# UPL CMD 2025
# 12 May 2025

## Anurag Gupta:

Good evening, everyone. I am Anurag Gupta, Head of Investor Relations at UPL. On behalf of the UPL management team, I welcome you all to 2025 Capital Markets Day.

Whether you are in the room here or joining us live through the webcast, I believe the time spent with us today will be valuable in understanding the strategic direction of the company. You will get a chance to hear from and interact with our business leaders of various platforms, the ones who build the systems and engage in working towards our ambition to change the game. A few of these examples you would have already seen at the experience centre created outside.

Before we begin, please note that we will be sharing a lot of information in today's presentation, and we would like to make sure that you hear it all before we begin with the Q&A. The session will start with a presentation by

- Jai Shroff, Chairman and Group CEO, followed by
- Anand Vora, Global CFO,
- Mike Frank, CEO of UPL Corporation, our Global Crop Protection platform
- Ashish Dobhal, CEO of UPL SAS, our India Crop Protection platform
- Bhupen Dubey, CEO of Advanta Enterprises, our Seeds platform, and that will be followed by
- Raj Tiwari, CEO of Superform, our newly branded Specialty Chemistries platform, which was formerly known as UPL Specialty Chemicals.

Finally, please make sure to check out the Safe Harbor Note on the forward-looking statements.

So, with that, please silence your phones, sit back, and we start the presentation. Let's welcome on stage our Chairman and Group CEO, Jai Shroff.

Jai, over to you.

## Jai Shroff:

Thank you, Anurag.

Before we start, I want to congratulate our Prime Minister and the Armed Forces for the fantastic achievement over the last week on protecting and giving us confidence that the country is in good hands. I want to start off by congratulating the whole UPL team on fantastic achievement.

We had a challenging year, the whole industry had a challenging year last year, and I'm very happy to inform you all and share the excellent performance of the UPL group today. According to our guidance and the overall performance, we have had the upper end of almost every guidance we had given. We've had 8% growth in revenue, 47% growth in EBITDA, the free cash flow generation has been $530 million.

What I can say is that UPL presence across 130-140 countries gives us great resilience. Having access to farmers around the world in almost every crop value-chain gives us an opportunity for our whole platform to exceed performance. Today, you'll be happy to know that we have delivered better growth, better performance than any other player in our industry in a revival zone.

With our presence in 140 countries and being the 5th largest player in the world, we have no single customer more than 3% of our revenue. Today, we have built a very deep relationship in key markets such as Brazil, South Africa, Central America, Mexico, and India, with our platforms such as our Origeo, Sinova, and our partnerships in South Africa, even in India with our Nurture platform.

Our customer focus and R&D with a huge innovation pipeline has given us the ability to revive our business.

We are completely focused on pain points and addressing the challenges being faced by farmers around the world, whether it's food safety, crop residue, whether it's climate change, and related stress, water use efficiency, etc. We have a huge R&D team which is constantly innovating and filing IP. Today we have more than 2,700 patents and more than 30% are IP protected.

We have an innovation pipeline which last year gave us revenues in excess of $100 million and going forward, we expect it to continue to grow. Our innovation rate today is about 14%, and our strong innovation index on seed platform too is giving us tremendous tailwinds in India and other markets where food security is a big issue. Today, almost 38% of our products are differentiated and sustainable, and in Advanta, we have a pipeline of 900 hybrid seeds in over 40 crops.

We are ranked number one in ESG, and are well aware of its importance. ESG is a strategic asset for UPL, where we are not only becoming more sustainable, but it is a strategic advantage, because everything we do in ESG is improving the quality of our manufacturing, our product pipeline and also the farmer resilience. We have complete backward integration, and this is helping us. This year is one of the best examples where we are able to recover and rebuild our profitability in a very difficult environment in the world.

We have 43 manufacturing locations, and we continue to invest in improving productivity and our cost position constantly, to be able to compete in a really challenging environment. Our low-cost base and our closeness to farmers around the world has established a very strong brand starting from Japan to Argentina, US to Australia, helping us build a trustful relationship when we are introducing new technologies. As far as governance is concerned you all know we've created four platforms and in each of these platforms we have top-class investors on board from across the world, making sure that the governance is of the highest standards.

Today, we are focused on farmer resilience. Farmer resilience is one of the key tools for our success and our focus is around understanding the challenges and pain points of farmers and introducing technologies for that. Reducing environmental footprint in agriculture is one of the key requirements of the world and to decarbonize the world.

Food security is also a huge challenge with more than a billion people still hungry in the world. Enhancing sustainability and improving our carbon footprint in manufacturing, this is also one of the key challenges and UPL leads the way in that area. At every market we operate today, we are involved in a social change and supporting the social projects so each of our businesses is involved in community service.

Today, we have had improvements on every parameter and in the long term, in the next 10-15 years we expect to be world leader in every aspect. As you can see, we are rated highly among all the indices of sustainability. Our commitment is to continue to improve business productivity, enhance business efficiencies and continue to grow with our differentiated and sustainable products, and using our existing network and distribution capabilities, we believe that our financial performance, ratings, ROC and ROE both will continue to improve going forward.

I hand over to Anand Vora. Thank you.

## Anand Vora:

Thank you, Jai.

Good evening and a very warm welcome to all of you who have joined us today, both in person as well as those who have joined us virtually. A year back when we had met here at the same venue we had made certain commitments. We had just come out of FY24 which you all know was the most challenging year in recent times not just for UPL, but for the entire agrochemical industry.

But we saw in this an opportunity to right size our organization, to adapt to the market realities, to make ourselves 'future-ready' by leveraging on our fundamentals, what we call our 'resilient core', and which Jai enumerated in detail a short while back. While we were able to navigate through FY24 we bounced back strongly in FY25, which we call the year of recovery. The business performance showed strong improvement especially in the second half of the year and we are pleased to have met and delivered on all the three financial guidelines, the revenue, EBITDA and the operating free cash flow.

Now, some of the key highlights before we delve deep into the financial performance. Let me summarize them for you. To begin with our superior business performance recovery that we spoke earlier.

This was through strong revenue growth, driven by industry leading volumes, with growth of 13%. We saw growth across all the regions and across all platforms. The global crop protection platform, the India crop protection platform, our seeds platform, the Advanta seeds and our newly carved out specialty chemistry platform, Superform.

As highlighted by Jai earlier, our EBITDA jumped by 47% and EBITDA margins at 17.4% improved by 460bps an impressive recovery. The improvement in margins were driven by better product mix, rebate normalization and lower cost of goods, supported by productivity enhancement through optimization of overheads. As regards working capital and debt reduction during the year, we saw a significant working capital improvement.

Our working capital days reduced from 86 days in FY24 to 53 days, a reduction of 33 days resulting in a release of ₹33.7 billion. This was driven by significant reduction in inventories, improved collection against receivables through tighter credit controls. The reduction in working capital and the two capital transactions facilitated the reduction in net debt by ₹83.2 billion, almost $1.04 billion. Our net debt by the end of the financial year stood at ₹138.6 billion or $1.6 billion.

Now let me brief you on the two capital transactions which we just concluded at the end of this financial year. The rights issue of ₹33.8 billion was a success. We got oversubscription almost two times. As stated in the last quarter earning calls, the allotment money of ₹8.44 billion was received in December 2024, while the amount pertaining to the first call was received by the end of the financial year in March. The balance 50% we intend to call sometime during this financial year and could be within the first half.

The second capital raise transaction was through the partial monetization of Advanta shares. We signed a definitive agreement with Alpha Wave Global for a sale of 12.5% stake for a sum of ₹30.4 billion, approximately $350 million. Through a mix of primary and secondary transactions, valuing our seed business at US $2.8 billion.

This marked the second investment in the enterprise by a global investor within a span of two years. Post the clearance from the Competition Commission of India, we received the proceeds in March just before the close of the financial year. The impact of these two inflows is reflected in our cash balance as of 31st March.

Now let me take you through the financial highlights for the fourth quarter, followed by that for the full financial year.

Revenue for the fourth quarter stood at ₹155.7 billion, a strong 11% growth over that of last year. This was almost entirely led by volume growth, while the pricing and currency changes largely offset each other.

The growth was across all the platforms. The contribution for the fourth quarter stood at ₹59.3 billion, a 43% growth over last year. The contribution margins stood at 38%, 870bps jump over that of last year, reflecting a strong recovery.

The significant growth was driven by better product mix, overall improvements in cost of goods sold, and normalization of rebates, similar to what we saw in Q3 earlier this year. SG&A spend was ₹26.9 billion, compared to ₹22.1 billion last year, an increase of 22%. This was partly due to bonus provision on the back of improved performance in financial year 2025.

Further, we had some impact of distributor delinquencies in Argentina, where two distributors filed for insolvency. Adjusting for these changes, i.e., bonus not being there in the previous year due to poor performance, and the abnormal distributor insolvency being exceptional in nature. If we were to adjust for these, the SG&A for the quarter was up only by 4%. The EBITDA for Q4 stood at ₹32.4 billion, a strong 68% increase versus that of the previous year.

The EBITDA margins were 20.8%, an increase of more than 700 basis points, again reflecting a good recovery on the back of improvement in contribution margins. Profit after tax adjusted for exceptional items, associate income and minority stood at ₹9 billion as compared to ₹ 0.4 billion in the previous year. Let me share some of the key components leading to this strong net profit for this quarter.

We had a healthy EBITDA of ₹32.4 billion against ₹19.3 billion in the previous year's same quarter. Depreciation and amortization at ₹7 billion, which was lower by 11%. Foreign exchange losses at ₹840 million, a sharp reduction from ₹2.47 billion in Q4 in the previous year.

The reduction in foreign exchange losses were due to lower charge in Brazil, Turkey and an appreciation in the Russian ruble. Income tax was higher at the back of better performance at ₹3 billion compared to ₹1.1 billion in Q4 of the previous year. Exceptional charge stood at ₹2.8 billion, largely attributed to a VAT provision in Brazil pertaining to previous years.

The company along with some of the industry players are looking at challenging this charge. Associate companies and JVs had a charge of ₹270 million, largely on account of losses from Sinova and Origeo, the two Brazilian associate companies.

Moving on to financial performance for the full year.

Revenue stood at ₹466.4 billion, up 8% year-on-year, and it was at an upper end of the guidance. The strong performance was driven by volumes which were up by 13%, partly offset by price reduction of 3% and an exchange impact of 2%. Contribution at ₹181.7 billion was up year-on-year by 21% due to favourable product mix, cost of goods improvement and rebate normalisation.

Contribution margins were back to 39%, an improvement of 420 basis points over that of the last year, reflecting a strong recovery. Fixed overheads at ₹100.5 billion were up by 6%, mainly due to an increase in overheads in fourth quarter. Adjusting for employee bonuses and one-time charge due to delinquencies in Latin America, we saw a 1% reduction in our SG&A for the full financial year over that of the previous year.

The EBITDA for the full year stood at ₹81.2 billion, a 47% growth over last year, marginally below the stated guidance of 50% growth. The EBITDA performance, driven by higher contribution, overall productivity enhancement, led by overhead reduction initiatives. EBITDA margins at 17.4% were up by 460 basis points over that of the previous year.

Profit after tax for the year at ₹9 billion, almost entirely coming in Q4. Some of the key components leading to annual profits for the full financial years are EBITDA of ₹81.24 billion against ₹55.15 billion of the previous year. Depreciation and finance costs were similar to that of the previous year.

Foreign exchange losses stood at ₹710 million as compared to ₹1.29 billion in the previous year. The reduction in exchange losses was due to lower charge from Latin America and small gains from Russia. Exceptional items stood at ₹4.08 billion versus ₹2.5 billion of the previous year, the increase again coming entirely in Q4 as explained earlier.

Losses from associated entities stood at ₹4.72 billion versus ₹2.4 billion of the previous year. Again, the increase largely coming is attributed to the Q4 losses from Brazilian associates.

Moving on to working capital. I am pleased to share that our net working capital as of March 31 was ₹67.6 billion, a significant reduction of ₹33.7 billion against that of the previous year. The positive development achieved through continuous focus on inventory management, improved collections of receivables through tighter credit controls as already mentioned earlier. In number of days, net working capital at 53 days showed a reduction of 33 days.

Inventories stood at 81 days showed a reduction of 27 days, while payables stood at 130 days, a reduction of 16 days. The receivables at 102 days were lowered by 22 days. Non-recourse factoring, something which is referred to every now and then, was at similar levels as that of the previous year.

In other words, we have not increased non-recourse factoring, to increase our cash flow, as has been often spoken about in the previous years.

Moving on to the slide on debt. Gross debt reduced by ₹47.2 billion, approximately $635 million on a year-on-year basis to ₹237.1 billion, that's $2.77 billion.

We prepaid $250 million long-term loan, which was maturing in September of 2025, and the balance reduction came from working capital reduction. Cash and bank balance as of 31st March was ₹98.6 billion, approximately $1.15 billion, versus ₹62.6 billion, that's $751 million in the previous year, largely attributed to the two capital transactions, which is the rights issue and the Advanta sales share, which as I mentioned earlier, the proceeds from both these were largely coming towards the end of the financial year. The net debt as of 31st March 2025 was ₹138.6 billion, US$1.62 billion, a sharp reduction of ₹83.3 billion, that's approximately $1.04 billion.

On the back of good operating performance and sharp reduction in working capital, the operating cash flow of ₹44.51 billion, approximately $530 million, exceeded our guidance of free cash flow of $300-400 million, which we had guided at the beginning of the year. The net debt as of 31st March 2025 was ₹138.6 billion, approximately $1.62 billion, a sharp reduction of ₹83.3 billion, or $1.04 billion. Our net debt to EBITDA ratio stood at 1.7 times EBITDA, a significant reduction versus Q4 which was there at the last financial year.

To sum up, we delivered a strong FY25 with all the key indicators close to or beating the stated guidance. Our revenue growth of 8% is on the higher side of the stated target. Our EBITDA growth was 47% despite the tough macro indicators as well as a strong operating cash flow which will be used to fuel growth in FY26 and assist in debt reduction.

Before I call on the platform CEOs to take you through the business performance in details, let me summarize the financial results.

Our resilient core facilitated a quick turnaround, and we delivered best-in-class industry-wide financial results, delivering revenue growth at the top end of our guidance, EBITDA growth close to the guidance, and outperforming on the operating free cash flows. With this, I hand over to Mike to take us through the business performance of the global crop protection business.

Thank you.

## Mike Frank:

All right, thank you Anand and hello everyone. Good to see many familiar faces in the room today.

Over the next few minutes, I'll take you through our global crop protection business and talk about our FY25 results, outlook for FY26, and then also discuss our very exciting R&D pipeline and what we see coming in the short term and over the next few years. But before we look at the key highlights in FY25, I'd like to share my thoughts on the global crop protection market. As you know, looking back over the past 24 months, FY24 was a year where the global ag industry and our business were impacted in an unprecedented way and on multiple fronts.

In that year, starting in 2023, it was our read that the market structure changed and that overcapacity from China was a new reality. Based on this, we made the necessary adjustments that we thought were needed, including downsizing the organization, making the needed adjustments with our customer rebates and returns, trimming our low margin portfolio, and making other adjustments, all in an effort to rebuild and reset. And as you will see in our performance in FY25, these tough actions that we took a year and a half ago have paid off.

In FY25, we saw the macro global crop protection market start a gradual rebound. However, our performance significantly outpaced the industry. Farmers and dealers, their buying patterns are now reset. We believe channel destocking is complete in most major markets, and we see normalized ordering patterns from both growers and the farmers, although they continue to order closer and closer to the new season. Further, active ingredient prices are stabilizing at the current level. Looking ahead, the operational excellence focus that we put on working capital, customer engagement, and supply chain efficiency will all continue to drive our momentum in FY26 and beyond.

As a business, we remain vigilant and resilient, adapting to new challenges, opportunities when they emerge, and market volatility, which is the norm for today. Most importantly, we've built a strong foundation to ensure sustainable growth and profitability.

So, turning to our key highlights, in FY25 we improved the quality of our business, outpacing peers in volume growth and achieving higher penetration in key markets, demonstrating continued customer confidence and acceptance of our offerings.

This resulted in strong revenue and EBITDA growth, as we will see later in the presentation. And as mentioned by Anand earlier, I'm pleased to highlight that our focus on operational excellence has positively impacted working capital, specifically through inventory optimization, tighter credit controls, and reducing receivable terms. The success that we had with our working capital this financial year has resulted in us outperforming our full-year free cash flow guidance at the group level, setting us up well for a future with a strong balance sheet.

Moreover, we made significant improvements in our process efficiencies, resulting in a big reduction in net working capital days, effectively setting a new industry standard. Focusing on marketing excellence, this year we launched several new products, generating over $93 million in sales, representing about 2% of our total revenue. This demonstrates our commitment to grow our business through innovation and unique product offerings.

On the organizational front, our employee engagement was high, reflecting an organization culture in which our high-performing teams have a strong sense of purpose and commitment. As a business, we demonstrated resilience and agility in building a strong foundation for a future-ready business. So, let's turn to our quarterly performance.

Our fourth quarter results show a strong bounce back. I'm pleased to share that our fourth quarter revenue was up 18% versus last year. This growth was led by higher volume growth across the key regions such as North America and Europe, demonstrating our resilience and rapid recovery from last year's challenges in these markets.

Among major segments, we saw a significant volume-led growth in both herbicides and fungicides. Herbicide growth benefited not only from rebate normalization versus the previous year, mainly in North America, but also from robust volume growth in Brazil and Europe, especially from strong in-season demand for key products such as clethodim. Fungicide growth was primarily driven by mancozeb volumes in Brazil and North America, as well as captan volumes in Europe.

Our insecticide portfolio in the fourth quarter was impacted by lower acephate volumes in Brazil, which was also compounded by pricing challenges for acephate products in this market. But strong revenue growth in our NPP business, which is our natural plant protection portfolio, was driven by a mix of improved pricing as well as biostimulants volume growth specifically in Europe. I am pleased to highlight that our contribution margin for the fourth quarter has shown a remarkable turnaround, growing 900bps versus last year, demonstrating our ability to earn margins in this current environment.

Overall margin improvement was a result of improved product mix, mainly in our differentiated and sustainable segment, COGS improvement, and normalization of revaluation primarily in North America. Our differentiated and sustainable products grew volumes by 23% versus last year, led by insect control brands like Bright® in Brazil. Post-patent segment margin recovery was led by significant growth of captan in Europe and mancozeb in Brazil.

We're very encouraged by this trend and the continued strong adoption of our products by customers. Turning to SG&A, we continue our strong discipline around discretionary spend, but unfortunately, we did face, as Anand said, a few headwinds with our Chapter 11s that we experienced with customers in both Argentina and Brazil. But overall, the strong fourth quarter performance resulted in EBITDA margin improvement of over a 1,000bps.

Looking here at our regional performance for the quarter, overall growth in our LATAM region was impacted by market erosion, specifically in Argentina. Lower insecticide volumes in Brazil coupled with the impact of currency volatility and continued price pressure in the LATAM region. Brazil volume was led by mancozeb as well as acephate based solo and mixture products, demonstrating our continued ability to consolidate our market share.

In North America, we continue to experience strong in-season demand for our products, with channel inventories as well as rebates back to normal levels, as I mentioned earlier. The region had a robust 64% volume growth, supported by a strong herbicide portfolio with products such as clethodim, s-metolachlor, and metribuzin, all performing very well. Overall, the region grew by 84% in revenue versus last year.

In Europe, revenue was up 25%, boosted by favourable weather conditions and driven by strong volumes in fungicides such as Proxanil®, captan volumes, and strong growth in our biocontrol and biostimulant product lines. The rest of the world, comprising of Asia-Pacific and Africa, recorded 3% led growth and overall revenue growth.

So, in full year FY25, we posted 11% revenue growth versus last year, driven by industry-leading volume growth and a strong herbicide-led performance.

Contribution margins grew by 640bps to 32.5% versus last year. Turning to SG&A, the full-year impact of Chapter 11s in the LATAM region was around $14 million, leading to a slight increase of three percent overall in SG&A versus last year. Excluding this impact though, our SG&A would be lower on a year-over-year basis.

Focusing now on our strong EBITDA growth of 141%, this was driven by improved mix, lower COGS, higher contribution margin, and again disciplined control of our discretionary spend. Moving to our regional performance for the full year, North America and Europe recorded impressive volume-led revenue growth at 67% and 19% in each region respectively. Volumes in LATAM grew at 15%.

However, in spite of pricing pressure, currency volatility challenge, and a depressed market in Argentina, the region closed slightly up on revenue growth year-over-year. The rest of the world, specifically Africa and Asia-Pacific geography, posted 1% revenue growth driven by 4% volume growth, which overcame headwinds from currency and a little bit from pricing.

Turning to the performance of our differentiated and sustainable segment, I'd like to highlight that this segment continues its strong trajectory. Volumes in this segment grew by 21 percent, partly offset by currency headwinds resulting in 11 percent revenue growth versus last year, led by acephate based Feroce®, as well as acetamiprid-based Bright® in Brazil. This segment volume growth rate continues to outpace the post-patent segment with much higher product margins. This volume and revenue growth have improved our overall mix of differentiated and sustainable products to 38% this year versus 35% last year, and we remain on our path to achieve a 45-50% differentiated and sustainable mix by FY27.

Our focus on innovation and solving farmer pain points, as Jai talked about, is demonstrated by strong revenue growth from our new products, as I mentioned earlier. These new products delivered over 2% of our total revenue at $93 million, outperforming our $85 million target that we set at the beginning of the year. Moreover, most of our product launches were from the differentiated and sustainable segment, which helped improve our overall margins.

So, moving on to our FY26 outlook, we continue to see robust and strong farm gate demand for our products and technologies. However, we do expect the headwinds related to low Ag commodity prices to persist, resulting in flat to slightly lower profitability for farmers, with purchase patterns continuing to shift closer to the use season. While the macro challenges persist, we will continue to accelerate our sales mix towards differentiated and sustainable solutions, which is at the core of our growth strategy.

Our success with working capital management this past year resulted in low inventory at the start of this year, giving us the benefit of starting with fresh stocks. Further, key active ingredient prices have now stabilized, and we anticipated flat to slightly lower costs on internally sourced active ingredients as we go into FY26. On the geopolitical front, the current U.S. tariff policy as it exists today is beneficial to our India-based manufactured products.

With the planting season underway right now in the U.S., much of the needed products for this season are already on shore in the U.S., so we don't anticipate much impact from tariffs in our first half. That said, we have already adjusted some of our in-season pricing on some of our products to cover any additional tariffs which will be impacted by fresh imports into North America, into the U.S. specifically. On the supply chain front, we remain agile and flexible, ready to adapt to this ever-changing environment.

Turning to our FY26 operational strategy, our revised business model and strong momentum is set to deliver against this challenging backdrop, and our approach to profitable growth this year is a multi-prolonged strategy through three key areas. Firstly, driving operational excellence with purpose to deliver best-in-class customer outcomes. Secondly, disciplined resource allocation and portfolio management, delivering both contribution and EBITDA margin expansion, and finally, creating organizational efficiencies by continuing to transform our target operating model to enable more efficient and scalable growth.

Our FY25 success has given us clear momentum, and we'll use this to compete profitably and deliver our FY26 EBITDA and cash flow commitments. We will continue to focus on improving the quality of our business, focusing on margins and volume growth. New product launches and implementing our retailer and distributor approach, which focuses more on sell-out than sell-in, will continue to be a key focus of ours.

We have set an ambitious target in FY26 for new product launches of over $130 million in new revenue from new products that we'll launch this year. We have over 20 new products that we'll be launching across all regions this year, but the bulk of the new product launch revenue will come from North America, Latin America, and Europe. These new products cut across all segments, fungicides, herbicides, insecticides, and our NPP portfolio, but they're primarily in the differentiated and sustainable segment.

Our attention on cash generation still remains a priority, and our past year's best-in-class working capital management puts us in a unique position to both grow and generate free cash. The natural plant protection business had strong growth last year, and margins in this business continue to be robust. We remain focused on our ambition to grow faster than the market in our sustainable solution segment with an expected CAGR of roughly 13% between FY25 and FY30.

This segment comprises biologicals, biocontrol, and biostimulants, and it's a very important growth driver as we look forward. Most importantly, these products help our farmer customers improve soil quality, increase plant health, reduce their carbon footprint, and bring more resilience to their operations. Looking ahead, we have 10 new technologies in our natural plant protection development pipeline, and we're on track to deliver our commitment of $700 million of revenue in this segment by FY27.

As a reminder, our crop protection and sustainability solutions pipeline is built around customer centricity and a balance between traditional crop protection products and bio solutions. Our current pipeline value is ~$4.3 billion at peak sales, of which around $1.5 billion annual sales is expected by FY30. I would like to emphasize that we have 26 molecules in our development pipeline with several new entrants since our Capital Markets Day event, and 17 new solutions platforms.

So, in summary, FY25 was a year where our global crop protection business performed very well in a challenging market environment. Our focus on operational excellence proved our resilient core, and while the macro environment in FY26 continues to be challenging, we see a path to deliver another year of strong revenue and EBITDA growth, showing that we are ‘future-ready’. Finally, I'd like to thank our team for their dedicated efforts and our valuable channel partners around the world for driving forward together with strong purpose.

Thank you. With that, I'll call Ashish to talk about UPL SAS.

## Ashish Dobhal:

Thank you so much, Mike.

Good afternoon, everybody. A warm welcome to you in our Capital Market Day. A quick thing on the India business.

I think the year gone by was a very, very important business for us. It was a pivotal year because we didn't just recover from a very unfavourable place, but we actually rebuilt the business in this year with a lot of intent, with a lot of discipline, and with a future-looking lens.

Today, as we stand here, we have a much more resilient core, which is financially very strong, commercially sharper, and operationally leaner. And we just don't stop at this. As we go forward, we are 'future-ready'.

Our ambition to grow is very high, not just in terms of quantity, but also in quality. In the next few slides, I'll take you through how this transformation was done, but more importantly, why it is built to last.

FY25 key highlights for UPL-SAS. We've transformed to drive sustainable growth. Three big pillars. One was operational excellence, where we have redrawn the contracts with most of our customers because we were looking at very prudent credit policies and working capital usage. For almost 9,000 customers, the contracts were renegotiated. The placement was aligned very close to the season, and the forecasting was done very dynamically. We went aggressive to reduce SG&A, but at the same time, we increased the spend on training because it was very important to drive this transformation and execute it not just at the employee level, but also at the channel level.

Market and channel optimization. Last year in the Capital Markets Day, we promised that besides our traditional crops of cotton, soybean, and groundnut, we'll be focusing big time on corn, sugarcane and rice. And that's where a big chunk of our growth also comes in this year.

I'm very happy to say that we have aligned a go-to market strategy, not all over India, but with a very selected evolving demand pockets, which were actually selected based on intense analytics that we did on a lot of micro-markets. In terms of strategic portfolio, we went heavy on cutting down on products where the margins were less.

Herbicides. Overall India is increasing, and we are leading this evolution, where because of labour shortage in every single crop, herbicide segment is increasing. We have one of the biggest non-selective products in India with Sweep Power® and Ferio® in soybean. We are in pre, post, and early post segment.

The interesting piece was the resurgence of the legacy brands. So Saathi®, Saaf® and Lancer Gold® are household brands in India in the rural areas. These brands are 10 to 12 years old.

We were able to grow all these brands, not just in volumes, but also in margins.

Which brought us to this Q4. It was one of our strongest quarters. The big jump in revenue was basically on volumes, on liquidations in the rabi season, majorly in sugarcane, pulses. We are the leading company in pulses and south paddy. The key products are all high margin products for us. Iris® and Patela® are mainly on pulses. We have Saathi® on paddy, and Electron® and Cascade® on sugarcane.

EBITDA was mainly driven by a higher contribution, which was partly offset by some A&P (advertising and promotions) spends that we had to do at the end of the year for a lot of new launches. And on cash flow from operations there was a significant improvement, where inventory levels were brought down big time as compared to last year, and which also led to a major reduction in the working capital.

This brought us to the results of a revenue increase by 57% in Q4, from ₹4.3 billion to ₹6.8 billion, a contribution margin improvement from 5.7% to 27.8%, EBITDA of last year minus ₹0.4 billion to ₹0.9 billion. So, we have come back to some of the numbers in Q4 which are our historical best.

For the full year, to tell you the story, we did exceedingly well in the herbicide segment. Centurion® and Canora® today is the hottest product in soybean. Iris® and Patela ® are the leading products in soybean. Sweep Power® and Ferio® is a product which is an all-India product which goes everywhere, and it is a non-selective.

We've really created this segment. And a big chunk of our business this year comes from new product launches and the climate smart portfolio which we also call NPP. We have made massive improvements in share of our strategy crops like corn, rice and sugarcane, which to some extent has countered the offset which was because of decline in cotton.

Contribution margin was primarily led by the portfolio rationalisation and new launches and stable input costs this year. EBITDA was driven by improved contribution and overall efforts in optimisation for leaner and efficient structure. And cash flow from the operations once again was historic best for us this year, which in terms of number translates to ₹32.3 billion from ₹28.5 billion of last year which is a 13% growth.

A contribution margin jump from 19.2% to 26.8% for the full year. We also are looking at an EBITDA growth of about 232% from ₹1.3 billion to ₹4.4 billion which is ₹440 crores. And an EBITDA margin of 13.7% against 4.7% of last year.

Our digital platform nurture, I am very happy to report that last year we told that we'll make this platform contribution margin positive, we are now contribution margin positive. We have a GMV of ₹220 crore. We have brought down the EBITDA losses from about ₹1 billion to about ₹0.9 billion.

We are getting partners from across India, across categories, not just for crop protection but also for seeds, farm machinery equipment. The big chunk that we feel in the digital business, the big improvement that we can very proudly talk of is the increase in active users. So about 45% increase in active users and the engagement time which is the time spent on the app goes up by 60%.

These are two very important metrics to say that there's a big habit being formed in the rural areas. We have almost 60,000 to 70,000 retailers now transacting on the platform. For the coming year, what are the priorities, what are the new things? Well, not too much because we really believe that we've taken some big bold measures last year and it's very important to see through those measures and continue some of the work that we had started last year.

So, we continue to keep a very tight control on credit and commercial policies to sustain optimised working capital. The spend, the efficacy of the spend is very important and we are using tech enabled efficiencies to figure out how do we make sure that we get the maximum bang for our buck. In terms of our differentiated portfolio, we are going from 40 to 45% in the current year.

That's a big place where we are focusing on to increase the overall margins with the new products that we are launching this year. Our climate smart portfolio or the NPP portfolio and the rationalisation of the tail continues, and we continue to focus on the crops where there is a strong tailwind like corn and sugarcane.

Driving ESG is core to us. It's our heart and soul. Our name itself says UPL Sustainable Agro Solutions. Shashwat Mithaas is a program for sugarcane where we are giving end-to-end solutions of sugarcane with the traditional crop protection and climate smart practices and smart water products like Zeba®.

This whole program is adopted today by 16 sugar mills and another 16 sugar mills is something that we are about to sign which would mean almost 80,000 acres of sugarcane under this program.

Our rice carbon program is at a very interesting stage. It's in the second year. We've seen some amazing benefits of this program. We'll be able to update you more about this in next six to eight months. Our ProNutiva® program which is similar programs for other crops also are underway.

Our groundnut program is a very successful program and we are also planning to take it to other crops. NPP or the climate smart products of course is the heart and soul of the sustainability in farming.

Through some aggressive insurance plans and creative insurance schemes that we've given to the farmers and our retailers, we're promoting health and safety not only for our employees, but also for our distributors. Therefore, it's not limited to the staff.

Of course, with our increased reliance on the digital cyber risk policies is that we'll work very aggressively this year because we are more and more relying on digital and analytics to take decisions. In terms of digital transformation, we are doing it in three steps, three stages. No division is left without it. So Farmily is a digital platform for our business channel partners and engagement with them. And Nurture platform is mainly for farmers where we are giving host of our services, whether it is mechanization, advisory, insurance or traceability.

Everything is being given through nurture.farm. And two platforms for our own employees. One is Distributor360. You can see it outside. It's there in the experience centre which gives an amazing ability to our employees to just have a look at the app and figure out the quality of the customer he's working with, and accordingly device incentives or credit to those customers.

Swift Squad is a program which is for our third-party employees to make sure that their productivity increases and to make sure that their productivity is tracked digitally. Add to this, the big focus will be a ₹2 billion revenue from the new launches, which is the first year of sales.

So, we can very confidently say that this year, whatever we've done is not a flash in the pan. This is a business which is with a very strong core, and is future ready. And we're trying to develop a culture where excellence is a habit.

Thank you so much. With that, I'll call Bhupen.

## Bhupen Dubey:

Thank you, Ashish.

Just to break the good news, the UPL group is known for the ambition, aggression and global vision. Once you are a part of this group, it's impossible not to get infected in terms of rank ratings.

So, I and our team keep hearing about how UPL is now among world's top five players. And our team keeps thinking about when we will say this statement. I'm very happy to share with you today that independent company like AgbioInvestor analysed the data, and they say that Advanta is now one of top 10 seed companies globally. And if I may add associated group company where we have investment, I put ourselves at number 9. So now you can keep an eye on one more matrix, how the Advanta journey is growing. I do believe that the year is not far when we can also say that Advanta is one of the top 5 global seeds company.

That is the starting point. In terms of highlight of the performance of the current year, revenue growth is about 12%. As you are aware, like agrochemicals, seeds industry growth is also broadly 0-2%.

That is as per the published data available. In light of that background, I think 12% growth is very good growth. It could have been better, probably 15% - 16% had we got good supplies of seeds in H1.

EBITDA margin. We are trying to maintain sync with the top line. We are at 11%. Portfolio expansion is happening in more and more crops and in more and more segments.

As you are aware, Anand already indicated that the valuation of Advanta is $2.8 billion. With this, we are now most valuable pure-play seeds company in the world. And I do believe this journey will continue going forward.

Now in terms of annual performance, I think Q4 contribution is significant. Normally Q4 contributes in around the range of about 25-26%. In the current year, Q4 contributed more than 32% compared to previous year.

In terms of revenue, we grew by 37%. I think this was primarily due to huge advance cash collection, which came from the key countries like Thailand and India driven by the buoyancy in corn. That reflected in the demand for our corn and that helped us in building this revenue with 38% growth.

In terms of EBITDA, we have growth of about 160%. In terms of region-wise breakup, when you look at it this quarter, normally Asia, Middle East and Africa are at 41%. This year, they are about 45% because of the factor I just indicated.

The Americas remains at 32-33%, more or less the same. Australia slightly came down from 20% to 18%, while Europe remains at 6%. When we look globally, the annual number from the base of ₹41.5 billion moved up to ₹46.3 billion. It's about 12% growth and EBITDA growth is about 11%. In terms of source of growth, revenue volume was up about 7% and price is about 4%. With this, we were able to pass on the extra cost of production to the market.

In terms of contribution by region, more or less Asia and Africa remain 52%. Americas came down from 38% to 35%. Australia remains 11% and Europe is about 2%. Europe as I conveyed last time also, it is going to be small at 2%. Going forward, we believe it's very important strategically. It could be in the range of 15% to 20% but due to disturbances in Europe, because of the Russia and Ukraine war. We have slowed down some of our GTM initiatives, but the blueprint is ready. As soon as we get the news that more or less the war is ending, ceasefire is announced, we will accelerate our GTM and therefore this journey of 2% has a potential of going up 18% to 20%, moving forward.

In terms of contribution by the crop, tropical field corn is our main play. We are contributing about 41% growth, that is the contribution to total revenue. Second position is a grade in forest sorghum. Contribution to the revenue is about 25%. Sunflower and canola is 17%. Vegetable and corn are about 13%.

Technology brands such as iGrowth®, Ethomax®, Aphix®, Vertix® and Advanta Innovation Centre are our GTM platforms and technology platforms. I want to draw your attention to Ethomax®, the new sub-segment we created. In India, you are aware, the biggest movement happening in agriculture is ethanol driven by the corn consumption.

A huge number of ethanol manufacturing plants have come up. As a result, currently in India, the ethanol manufacturers have two feedstocks. One is broken rice from FCI, and corn coming directly. Now there's a competition for both the feedstock. The broken rice today, the price at which it is available, manufacturers find it is more profitable for them compared to the corn feedstock. The positive part is that the corn price in India is ₹2,400 to ₹2,800 per quintal. Farmers are extremely happy and the area under corn has gone up dramatically from a base of about 8.5 million hectares to about 11 million hectares.

There's a possibility of crossing 15-16 million hectares. If this virtuous cycle set by the government of India of allowing corn for the manufacturing of ethanol continues, there's a good possibility of growth there, so, we wanted to understand the entire value chain.

In the process, we realized, while farmers are extremely happy, but the ethanol manufacturers were not comfortable. They're still putting pressure on the government to release more broken rice because they were making more margins there. We then analysed the traits of the corn in the market.

So far, seed companies normally operate on what are the agronomic traits, the key marketing USPs, more yield, more tolerant against the pest or the disease are the USPs.

We analysed how do we really bring down the cost of production or increase yield for the ethanol manufacturers. This question we discussed internally with our R&D, technology development team, and they came up with the idea to analyse all corn available, seeds available in the marketplace and see what is the starch content in each, the carbohydrate content in it. Almost all the players in the market have carbohydrate content of about 65-66%. Advanta has the products which has got about 68-75% percent and this increase of four to six percent increases the carbohydrate straight away, increasing the yield per ton for the manufacturer.

So, we have now unique positioning whereby farmers make a lot of money because of our seeds giving them potentially 8-10 tons per hectare, which is one of the highest in the industry. Also, ethanol manufacturers gets the highest yield of ethanol per ton from Advanta seed corn. As a result, the entire new marketing platform we have created and with the branding, we have come out in the marketplace with this platform called Ethomax®. That means ethanol in every corn. So, with every grain of Advanta corn that you buy, you get more and more ethanol. This theme has tremendous traction now.

We have created a special team. They are going to the ethanol manufacturing plant along with their team of extension workers, developing talking points and covering this entire message to all these countries so that the relationship happens between Advanta's corn seed, Advanta corn farmers, ethanol manufacturers, and the entire complete scene so that we have a close look at the kind of things we are developing. I do believe that with the success and the initial response we are getting, this is really going to lead us in terms of accelerated growth of our business.

That's it, thank you very much.

## Raj Tiwari:

Thank you, Bhupen. Good evening, everyone and a warm welcome.

It gives me immense pleasure to stand in front of you to introduce the newest baby of UPL group, Superform Chemistries Limited. So, I'll start with safety because for us, everything starts with safety.

We started the safety transformation journey in April 2022 with the establishment of the framework with diagnosis, and then we started implementing those changes. We identified three themes, process safety, management, incident investigation, and the groundswell in terms of identifying more numbers of near misses and that's where we started building the competency in each of these categories. Then we sustained that and today the journey has completed 3 years and the result has been that we have not only been able to improve on our lagging indicators, but this year we can see our TRFR, which is total recordable frequency rate, matching best-in-class in chemical industry around the world, at 0.22. Superform came into existence on first of December, but the roots go back to fifty-five years.

We have built many technology or chemistry platforms. The first and the oldest one where Rajju Bhai started in 1969 was phosphorus.

We are India-based, our assets are based here, and therefore I'll talk a little on the speciality chemicals, of the chemistry industries outlook in India and why it is advantageous, and in given context, how does it make a difference?

India itself is a huge market. Whatever you do, you will able find home for most of your products here in India itself. You have a low cost of labour, which is also very highly skilled.

In last three years, the cost of energy has really been competitive. One of the handicaps for India was the, especially power. In last two or three years, the cost of power has really come down, if you played your cards right.

Also, as a country, we really lagged on the logistics network. Now with logistics parks, dedicated freight corridor, national highways, superhighways, that has really improved, and can be compared with some of the developing countries. The cost of capital is quite competitive, but the other key point is that we have a very strong IPR regime here in India.

Our legal system stands, and therefore the western customers are very comfortable having a relationship here in India, because IP rights get protected. And of course, in the new geopolitical context, 'China plus one', as we call it, another source, an alternate source is needed, to have a robust supply chain and not a broken one is extremely important. So being in India, which has got a very well-established chemical industry, is a sweet spot to have this billion-dollar kind of what I call it a startup.

What's impacting the Indian chemical industry? Import substitution, as India grows, as our consumption grows, we can see that a lot of opportunities in terms of making those products here in India itself, because it is more competitive, and you can actually do it at scale. Sustainable manufacturing, especially with the green chemistry and alternative energy being very competitive in India - that's another advantage. That's a key trend.

Of course, customers are looking at de-risking and therefore India is in a sweet spot and that is how it is being looked at as an integrated value chain. And lastly, government support in terms of PLI as a whole industry.

It doesn't matter whether chemicals as a pharma intermediate, or as ag, or specialty. The government is taking right steps in terms of supporting the industry. And that's a good trend. So, I'll take a couple of slides to introduce what Superform is, and what this brand is all about.

But before that, can we play the video, please?

***[A minute long video is played]***

That's Superform. Why the term ‘Superform’? Superform is a combination of two words. It depends how do you look at it.

‘Super’ and ‘form’, or ‘super’ and ‘perform’. If I look at outside-in view, it's all about supercharging the future, our future by reshaping the chemistry. Form is in shape, scale, difficulty, whatever.

And if I look at inside-out view, it's all about high quality product using high performance culture, high performing team. And that's what Superform is, that's what makes it a great brand. And of course, I'll talk about the idea behind the brands.

What's the purpose? What's our proposition? Our idea behind the brand was very simple, using, ‘chemistry as a change’.

Chemistry as you know chemical chemistry, but also as chemistry of humans, customers, shareholders, and the community at large, the place where we operate in, and the government. So, using chemistry as a change, bringing that positive change, and therefore change in chemistry, changes everything was our idea, which also became tagline for our brand. The purpose is to reinvent the chemistry, as world's most powerful force for bringing that positive change, not only for our customer, but for the community, for the shareholders, for the, employees, for every soul, which we touch with

And the proposition, this is coming out of a legacy, our 55 years of history, delivering high performance chemistries at scale, and that's what we are known as, which creates wonderful impact for the world. We have always believed in creating chemistries at scale, and that's what we have been doing for last, 50 years, and that became our proposition. So, while we restructured this as a standalone business, our idea was that, we have always been, we have always invested heavily in our manufacturing assets to be able to support our ag business, and that's how in last 50 years, we have been able to grow our Ag so aggressively.

But now, our focus will not only be at Ag, as our Ag business will continue to grow, we will continue to invest in Ag, but we'll also start developing and applying chemistries in other applications, whether it is pharma intermediates, or mining chemicals, or application in mining, or application in textile, flame retardants, or in lubricants. So, we are looking at applications where our chemistries have strength, and then we are building those technology platforms and having bolt-on products. And this is where we are going to focus on our new capabilities.

Now, since we have created this platform, we are now open to the world, wherein we are going to offer our 55 years of capabilities which we have created, not only the tech platforms, but also the chemistries. Not only in ag, but also outside Ag. So, these are the applications which I talked about. We want to quickly scale-up our speciality chemicals business, so that we can unlock the shareholders' value.

And with us having a board and a separate entity, this will help us bringing not only the operational efficiencies, but manage the cost, extremely well, to be able to deliver, comparable, sectoral results. And this is how we are structured. Superform, you know, currently has 75% of our revenue coming from our ag and NPP business, and 25% of our revenue coming from speciality chemicals, animal health, and health and nutrition business.

Now, what is the competitive edge? When we build this platform, very clearly, the scale of operations to achieve global competencies, that, you know, clearly stands as the competitive edge. Our 50 years of experience in taming most hazardous and complex chemistries, that has been, another competitive advantage. Our access to very high quality, and competitive feedstock, that's the competitive, advantage.

And not to forget, our backward integration and downstream applications which we have already created in the last few years. In terms of key chemistries, that's in the last 3-4 years is what, except for phosphorus, we have built. The phosphorus chemistry's competency has been built over last 50 years, which we will reap the benefit of with those bolt-on products.

Application-wise, if you see the whole flame-retardant business, moving away from halogenated to phosphorus-based, that's where, we get, tailwind. In the battery applications, the energy storage applications in lithium-ion battery, we get, that, that's the trend, emerging, and that's where we are going to be. Remember, UPL, used to make for good 25-30 years yellow phosphorus, which is, elemental phosphorus.

Now, because of competency reasons, we stopped manufacturing 15 years back. We want to be back there, into it. The cynation chemistry's technology in the platform we built in last three years, and that investment we have already done.

Now, that platform being in place, now all the cynation-based bolt-on products are coming in. Whether they find applications in mining or in chelating agents and many other applications. Our phosgene chemistry platform, that also the investment is already done, and, we have built that plant.

Again, here also, our extension of the products where the growth will come from, right from, paint to pharma intermediates, those products are coming up. And mind you, these technology platforms are not only complex, but they are at world scale. We have already established these, platform at world-scale capacities.

The other chemistries where we have huge competency is the sulphur, the $H_2S$-based chemistry, where, we are already there in terms of $Na_2S$ and NaSH, but we are also building other applications which go into lubricants and pharma applications as well.
So, what are the highlights? Our year-on-year revenue grew by 6%, but our speciality chemicals business grew by 24%, largely coming from volume growth. We have entered into

six binding and non-binding agreements last year, with, on top-end, potential of ₹2,000 crores revenue every year.

We have launched seven products in speciality chemicals and Ag last year. I know some of you would find, Paraoxy sulphur not being there because it was already launched the previous year. We reduced our inventory 24% by almost ₹330 crores last year, so a lot of focus on our working capital management to ensure free cash.

This is a full-year number which I'm presenting because we don't have a comparable quarter number since we came into being only on 1st of December.

For the full year, our revenue was more than ₹10,000 crores, with 6% revenue growth. Our contribution margin contracted by 200 bps because of product mix and our overheads was largely flat.

Our EBITDA, de-grew 7% at 11.2%. I've shown the speciality chemicals number separately at the bottom. You can see our speciality chemicals business grew 24% to ₹1,700 crores and EBITDA for the speciality chemicals business grew 16% to ₹370 crores.

Thank you very much. I invite Anand to take it forward. Thank you.

## Anand Vora:

Thank you, Mike, Ashish, Bhupen and Raj. I think they have provided a good insight into how the business performed last year, and also a peek into the future opportunities that they're exploring.

With this, I'll share the guidance for the next year. Considering all the macro-factors, the prevailing geopolitical situation - every day I guess all of us end up first watching the Twitter, and, seeing what's the next thing coming up. So, considering all that, we are guiding for a revenue growth in the band of 4% to 8% and an EBITDA growth of about 10% to 14%.

I would like to add here that we expect Q1 and Q2 to be subdued considering all the geopolitical turmoil. However, we remain confident of delivering the above guidance for the full financial year. So, with this, we will start the Q&A session.

I would like to invite the business heads and Mr. Shroff, on the stage, and we'll start the Q&A session. Give us about two to three minutes to set up the stage. Thank you.

## Q & A Session:

**Somaiah Valliyappan:** Hello. Yeah. Hi, sir.

This is, I'm Somaiah from Avendus Spark . Thanks for the update. A couple of questions.
So, first thing, on the guidance of 4% to 8% for this year, is there any pricing-led benefit we are making in? That's first. And across geographies, where do we see a higher growth on a relative basis within this 4% to 8%? And what would be the reasons for a one-edge slightly being subdued compared to what we're expecting later? Thanks.

**Mike Frank:** So, the regions where we would likely to see a stronger growth in 4 to 8% would include North America, Latin America, and potentially the rest of the world region.

There's where we see continued strength. I think you need to think about it, though, in context to the industry. You know, we just saw this past quarter, all our peers report, and for the most part, most companies were flat to down on revenue.

In fact, some companies were down in the double digits. And so, the industry continues to be very challenging. Obviously, we outperformed that in our fourth quarter.

We believe we'll continue to outperform the industry. But our expectation is that the industry overall this year will be roughly flat. There'll be some volume growth and maybe a little bit of price degrowth.

And so that's what we're expecting, and we're going to outperform it. So, that's where we guide it to the 4% to 8%.

**Somaiah Valliyappan**: Just one follow-up. When we are looking at this current quarter performance, generally, when I look at the global peers, I think North America has been a bit of a tough environment for them, whereas you have done very well in North America. Whereas in LATAM, they've been able to do relatively better. Is this the impact for us? Is it because of the distribution impact which you mentioned? Or is there anything else between the two geographies? What led to outperformance in one and what led to an impact in the other?

**Mike Frank:** Yeah, we're quite pleased with the overall performance in Latin America last year, including in Q4.

Our performance in Mexico, Central America, and Brazil all outperformed the market based on our competitive intelligence. Argentina has been a very challenging market all year, including in Q4. We do expect that is going to start turning around as we head into FY26.

But overall, we believe our performance across Latin America was strong. As you said, in North America, we had a very strong Q4. But again, on a comparative basis, the Q4 a year ago was somewhat weak.

And so, you really need to take a look over that time horizon. But we've got good momentum across the Americas. Again, as I mentioned, a. lot of our new products, the $130 million plus of new product revenue, a lot of that is going to come in Latin America.

That would be the number one region from a new product standpoint. Next would be North America, and then finally Europe. And so that's where we're optimistic going into FY26.

**Somaiah Valliyappan:** Thanks for that, sir.

**S. Ramesh:** Good evening, I'm S. Ramesh from Nirmal Bang. Thanks for the insightful presentation and your good performance.

If you look at the guidance again, in terms of the pricing pressure that seems to continue, is it possible to share how much of that will come from volume growth and what's your expectation on pricing power going forward in FY26 to 27? And secondly, in terms of your new product share, is it about 2%? If you look at your innovation rate, how do you read these two? Because there's a divergent trend there. So just to put that in context, if you can help us understand the share of new products, you're talking about $130 million, and the innovation rate of 25%, how do we stack that up? And in terms of the crop prices, if I may ask, they're still trying to find their feet. So, what is your reading on crop prices? When do you see that find some strength? Thank you.

**Mike Frank:** Maybe we'll have each of the platform leaders talk a little bit about their price versus volume. I would say for the international crop protection business, as we look at FY26 right now, it'll be primarily a volume-driven growth. There may be 1% to 2% price, but we're also expecting some FX headwinds, specifically from Brazil and potentially a few other countries.

I think from a new product standpoint, so our innovation rate in FY25 was 14%, with the strong class of FY26 plus the ramp up from last year's products, that's where we're expecting about a 17.5% innovation rate in FY26, which means 17.5% of our revenue are products that have been in the market in the last five years. So, it kind of is a refresher, we call it the innovation rate. Again, as we look forward to the end of the decade, based on the strength of our R&D pipeline, we believe that our innovation rate by the end of the decade will be in the mid-20s, 24% to 25%.

So, we're very excited about our new products that are coming through the pipeline.

**Ashish Dobhal:** For India, I think similar to what Mike has said, the majority will be the volume growth. However, we are expecting at least 1% or 2% of price growth also.

In terms of our innovation rate, we are running at an innovation rate of 20% plus, which in the next three years, the way some of our portfolios are shaping up, we are looking at an innovation rate in excess of 35%.

**S. Ramesh:** Let me ask a follow-up question on sustainable and differentiated products. So, is it possible to give us some broad ballpark share across the different geographies? We understand the overall revenue breakup, so is it possible to give us some kind of guidance in terms of the breakup of the sustainable and differentiated products you've already achieved across the regions?

**Mike Frank:** Firstly, one of the reasons we're so excited about our differentiated and sustainable products is because the margin profile, on average, is 600 to 1,000 basis points higher than the post-patent segment.

So, from a profitability standpoint, again, they create a lot of value for growers, and in turn, they create a lot of value for us. We don't split out specifically by geography, but I would say the strongest share of mix would be in Latin America, where our differentiated portfolio would be at or near that 50-50 ratio already. We're driving new innovation across all the regions, and as I mentioned, about 80% of all of our new revenue that we're delivering through new product launches is in the differentiated or sustainable category, and so that's why we're going to continue to move towards that 50-50 mix in that FY27-FY28 range.

**S. Ramesh:** Thank you, everyone.

**Jai Shroff:** So, it's not easy to sell the NPP portfolio, but we've launched products and have had tremendous success in Asia, in micro markets, on certain crop value chains, including Europe and Africa. So, across the board, we've seen great traction.

It's an evolving business. It's an evolving understanding, and so you will see the results in consistently improving and our acceptance of all the technologies much more.

**S. Ramesh:** I had a question on the outlook for crop prices. So where do you see that?

**Mike Frank:** Well, it's always hard to predict crop prices. If you look at futures right now, there's some strength in corn crops. Right now, the stocks-to-use ratio on corn is very healthy with quite low ending inventory coming into this next year.

Unfortunately, soybeans is the opposite of that, where there's lots of high-ending inventories on soybeans, and so we think the soybean market is likely subdued with some potential strength in corn. So, from a major row crop standpoint, those two will kind of drive it, and then other crops will get impacted based on substitution.

**S. Ramesh:** Thank you very much.

**Abhijit Akela:** Thank you. This is Abhijit Akela from Kotak. First one was just on the peak sales pipeline number that was shared in the slides.

The number seems to be about $4.3 billion. I believe it was $5 billion last year. So, if you could please just help us understand what's driving the change of that.

**Mike Frank:** Yeah, good question. There’re really two things. One is we pulled out, obviously, the class of FY25 that we just launched, and it was a good class with a pretty strong ramp up in peak sales.

And then secondly, as we looked at pricing, over the past 18 months, prices have come down across the board in the crop protection space, and so we've scrubbed that aggressively, and we did moderate pricing as we think about peak sales of those products based on the current realities. Now, again, I think this is probably as low as it gets, so there could be some upside to that, but our planning on roughly the $4.5 billion of peak sales is based on the current market environment from a pricing perspective.

**Abhijit Akela:** Thank you. And the other one I had was just on the guidance. This time, there's no mention of free cash flow or further debt reduction or net working capital, so if you could please help us with those.

**Jai Shroff:** So, I think the performance from last year, we've established what we've been able to deliver.

I think all the platforms are completely focused on improving that, and we continue to drive better business efficiency. We believe the whole industry will take guidance from what we've delivered and improve that. That will help us also to improve our cash generation.

So that continued effort is, I think there was, prior to this year, there was a little bit of discussion about our ability to generate free cash, and I think that is demonstrated, so now it's part and parcel of each of the platforms' KPIs or deliverables.

**Saurabh Jain:** Saurabh Jain from HSBC.

Congratulations on a good set of numbers, and congratulations, Anand, on your superannuation. And good to know that you will still be associated with UPL, so that's very heartening. My question is again going back to the guidance.

You said the first half is going to be subdued. Can you share more insights? Do you expect to be on the lower side of the revenue guidance, or it can be even worse than that? And also, if that is the case, given the base of the margins that we have in the first half last year, is it going to be a fair assumption that the margins that we might do would be much better than what we did in the first half of last year?

**Anand Vora:** You saw quarter four, we ended with robust margins, and I think the focus will remain on improving the margins. I think considering what guidance has been given, and if you look at most of our peer group also, they have been all talking about almost flat growth in revenue and maybe one or two percent growth in EBITDA.

While we continue to outperform, and we are quite confident, but at the same time, considering all the geopolitical events and the turmoil, like today you saw both China and US have reached a deal where they've dropped the tariffs to 30%, and so it's highly volatile, and we just would like to maintain our record, which last year we lost that record of always overperforming on whatever we have guided. So, just being a bit cautious. It's not that the team are not going to deliver or work towards showing an improvement or growth, but we just thought if we are going to the investing community, we should just be a bit cautious considering all the turmoil that's going around.

**Mike Frank:** And maybe just to add, I do agree with the comment that the revenue growth in the first half will be subdued, but to your point, our margins have improved as we went through the year, and so I think you could model similar margins to what we saw at least in the global crop protection business in Q4, and we're going to continue to be very disciplined in SG&A. So, while revenue will be, I think, modest, we should see some EBITDA growth, including in the first half.

**Saurabh Jain:** Thank you. That is useful. But again, when we just try to work out the numbers, your full year guidance on the revenue and EBITDA, that translates to a full year EBITDA margins of about 18.5%, while your current run rate is about 20%, and you alluded to that it's a safe assumption to build in as the margins going forward. So, what is the disconnect there? Or you are just trying to be more conservative, and there could be a set risk to what you deliver?

**Jai Shroff:** There is so much volatility in what is happening on commodity trade flows with China, with Brazil and US. And to predict exactly how everything is going to trend, it's better to be conservative. But we believe that UPL is in a better place to perform than the rest of the industry. Being in such a volatile environment, 1% here and there is better to be safe.

**Saurabh Jain:** Understood. If one question I may just squeeze in. Your perpetual bond coupon is due to be reset this month, right, which is going to increase the cost for you by a big quantity. Any insights you can share what's going to be the future strategy with the coupon? Are you looking to redeem that or it's going to continue? Any insights would be very useful. Thanks.

**Anand Vora:** You've seen the interest rates, especially the SOFR going, or the treasury rates moving quite violently over the last three weeks.

Again, India premiums have gone up significantly. Hopefully they should be coming down. We are going to call a short notice board meeting, and we're going to place to the board both the options of whether we roll it over or we redeem them.

So, we'll take a decision, and you'll hear about it shortly.

**Saurabh Jain:** Thank you very much and all the best.

**Tarang Agrawal:** Hi, good evening. Tarang from Old Bridge. Just a couple of questions to Anand and Bhupen. Anand, first, how confident are you to really maintain the working capital numbers that you've come through as on 31st March 25?

**Anand Vora:** I think this year we really focused hard and I think we ourselves were pleasantly surprised by all the, four business heads, the effort put in to really bring down the working capital, especially manage the inventory and also push aggressively for the collections.

I think from here on our challenge would be to maintain at these levels. It could go up marginally, but I think everybody has seen the benefit of a low working capital and how it can, I would say, even improve the relationship with the distributors. There are a lot of distributors who have been very pleased with what we have been doing, because it gets rid of some of the other marginal distributors as they struggle with the finances.

So overall, we have seen very positive results on both the inventory management as well as the receivables, and we will continue and work towards maintaining at these levels. We could see a few days of working capital going up, but effort would be to maintain at the current levels.

**Tarang Agrawal**: So, you basically moved from early 80s to about mid-50s now. Would you therefore, as we see you moving forward and also because what I picked up from Mike's address also is generally overall working capital across the channels compressed quite a bit because of the cycle that the industry underwent. So, would it therefore be fair to presume that you guys would be closer to mid-60s maybe, I mean, or you all could probably come back to early 80s?

**Anand Vora:** I think mid-60s should be something which should be modelled in. We will try to remain at the current levels, but as you know this is really a push that all the four platforms did. So, I would say pen in mid-60s working capital in a number of days.

**Tarang Agrawal:** Thank you. Jai, you guys have done exceedingly well in terms of overshooting your sustainability targets for financial year 25 and, you know, it does seem like you're going to probably overshoot your mid-term expectations as well.

So how does it overall, I mean, in the current scheme of things, how does it help you conduct your business? It's great. It makes the organisation more sustainable, but does it help you, you know, are your customers more amenable to transact with you? Does it position you better overall? How does it help in the overall business? We understand that sustainability linked financing is one ploy which helps out, but just wanted to get your perspective in terms of how it's helping you.

**Jai Shroff:** So, there are different aspects of sustainability we look at.

We look at our manufacturing platform, how do we go to more renewable energy, and that aspect is actually, a bit accretive. So, we make a lot of, we get a lot of advantage, the cost of energy is much lower. So that's helping us on recycling, waste recycling, creating value-added products from our waste so we don't put it in for incineration.

All these aspects are something which our teams in different parts of our R&D development teams are constantly seeing how we can add value from our base, how we can recover more water, how we can reduce the amount of water, how we can use lower cost energy as instead of cooling towers. So, there's a lot of things which are actually accretive to bottom line, so we are implementing those, and it's very helpful, very exciting actually. Love you to come and see what we are doing, the energy cell and some of the other people, they're doing excellent stuff.

On the front-end side, on farmers, on, you know, our portfolio of what we call sustainable and differentiated technologies are all value-added, so our approach, as I was saying, comes from pain points.

We see the sugar industry under a lot of pressure, sugarcane industry under a lot of pressure for reduction of water, waste of fertilizer, there's a lot of soft pressure from the central government, from competing industries who need water cities, so all those.

The Shashwat Mithas project, the World Bank was here in Lucknow, they were very interested in what we are doing, so an environmental impact of overusing nitrogen, etc., so these are huge challenges which, there is a lot of soft pressure on the industry, and if we believe that some of these solutions, at least the leadership in the sugar mills are very interested, we need to incentivize that more in terms of heat stress and climate portfolio which we have, as temperatures in February, March increase.

There's a lot of impact of heat stress on wheat and other crops, we have amazing technology which can actually protect the plant from heat stress, so all those things we are piloting, large scale piloting, quite a few farmers have adopted to that and they're seeing the benefit of all that high.

Our technology to increase protein content in wheat, if you saw the budget last year, I was so happy to see that one of the big drivers in our government budget in India was about protein production and we can increase protein in wheat, we've seen some fantastic trials in Argentina and other places, so there is a lot of these things, that are all value adding and we will not bring technologies which is not really value adding and increasing the cost because I don't think that farmers in the world are ready to absorb more cost to be sustainable. So, all our portfolio of technologies are adding value, improving farmer resilience, so we don't see that as a burden, we see that as a long term opportunity and as we break through on some of the technologies and they start scaling, we think the benefit of that because the profitability is good on these products, much better than as Mike said, than the regular technology, so once we get a breakthrough and we are getting breakthroughs in different value chains, you will see the impact of that in recurring revenues from these businesses.

The adoption of other technologies because they're all unique, and there is nothing like, you're not competing on price, you're competing on results and once you get the trust of the farmers or the food companies around that, because a lot of pressure is coming from food companies, saying can you help my farmers give me better quality or better yield, they want, the other thing is they want the farmers to earn more money. So it's much easier that they earn money by increasing productivity rather than paying them less and some of these things are, this is where we are really focused on, so I don't see that as much of a burden on the balance sheet, it's all incremental, obviously we, and just transportation, you've seen we are spending tens of millions of dollars on transportation, going to EV, we think we can save a lot of money, so all the things we are implementing are value accretive to us and we are getting the credit for that.

Our team is a little more agile than most other companies, so we are a little bit ahead of the curve, but I think eventually a lot of people will catch up and we'll move on.

**Anand Vora:** Thanks. Raj, you want to add something on manufacturing?

**Raj Tiwari:** No, I mean, sustainability for us has been a governance and an efficiency tool, I mean it is not that we have to do for the sake of it, and because of the work which we have done and the history behind it. I mean you asked about the traction with the customer, on the Spec Chem side, we do see interest in terms of attractiveness, not in terms of pricing, but in terms of better relationship and better share of business, I mean that's what I can say, but for us, without this we don't exist, so that's the starting point, so both in governance as well as on environmental front.

**Tarang Agrawal:** Just one question on Advanta, during your address you did seem to hint that at some point of time Europe could be a sizeable market for you, would it be in the current suit of crops that you are operating, or you are looking at new crops, number one.

Number two, in FY25 specifically, I think corn was flattish or slightly below FY24, my sense is it has to do a lot with procurement which you spoke of in H1, but how should we look at, I mean in FY26, is corn going to be really the big driver for your business and also in Europe? Thanks.

**Bhupen Dubey:** Thank you and congratulations to you, you could really understand what I was speaking in my presentation, so two comments, on the Europe part I think it's a bit, we started R&D station in Ukraine in 2016, especially Europe, Central Europe and Eastern Europe, one of the important market is sunflower seed, nearly a billion dollar, normally before we identify targeted segment, we just look within our system, what are the competencies which we have, which can help us producing a seed, which has a unique proposition for the farmer, we just don't want to go for the sake of participating in a segment, that is not the philosophy we operate on.

We believe that we have a unique germplasm in sunflower, we have nearly 35-38% market share in Argentina, same germplasm using in this market, we are just adapted for the local disease tolerance, so we started investing in 2016 and 2021, it's a long cycle, you know that, we started getting a me too product and we started advancing in the marketplace commercially and now a couple of products are there which are differentiated, we have R&D in Ukraine, a production centre we decided to put in Romania and unfortunately first truck for the commercial sale moved from Romania into Ukraine and that was 22nd February 2022, Russia invaded, such a disappointing part, so we were at a crossroad, we thought it will go away six, eight, nine months, one year and still we must continue, so we continue that investment R&D, GTM etc.

Now we're becoming too tough, been nearly three years, so in fact before I came here, a week before we had a strategy meeting, what do we do, it's like a sunk cost because we have to deliver and we have more other segment available, should we stick with it, so our team will decided that now, we will maintain our expenses under control, GTM under control, so we are moving this R&D activity towards Hungary which is a central part of it, I'm giving little more details to you, so you understand thought behind it, because we do believe that this a billion dollar market, this fragmentation is happening there, many of the European company who are very good in this products in France and all, they are not able to sell to Russia, Advanta is perceived globally as a Indian company and therefore friendly towards that part of the world and therefore we have great opportunity, so we and therefore I still believe that should give us about 15 to 20% on a realistic basis, could be more, part one, part two, in the geography where we build our position with the sunflower.

We do believe that we have a genetics in temperate corn, all the corn story you have seen right now success coming out of the tropical corn, subtropical corn and we believe now we need to expand the addressable market and we have a small germplasm in Australia, in Argentina and we want to invest in germplasm also, in fact we also acquired some small germplasm company in Italy, very small one but from R&D perspective very important, so we are building a germplasm bank for the temperate corn and in a couple of months we will decide on appointing a breeder etc. and set the breeding there.

So, this two points put together we believe that we can really add tremendous value in this market, so that is part of the Europe story. In terms of India, you observed very rightly, last year we suffered quite a lot, demand was robust, demand is robust and likely to be robust because of the reasons I explained. Currently if you have seen our working capital part, February-March picked up much higher than the last year, significantly, as I speak right now more and more trucks are coming from seed production farmers to our plant as I speak to you today, so we are very comfortable in terms of tropical, subtropical corn which is coming up and we are very well covered compared to last year and compared to the expectation which we have. So, demand is very robust and likely to continue and you have seen Ethomax and we have a differentiated product, so that way, I think that story will continue, momentum will continue quite robust.

**Tarang Agrawal:** Thank you and congrats to the team on a very strong pullback, super, thanks.

**S. Ramesh:** Hello, so in terms of your debt reduction, can we assume that the entire interest cost on the debt reduction will flow through below EBITDA or is there some increase in interest cost you should build in because you may see some incremental growth in debt, how do you see that?

**Anand Vora:** So we have, when we gave the guidance we have, of course we have given up to EBITDA, but we will see some reduction in interest costs as we move forward because of the cash generated during this year, but at the same time geographies like Brazil and some other Latin countries, interest costs are going up actually, so it's going to be volatile. We have built in some higher interest costs, but we expect to end the year at least next year, hopefully if everything goes well, with a reduced interest cost.

**S. Ramesh:** So, without any intention to put you on the spot, going back to the guidance, it seems to me that if you see the way seed business and UPL SAS is going, they may perform above your 4-8% growth guidance and maybe UPL Corp may possibly be growing at a slower pace, is that correct?

**Anand Vora:** Well, we need your good wishes, I'm sure we'll do it.

**S.Ramesh:** Thank you.

**Jai Shroff:** I think just to be very cautious, coming from a very tough last year to a very improved year, I think everybody is cautious, I think all the businesses will deliver growth, I believe, and I think we should have a more positive outlook then, can be much more positive.

**Anand Vora:** Any further questions or we can call it a day? We'll be available for one-on-one discussions, but if there's any further questions, happy to take. Yeah, thank you.

Thanks. Yeah, just before we end, I just want to introduce Bikash, who is going to take over, and before I hand over, Bikash, why don't you just come. Before I hand over the mic to him, I would like to thank each one of you for your support.

Thank you very much.

**Bikash Prasad**: Standing here today and assuming the role of Group CFO of your admired company is a true honour for me. UPL's journey, remarkable journey of growth, transformation, and innovation really inspires me, and I'm eager to build on the momentum. As I take over the mantle from Anand, I would like to express my heartfelt gratitude for his exceptional contributions to the group.

His leadership has been exceptional and really led to the financial success and growth. As I'm stepping into this role, I'm committed to upholding the highest standards of integrity and professional discipline while driving sustainable growth and value creation. I'm truly excited to join the talented teams at UPL and looking forward to work alongside all the partners like you in navigating the evolving landscape.

I look forward to contributing to the continued success and growth for the group. Thank you.

**Anand Vora:** Thank you.

Please do join us for high tea.