



## PERFORMANCE HIGHLIGHTS FOR THE QUARTER ENDING JUNE 2020

- **PEAK SEASON ADVERSELY AFFECTED BY THE PANDEMIC**
- **GRADUAL BUSINESS RESUMPTION SEEN SINCE LOCK DOWN, OUTLOOK REMAINS VOLATILE**
- **COMPANY HAS PRO ACTIVELY MANAGED COSTS AND CASH POSITION TO MITIGATE IMPACT**

Covid-19 lockdown led to complete closure of all outlets for the period March 24 up to May 4. There has been since a gradual and phased re-opening of business, yet parts of the trade remained closed for the full quarter including on premise outlets. Demand and business operations will continue to be impacted directly & indirectly by the pandemic and related State and/or local restrictions from time to time. A number of states have increased taxation levels as a result of the pandemic, yet encouragingly a number of these increases have been reduced since.

UBL commenced the year with no supplies for almost half the first quarter. The primary volumes for the quarter in comparison to the corresponding quarter of the previous year were down 77%, with June '20 volumes progressively improving being 57% down in comparison to the previous year.

The volume impact on Strong beer was higher when compared to Mild beer. The UP market was the least impacted with a decline of 46%, the decline in the markets of North, South and West was close to the National volume decline while the markets in the East declined 90% impacted by States of West Bengal and Orissa.

Since the start of pandemic, UBL has pro actively focused on health & safety measures for its employees and stakeholders, business continuity, business impact mitigations and cash management. The Company has and will continue to manage all elements of costs and capital investments in light of the uncertain demand.

While UBL maintains high level of liquidity, low gearing and is backed by sufficient unutilized banking lines, better working capital management has resulted in reduced interest costs when compared to the corresponding quarter of the previous year. UBL's net debt was up Rs. 120 Cr. when compared to end March 2020, used primarily to fund the cash loss and minimal capex incurred in the quarter.

UBL is well positioned to navigate the current circumstances with a leading market position, strong brand portfolio and robust balance sheet. The company continues to be optimistic about the long term growth drivers of the industry and is committed to strengthen its market position while leveraging newly emerging opportunities such as home delivery.

*Bangalore, August 14, 2020*