOTAL ASSETS	157,777	152,657
Current liabilities	46,433	39,028
Noncurrent liabilities	3,957	3,861
TOTAL LIABILITIES	50,390	42,889
Retained earnings	87,549	88,908
Other equity	19,838	20,860
TOTAL EQUITY	107,387	109,768

Divisional Financials

(Php Millions)	SALES			EBIT			EBIT MARGIN		
	1H 2022	1H 2021	YoY	1H 2022	1H 2021	YoY	1H 2022	1H 2021	bps
Branded Consumer Foods	51,727	41,044	26%	5,661	5,174	9%	10.9%	12.6%	(166)
Philippines	36,095	30,145	20%	4,378	4,166	5%	12.1%	13.8%	(169)
International	15,632	10,898	43%	1,283	1,008	27%	8.2%	9.2%	(104)
Agro-industrial and Commodity (net)									
SURE	19,381	16,834	15%	3,133	3,146	0%	16.2%	18.7%	(252)
Flour	9,960	9,081	10%	2,457	2,127	16%	24.7%	23.4%	125
Flour	2,899	2,326	25%	224	443	-49%	7.7%	19.0%	(1,131)
AIG	6,522	5,427	20%	452	577	-22%	6.9%	10.6%	(370)
Corporate Expense				-1,417	-1,060	34%			
Total URC	71,108	57,877	23%	7,378	7,260	2%	10.4%	12.5%	(217)

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

Market Shares

Philippines

CATEGORY	MARKET SHARE	#1	#2	#3
Snacks	36.3%	URC	23.7%	5.8%
Candies	26.5%	URC	12.6%	12.5%
Chocolates and Coated Wafers	23.2%	URC	13.7%	8.4%
Biscuits	15.8%	28.3%	26.4%	URC
Cup Noodles	53.4%	URC	35.9%	5.2%
RTD Tea	88.8%	URC	2.1%	1.8%
Coffee	21.7%	38.6%	34.2%	URC
Instant Coffee	22.1%	75.5%	URC	1.1%
Coffee Mixes	21.6%	42.8%	29.2%	URC

Thailand

CATEGORY	MARKET SHARE	#1	#2	#3
Biscuits (new)	17.7%	URC	13.5%	7.9%
Wafers	20.7%	23.2%	URC	9.4%

Vietnam

CATEGORY	MARKET SHARE	#1	#2	#3
RTD Tea	19.6%	43.0%	19.8%	URC

Malaysia

CATEGORY	MARKET SHARE	#1	#2	#3
Biscuits	24.0%	24.4%	URC	10.0%

Source: AC Nielsen, Value Shares

Philippines: Snacks, Candies, Chocolates and Coated Wafers, Biscuits, Cup Noodles, RTD Tea and Coffee - MAT Jun 2022

Thailand: Biscuits and Wafers - MAT May 2022

Vietnam: RTD Tea - MAT May 2022

Malaysia: Biscuits - MAT May 2022