

Q1 CY2023 Unaudited Results Investor Briefing

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Disclaimer

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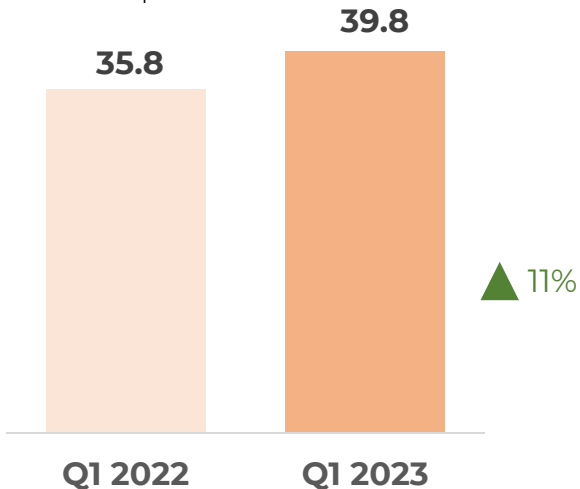
Executive Summary

- **Q1 2023 Net Sales reached Php39.8 billion, growing 11% vs. SPLY** with all divisions exhibiting strong growth
- **Q1 2023 Operating Income hit Php4.7 billion, up 15% vs. SPLY** on full year impact of last year's pricing moves as well as optimization on operating expenses. Operating margins improved vs. last year and sequentially against the previous quarter
- Cost pressures continuing in key materials and logistics input costs, but pricing and savings initiatives are on track to support margin recovery
- Consumer sentiment across the region is mixed as inflation remains high but shows signs of easing

Total URC

SALES

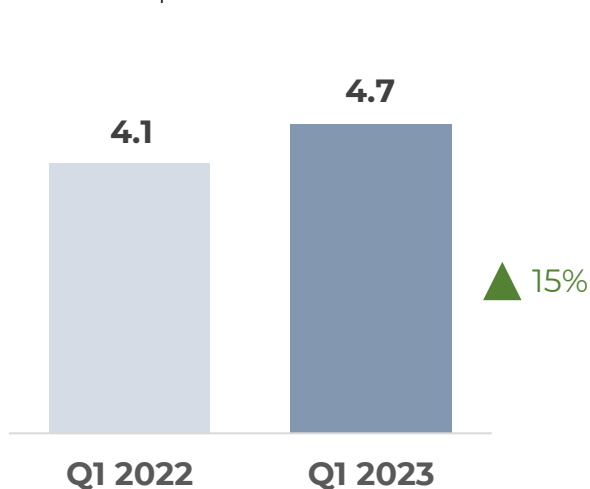
In billion pesos



- Total business up +11% with almost all business units growing healthily
- Strong topline growth driven by SURE, AIG, and URCI

EBIT

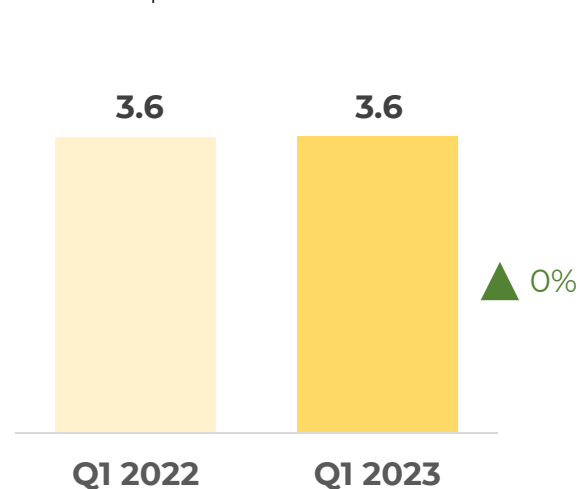
In billion pesos



- Profits up +15% vs. last year, growing faster than topline
- Margins expanding both vs prior year and vs prior quarter on full year impact of pricing and cost management

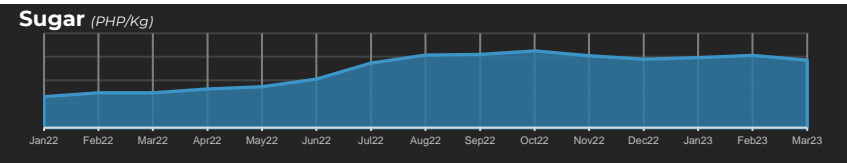
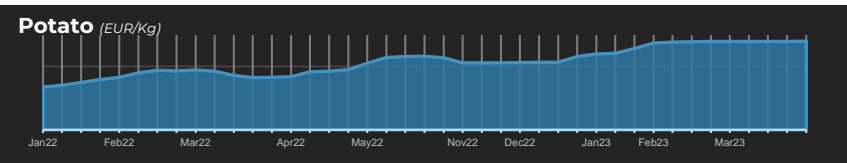
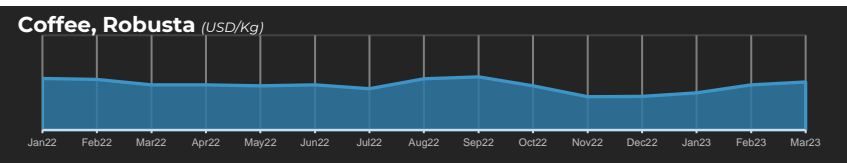
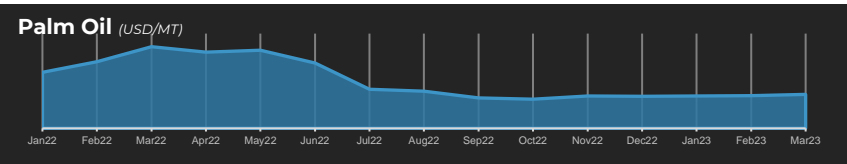
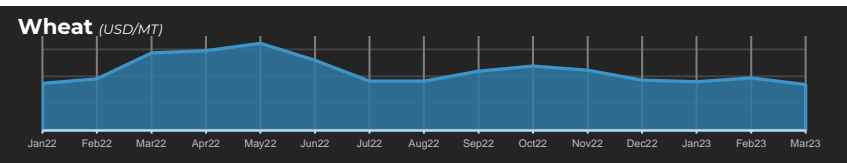
NET INCOME

In billion pesos



- Flat on comparables due to higher finance costs and impairment on Farms business
- Core net income up 11%
- EBITDA up 13%

Commodity prices easing though some key materials remain elevated versus 2022



Wheat

-8% vs Q1 2022 | **-27%** vs 2022 peak

Palm Oil

-38% vs Q1 2022 | **-46%** vs 2022 peak

Coffee, Robusta

-5% vs Q1 2022 | **-8%** vs 2022 peak

Potato

+55% vs Q1 2022 | **+18%** vs 2022 peak

Sugar

+53% vs Q1 2022 | **-6%** vs 2022 peak

Impact of inflation on consumer demand varies as some markets remain resilient while others experiencing slowdowns



IMF hikes PH growth outlook for 2023 to 6%



REUTERS

Thai consumer confidence at 3-year high in March

Bloomberg

Malaysia Widens Growth Forecast Amid Rising Global Uncertainty

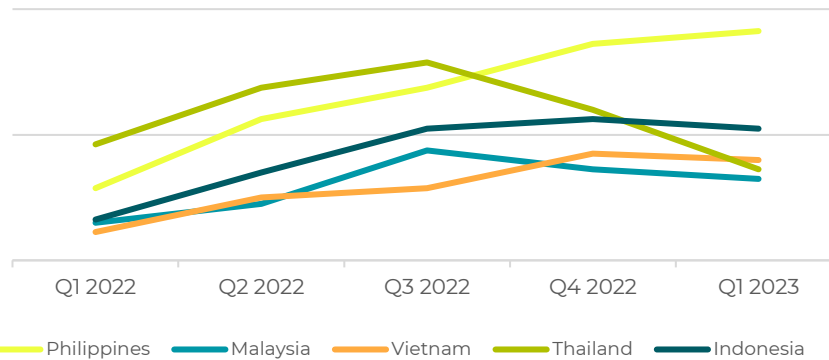
NIQ

Vietnam FMCG continues to thrive in long-term, but momentum is slowing down in Q1'23



Inflation and Election Uncertainty will Weigh on Indonesian Consumers in 2023

Quarterly Inflation Trend (2020 – 2022)



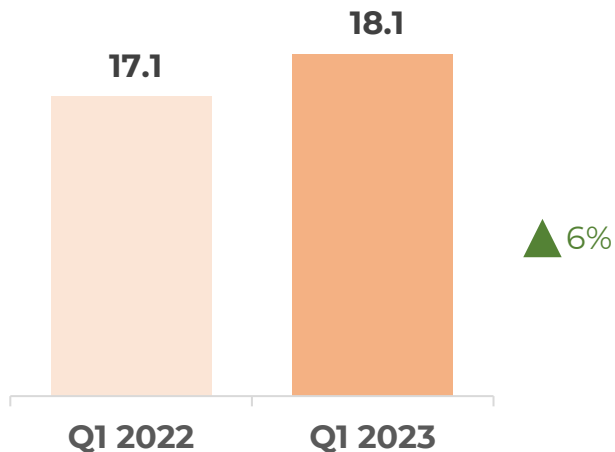
	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1
PH	3.3	5.5	6.5	7.9	8.3
TH	4.7	6.5	7.3	5.8	3.9
VN	1.9	3.0	3.3	4.4	4.2
MY	2.2	2.8	4.5	3.9	3.6
ID	2.3	3.8	5.2	5.5	5.2

BCF PHILIPPINES

Strong February and March sales offsetting expected shortfall in January

SALES

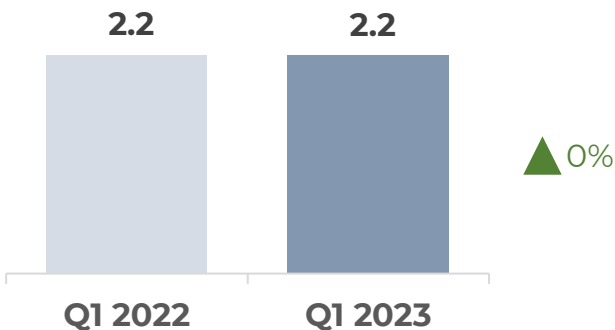
In billion pesos



- Strong recovery from the planned supply tightness in January coming from the SAP ERP transition
- Continued improvements on fill rates and volumes, with record high sales in March 2023

EBIT

In billion pesos



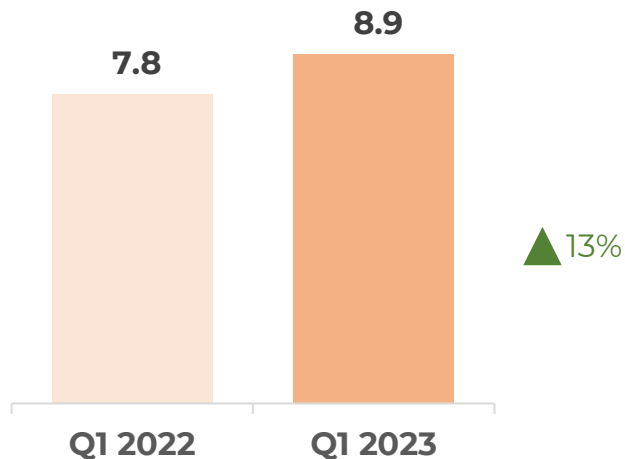
- Operating income flat vs. last year as increased sales offset the higher cost base
- Margins below Q1 2022 (pre Russia-Ukraine) levels, but sequential improvements seen vs. Q4 2022 on full year impact of pricing

BCF INTERNATIONAL

Strong topline start coupled with margin expansion

SALES

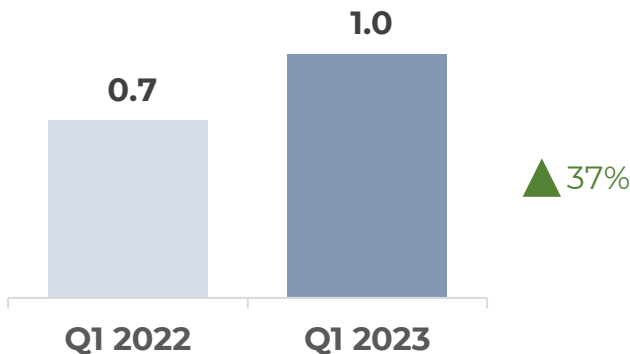
In billion pesos



- Growth across most markets led by Vietnam, Malaysia and Myanmar
- Indonesia navigating price-point transition and changes in consumption behavior

EBIT

In billion pesos



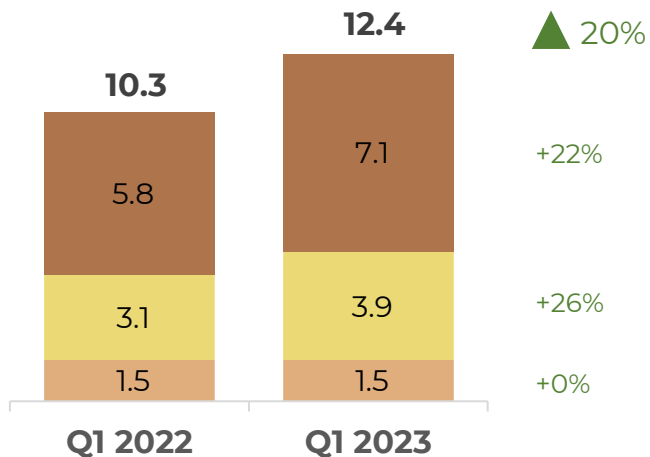
- Expansion of margins against Q1 2022, along with sequential margin improvement against Q4 2022
- Scale benefits and full impact of pricing actions supported EBIT growth despite volatility on higher commodity costs and operating expenses

AIC

Strong growth driven by higher pricing

SALES

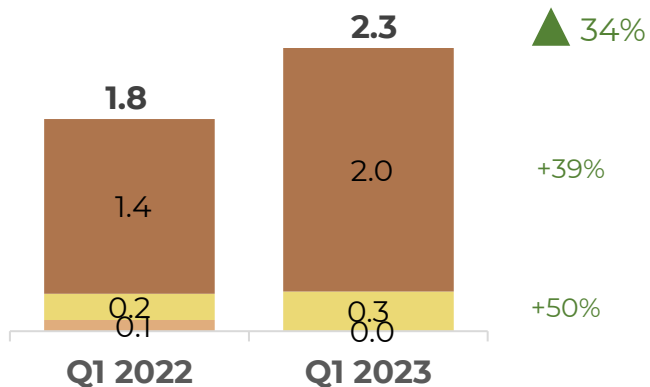
In billion pesos



- SURE maintains revenue growth on higher selling prices despite tighter crop availability
- AIG growth from improved demand for Feeds and higher production from Farms
- Flour topline steady on higher selling prices

EBIT

In billion pesos



- Strong SURE profits driven by higher market prices and mill operating efficiencies
- AIG growth driven by higher topline coupled with margin improvements on Feeds business

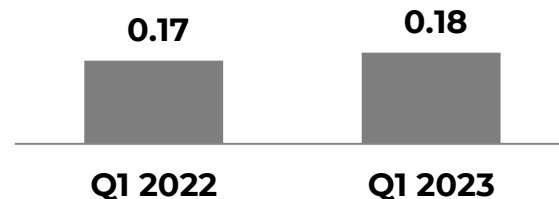
Balance Sheet and Cash Flow

Cash and Financial Debt

In billion pesos

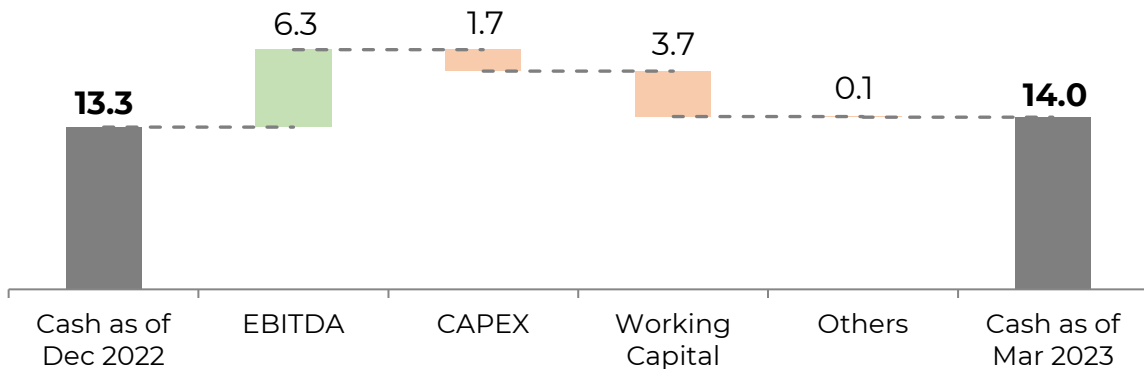


Gearing Ratio



Cash Position

In billion pesos



- Balance sheet continues to be healthy with gearing ratio at 0.18
- Continued discipline on working capital and inventory levels

Full integration of Munchy's almost complete, with synergies of combined business in effect



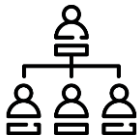
One route-to-market for the combined Malaysia business improving distribution



Leveraged on scale of combined business to optimize supply chain logistics efficiencies



Cost synergies from combined scale on procurement and shift to local production



Completed organization structure review, integration and assimilation



Launch of Munchy's in VN, TH, PH via URC's route-to-market

#1

Biscuits Manufacturer in Malaysia

30+%

Q1 2023 Jack 'n Jill sales vs SPLY; Munchy's +11%

90+%

Overall OFR

~3%

Lower cost of key materials

Manning optimization

Accelerating Innovation Pipeline

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- Cost pressures continuing in key materials and logistics input costs, but pricing and savings initiatives are on track to support margin recovery
- Consumer sentiment across the region is mixed as inflation remains high but shows signs of easing
- Increasing top-end of growth expectation range from high single digits to low double digits, with operating income growing at a faster rate

Thank you!



Income Statement

(Php Millions)	Q1 2023	Q1 2022	YoY
	(Unaudited)	(Unaudited)	
NET SALES	39,807	35,783	11%
Cost of Sales	29,110	26,004	12%
GROSS PROFIT	10,697	9,779	9%
Operating Expense	-6,039	-5,712	6%
OPERATING INCOME	4,658	4,067	15%
Equity in net income of JVs	-24	2	
Finance cost – net	-329	-77	
Market valuation gain/ (loss)	78	68	
Foreign exchange gain/ (loss) – net	88	273	
Other revenues/expense	-285	6	
INCOME BEFORE INCOME TAX	4,185	4,339	-4%
Provision for Income Tax	591	761	
NET INCOME	3,594	3,578	0%
Net income attributable to holders of the parent	3,413	3,473	-2%
EBITDA	6,295	5,576	13%

Balance Sheet

(Php Millions)	Q1 2023	Q1 2022
	(Unaudited)	(Unaudited)
Cash & cash equivalents (including Financial assets at FVPL and FVOCI)	15,061	16,959
Other current assets	77,410	53,928
Property, plant, and equipment	59,719	56,986
Other noncurrent assets	29,544	29,155
TOTAL ASSETS	181,734	157,028
Current liabilities	62,227	48,339
Noncurrent liabilities	4,592	3,884
TOTAL LIABILITIES	66,819	52,223
Retained earnings	95,450	84,822
Other equity	19,466	19,984
TOTAL EQUITY	114,915	104,806

Divisional Financials

(Php Millions)	SALES			EBIT			EBIT MARGIN		
	Q1 2023	Q1 2022	YoY	Q1 2023	Q1 2022	YoY	Q1 2023	Q1 2022	bps
Branded Consumer Foods	27,390	25,449	8%	3,195	3,014	6%	11.7%	11.8%	(18)
Philippines	18,536	17,611	5%	2,213	2,298	-4%	11.9%	13.0%	(111)
International	8,854	7,839	13%	982	716	37%	11.1%	9.1%	196
Agro-industrial and Commodity (net)									
SURE	12,417	10,333	20%	2,350	1,760	34%	18.9%	17.0%	189
Flour	7,071	5,800	22%	2,021	1,450	39%	28.6%	25.0%	358
AIG	1,477	1,472	0%	1	91	-99%	0.0%	6.2%	(615)
	3,869	3,061	26%	328	219	50%	8.5%	7.2%	132
Corporate Expense				-887	-707	26%			
Total URC	39,807	35,783	11%	4,658	4,067	15%	11.7%	11.4%	33

*BCF PH inclusive of Packaging; 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	35.6%	URC	24.1%	5.8%
Candies	25.6%	URC	13.8%	13.3%
Chocolates and Coated Wafers	22.8%	URC	13.8%	8.0%
Biscuits	15.7%	27.4%	27.3%	URC
Cup Noodles	56.8%	URC	31.7%	5.7%
Pouch Noodles	16.0%	73.2%	URC	3.5%
RTD Tea	86.9%	URC	3.1%	2.8%
Coffee	20.5%	39.1%	34.8%	URC
Instant Coffee	21.2%	76.3%	URC	1.1%
Coffee Mixes	20.3%	43.0%	30.3%	URC

Thailand

CATEGORY	MARKET SHARE	#1	#2	#3
Biscuits (new)	16.7%	URC	13.7%	8.0%
Wafers	20.1%	20.9%	URC	8.5%

Vietnam

CATEGORY	MARKET SHARE	#1	#2	#3
RTD Tea	21.1%	38.7%	URC	20.6%

Malaysia

CATEGORY	MARKET SHARE	#1	#2	#3
Biscuits	23.7%	URC	23.3%	10.4%

Source: AC Nielsen, Value Shares

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

Thailand: Biscuits and Wafers - MAT Mar 2023

Vietnam: RTD Tea - MAT Mar 2023

Malaysia: Biscuits - MAT Feb 2023