



UNITED BREWERIES LIMITED

October 20, 2022

1. Department of Corporate Services,  
BSE Limited,  
Floor 25, P J Towers,  
Dalal Street,  
Mumbai - 400 001

2. Department of Corporate Services,  
National Stock Exchange of India Ltd.,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East),  
Mumbai - 400 051

**Scrip Code: 532478**

**Scrip Code: UBL**

Dear Sirs,

**Sub: Outcome of Board Meeting - Unaudited Financial Results for Quarter ended September 30, 2022**

In terms of Regulation 33 (and all other provisions pertaining to disclosure requirements, if any) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are furnishing herewith Statement of Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and year to date period ended September 30, 2022 along with Independent Auditor's Review Report.

The Board Meeting commenced at 12:30 p.m. and concluded at 20:30 p.m.

The Results will be published in an English daily and also in a local Newspaper in Kannada, being the regional language where the Registered office of the Company is situated.

A copy of the Press Release is enclosed.

Thanking you, we remain,

Yours faithfully,  
For UNITED BREWERIES LIMITED

**GOVIND IYENGAR**  
Company Secretary

Encl: As above

**UNITED BREWERIES LIMITED**

Registered office: UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru - 560001

Phone: 080 - 45655000 Fax: 080 - 22211964, 22229488

CIN: L36999KA1999PLC025195 Email: ublinvestor@ubmail.com Website: www.unitedbreweries.com

Rs. in Lakhs

**Statement of unaudited standalone assets and liabilities**

Particulars	As at	As at
	September 30, 2022	March 31, 2022
	Unaudited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	1,86,222	1,88,838
(b) Capital work-in-progress	10,810	10,989
(c) Intangible assets	1,430	1,638
(d) Financial assets		
(i) Investments	1,581	1,600
(ii) Other financial assets	4,017	4,417
(e) Income tax assets (net)	20,195	20,195
(f) Deferred tax asset (net)	3,751	3,843
(g) Other non-current assets	23,564	25,012
	<b>2,51,570</b>	<b>2,56,532</b>
<b>Current assets</b>		
(a) Inventories	1,16,486	93,441
(b) Financial assets		
(i) Trade receivables	1,25,764	1,25,450
(ii) Cash and cash equivalents	71,283	86,238
(iii) Bank balances other than (ii) above	6,565	4,536
(iv) Other financial assets	99	115
(c) Other current assets	25,443	27,271
	<b>3,45,640</b>	<b>3,37,051</b>
(d) Assets held for sale	488	488
	<b>3,46,128</b>	<b>3,37,539</b>
<b>Total assets</b>	<b>5,97,698</b>	<b>5,94,071</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	2,644	2,644
(b) Other equity	3,92,437	3,90,557
	<b>3,95,081</b>	<b>3,93,201</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Lease liabilities	800	606
(ii) Other financial liabilities	1,925	2,497
(b) Provisions	797	441
	<b>3,522</b>	<b>3,544</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Lease liabilities	360	368
(ii) Trade payables		
- Total outstanding dues to micro and small enterprises	7,521	9,144
- Total outstanding dues of creditors other than micro and small enterprises	46,761	54,625
(iii) Other financial liabilities	72,739	55,719
(b) Other current liabilities	59,380	67,256
(c) Provisions	9,980	10,214
(d) Current tax liabilities (net)	2,354	-
	<b>1,99,095</b>	<b>1,97,326</b>
<b>Total equity and liabilities</b>	<b>5,97,698</b>	<b>5,94,071</b>





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Rs. in Lakhs

**Statement of unaudited standalone financial results for the quarter and year to date ended September 30, 2022**

Particulars	Quarter ended			Year to date ended		Year ended
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 INCOME</b>						
(a) Revenue from operations (gross of excise duty)	3,67,075	5,19,402	3,29,391	8,86,477	5,94,509	13,11,741
(b) Other income	1,431	1,036	455	2,467	1,064	2,966
<b>Total income</b>	<b>3,68,506</b>	<b>5,20,438</b>	<b>3,29,846</b>	<b>8,88,944</b>	<b>5,95,573</b>	<b>13,14,707</b>
<b>2 EXPENSES</b>						
(a) Cost of materials consumed	90,417	1,33,207	62,908	2,23,624	1,14,453	2,71,394
(b) Purchase of stock-in-trade	1,578	3,527	5,330	5,105	9,578	19,582
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,410)	(912)	582	(3,322)	2,549	2,289
(d) Excise duty on sale of goods	1,99,120	2,75,737	1,86,772	4,74,857	3,40,088	7,28,548
(e) Employee benefits expense (refer Note 6)	9,422	9,491	10,156	18,913	18,635	38,379
(f) Contract employee expense	4,462	5,379	3,251	9,841	6,118	13,557
(g) Finance costs	99	83	473	182	859	1,478
(h) Depreciation and amortisation expense	5,198	5,753	5,564	10,951	11,079	21,691
(i) Other expenses	42,575	66,468	43,832	1,09,043	76,986	1,68,500
<b>Total expenses</b>	<b>3,50,461</b>	<b>4,98,733</b>	<b>3,18,868</b>	<b>8,49,194</b>	<b>5,80,345</b>	<b>12,65,418</b>
<b>3 Profit before tax</b>	<b>18,045</b>	<b>21,705</b>	<b>10,978</b>	<b>39,750</b>	<b>15,228</b>	<b>49,289</b>
<b>4 Tax expense</b>						
(a) Current tax	4,336	5,754	3,442	10,090	4,601	13,159
(b) Deferred tax charge/(credit)	290	(217)	(529)	73	(522)	(371)
<b>Total tax expense</b>	<b>4,626</b>	<b>5,537</b>	<b>2,913</b>	<b>10,163</b>	<b>4,079</b>	<b>12,788</b>
<b>5 Profit for the period/year</b>	<b>13,419</b>	<b>16,168</b>	<b>8,065</b>	<b>29,587</b>	<b>11,149</b>	<b>36,501</b>
<b>6 Other comprehensive income/(loss) (OCI)</b>						
Items that will not be reclassified to profit or loss in subsequent periods						
Re-measurement gains/(losses) on defined benefit plans	1,142	(1,067)	571	75	337	80
Income tax effect on above	(288)	269	(144)	(19)	(85)	(20)
<b>Total other comprehensive income/(loss), net of taxes</b>	<b>854</b>	<b>(798)</b>	<b>427</b>	<b>56</b>	<b>252</b>	<b>60</b>
<b>7 Total comprehensive income for the period/year</b>	<b>14,273</b>	<b>15,370</b>	<b>8,492</b>	<b>29,643</b>	<b>11,401</b>	<b>36,561</b>
<b>8 Paid up equity share capital (Face value of Re. 1 each)</b>	<b>2,644</b>	<b>2,644</b>	<b>2,644</b>	<b>2,644</b>	<b>2,644</b>	<b>2,644</b>
<b>9 Other equity</b>						<b>3,90,557</b>
<b>10 Earnings per equity share in Rs. (nominal value per share Re. 1)**</b>						
(a) Basic	5.08	6.11	3.05	11.19	4.22	13.81
(b) Diluted	5.08	6.11	3.05	11.19	4.22	13.81

\*\*Not annualised for interim periods

**Segment information (also refer Note 3)**

Rs. in Lakhs

Particulars	Quarter ended			Year to date ended		Year ended
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 Segment revenue</b>						
Beer	3,66,946	5,18,668	3,28,497	8,85,614	5,92,927	13,08,753
Non-alcoholic beverages	129	734	894	863	1,582	2,988
<b>Total segment revenue</b>	<b>3,67,075</b>	<b>5,19,402</b>	<b>3,29,391</b>	<b>8,86,477</b>	<b>5,94,509</b>	<b>13,11,741</b>
<b>2 Segment results</b>						
Beer	24,114	29,460	19,315	53,574	30,694	83,938
Non-alcoholic beverages	(407)	(860)	(1,347)	(1,267)	(2,551)	(6,510)
<b>Total segment results</b>	<b>23,707</b>	<b>28,600</b>	<b>17,968</b>	<b>52,307</b>	<b>28,143</b>	<b>77,428</b>
Other income	1,431	1,036	455	2,467	1,064	2,966
Finance costs	(99)	(83)	(473)	(182)	(859)	(1,478)
Other unallocable expenses	(6,994)	(7,848)	(6,972)	(14,842)	(13,120)	(29,627)
<b>Profit before tax</b>	<b>18,045</b>	<b>21,705</b>	<b>10,978</b>	<b>39,750</b>	<b>15,228</b>	<b>49,289</b>

See accompanying notes to the standalone financial results



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Rs. in Lakhs

**Unaudited standalone cash flow statement for the year to date ended September 30, 2022**

Particulars	Year to date ended	
	September 30, 2022	September 30, 2021
	Unaudited	Unaudited
<b>A Cash flow from operating activities</b>		
Profit before tax	39,750	15,228
<u>Adjustments for:</u>		
Depreciation and amortisation expense	10,951	11,079
Bad debts/advances written off	-	263
Loss allowance for trade receivables	333	603
Provision for doubtful advances/deposits	14	154
Unrealised exchange differences (net)	104	16
Net (gain)/loss on sale of property, plant and equipment	(21)	11
Profit on sale of investments	-	(75)
Liabilities no longer required written back	(13)	(51)
Loss allowance for trade receivables, no longer required written back	(4)	(217)
Interest expense	171	853
Interest income	(1,305)	(532)
Dividend income	(23)	(23)
<b>Operating profits before working capital changes</b>	<b>49,957</b>	<b>27,309</b>
<b>Movement in working capital:</b>		
(Increase)/decrease in Inventories	(23,045)	7,445
(Increase)/decrease in Trade receivables	(710)	23,346
(Increase)/decrease in Other financial assets	379	(38)
(Increase)/decrease in Other assets	2,835	11,156
Increase/(decrease) in Trade payables	(9,646)	(24,667)
Increase/(decrease) in Other financial liabilities	16,917	6,608
Increase/(decrease) in Other current liabilities and provisions	(7,679)	(13,445)
<b>Cash generated from operations</b>	<b>29,008</b>	<b>37,714</b>
Direct taxes paid (net of refund)	(7,736)	(6,875)
<b>Net cash flow from operating activities (A)</b>	<b>21,272</b>	<b>30,839</b>
<b>B Cash flow from investing activities</b>		
Purchase of property, plant and equipment including capital work-in-progress, intangible assets and capital advances	(9,092)	(7,693)
Proceeds from sale of property, plant and equipment	44	13
Investments in equity and debt securities	-	(251)
Proceeds from sale of investments	19	124
Investments in bank deposits (having original maturity of more than three months)	(145)	(20)
Redemption/maturity of bank deposits (having original maturity of more than three months)	160	-
Interest received	1,321	430
Dividend received from subsidiary company	23	23
<b>Net cash (used in) investing activities (B)</b>	<b>(7,670)</b>	<b>(7,374)</b>
<b>C Cash flow from financing activities</b>		
Repayment of long-term borrowings	-	(3,125)
Payment of lease liabilities	(757)	(247)
Repayment of short-term borrowings (net)	-	(17)
Interest paid	(37)	(742)
Dividend paid to equity shareholders*	(27,763)	(1,322)
<b>Net cash (used in) financing activities (C)</b>	<b>(28,557)</b>	<b>(5,453)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(14,955)</b>	<b>18,012</b>
Cash and cash equivalents at the beginning of the period	86,238	40,940
<b>Cash and cash equivalents at the end of the period</b>	<b>71,283</b>	<b>58,952</b>

\*Includes amount transferred to separate bank accounts earmarked for unpaid dividend



## NOTES

1. The standalone financial results of United Breweries Limited ("the Company") for the quarter ended September 30, 2022 and the year to date period from April 1, 2022 to September 30, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on October 19, 2022 and October 20, 2022, respectively, and have been subjected to limited review by the statutory auditors of the Company. The standalone financial results for the quarter ended June 30, 2022, quarter and year to date ended September 30, 2021 and year ended March 31, 2022 were reviewed/audited by previous auditors.
2. The standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
3. As per Ind AS 108, operating segment is a component of the Company that engages in business activities, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ('CODM') to make decisions about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available. Accordingly, the Company has identified its operating segments, as below:
  - (a) Beer - This segment includes manufacture, purchase and sale of beer including licensing of brands
  - (b) Non-alcoholic beverages - This segment includes manufacture, purchase and sale of non-alcoholic beverages

Considering the seasonality of the business, the revenue and profits do not accrue evenly over the year in respect of aforesaid operating segments. The Company's CODM does not review assets and liabilities for each operating segment separately, hence segment disclosures relating to total assets and liabilities have not been furnished.

4. The Company received an order dated September 24, 2021 under Section 27 of the Competition Act, 2002 from the Competition Commission of India ("CCI") ("the CCI Order"), wherein the CCI concluded that the Company and certain executives (including former executives) of the Company contravened the provisions of Section 3 of the Competition Act, 2002. The CCI levied a penalty of Rs. 75,183 Lakhs on the Company. On December 8, 2021, the Company filed an appeal against the aforesaid CCI Order before the National Company Law Appellate Tribunal ('NCLAT'). The NCLAT vide its order dated December 22, 2021 granted a stay of the CCI Order during the pendency of the appeal, including recovery of the penalty imposed by the CCI, subject to deposit of 10% of the penalty amount by the Company. The Company has accordingly deposited Rs. 7,518 Lakhs with the Registrar, NCLAT which is presented under "Other non-current assets".

Based on the advice of the external legal experts, the Company is of the view that the Director General and the CCI has not considered all aspects of its submissions particularly considering the nature of the regulations governing the manufacture, distribution and sale of beer in India. As advised by the Company's external legal experts, the Company has a strong case on merits, there exists uncertainty relating to the final outcome in this matter, which is dependent on judicial proceedings; and that it is not in a position to reliably estimate the final obligation relating to penalties, if any. Accordingly, no provision has been recorded in the books of account and the same has been considered as a contingent liability in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets.

5. The Bihar State Government ("the Government") vide its notification dated April 5, 2016 had imposed ban on trade and consumption of alcoholic beverages in the State of Bihar. The Company had filed a writ petition with the High Court at Patna, requesting remedies and compensation for losses incurred on account of such abrupt notification, which was allowed by Patna High Court and against which the Government preferred a special leave petition before the Supreme Court of India. Further, the Government did not renew brewery licenses for the financial year 2017-18 onwards and consequently the Company discontinued production of beer at Bihar. The matter is currently pending before the Supreme Court for final conclusion.



During the financial year 2018-19, in order to maintain the assets in running condition, the Company commenced manufacture of non-alcoholic beverages at its existing manufacturing facility at Bihar using its existing property, plant and equipment. The Company carries out an impairment assessment of its property, plant and equipment and the recoverable amount for these property, plant and equipment is determined by an external valuer based on a fair value less cost of disposal calculation.

Effective May 1, 2022, the Company has closed its manufacturing operations from Bihar unit and has made alternative arrangement for manufacturing non-alcoholic beverages on contract basis with a third-party contractor, considering the economies of scale of operations for non-alcoholic beverages. The Company has received a show cause notice dated June 25, 2022 from Bihar Industrial Area Development Authority (BIADA) for cancellation of its land lease at Bihar considering non-operation of the manufacturing unit. The Company, based on legal advice, has filed its response to the said show-cause notice stating that there has been no violation of the BIADA Act and the notice to the Company is not maintainable. As at September 30, 2022, the carrying value of property, plant and equipment at Bihar is Rs. 9,498 Lakhs (net of impairment).

6. Employee benefits expense for the year ended March 31, 2022 includes severance pay of Rs. 1,748 Lakhs paid to certain employees of the Company on separation.
7. During the quarter ended June 30, 2022, based on a concern raised from a member of senior management of the Company, the majority shareholder with the co-operation of the Company initiated a review of the appropriateness of commercial terms with certain distributors and vendors in certain states. The review is ongoing and yet to be completed. Pending conclusion of the review, no adjustments have been determined necessary to the unaudited standalone financial results of the Company for the quarter and half year ended September 30, 2022.
8. As a result of an ongoing post integration review undertaken by Heineken, which acquired a majority equity stake in the Company in June 2021, the Company is implementing a change in its existing operating models in the states of Tamil Nadu and Andhra Pradesh. This resulted in the termination of its agency contracts in the aforementioned states. Whilst the change did not impact availability of the Company's brands and sales in these states during the quarter and half year ended September 30, 2022, the Company continues to closely monitor the operations in these states.
9. The Company had received orders from the Debt Recovery Tribunal, Karnataka, Bangalore (DRT), whereby the Company has been directed not to pay/release amounts that may be payable with respect to shares in the Company held by an erstwhile director (including his joint holdings) and certain other shareholders, without its prior permission; accordingly, the Company has withheld payment of Rs. 3,812 Lakhs (net of taxes) relating to dividend on aforesaid shares. Further, the Company had received various orders from tax and provident fund authorities prohibiting the Company from making any payment to an erstwhile director; accordingly the Company has withheld payment of Rs. 45 Lakhs (net of TDS) relating to director commission and sitting fees payable to the aforesaid erstwhile director.
10. The Code on Social Security, 2020 ("the Code) which would impact the contributions by the Company towards Provident Fund and Gratuity, has received Presidential assent in September 2020. The Code have been published in the Gazette of India. However, the date from which the Code will come into effect has not been notified. The Ministry of Labour and Employment (Ministry) has released draft rules for the Code on November 13, 2020 and has invited suggestions from stake holders which are under active consideration by the Ministry. The Company will complete its evaluation and will give appropriate impact in its standalone financial results in the period in which the Code becomes effective and the related rules are published.
11. The Board of Directors of the Company at its meeting held on April 26, 2022 had proposed dividend of Re. 10.50 per equity share of Re. 1 each amounting to Rs. 27,763 Lakhs for the year ended March 31, 2022, which was approved at the annual general meeting of the Company held on August 10, 2022. The aforesaid dividend was paid during the quarter resulting in a cash outflow of Rs.27,763 Lakhs.



12. Previous year/periods figures have been regrouped/reclassified to confirm with the classification adopted in these standalone financial results.
13. The standalone financial results and notes are also available on the websites of the Stock Exchanges viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and also on the website of the Company viz. [www.unitedbreweries.com](http://www.unitedbreweries.com).

Place : Bengaluru  
Date : October 20, 2022

By the authority of the Board



Rishi Pardal  
Managing Director



## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF UNITED BREWERIES LIMITED

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **United Breweries Limited** ("the Company"), for the quarter and six months ended September 30, 2022 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. We draw attention to Note 7 regarding the ongoing review by the majority shareholder with the cooperation of the Company regarding the appropriateness of commercial terms with certain distributors and vendors in certain states. Pending conclusion of this review, we are unable to comment on its impact, if any, on the attached unaudited standalone financial results.

This matter was also qualified in the report of the predecessor auditor on the standalone financial results for the quarter ended June 30, 2022.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, except for the possible effects of the matter described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



# Deloitte Haskins & Sells

6. We draw attention to below mentioned notes to the accompanying unaudited standalone financial results:

- a. As described in Note 4, the Company has a strong case based on external legal advice relating to judicial outcome of the matter pertaining to the levy of a penalty of Rs. 75,183 Lakhs on the Company, by the Competition Commission of India (CCI) and the Company is not in a position to reliably estimate, if any, the final obligation relating to penalties. Accordingly, no provision has been recorded in the books of account and amount is disclosed as contingent liability.
- b. As described in Note 5 relating to the uncertainty of the outcome of special leave petition filed by the Bihar State Government before the Honourable Supreme Court of India and the consequential impact thereof on carrying value of property, plant and equipment.

Our conclusion is not modified in respect of the aforesaid matters.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)



**Gurvinder Singh**  
Partner  
(Membership No. 110128)  
UDIN: 22110128BAJTGK6543

Place: Bengaluru  
Date: October 20, 2022

**UNITED BREWERIES LIMITED**

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Rs. in Lakhs

**Statement of unaudited consolidated assets and liabilities**

Particulars	As at	As at
	September 30, 2022	March 31, 2022
	Unaudited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	1,86,379	1,89,008
(b) Capital work-in-progress	10,810	10,989
(c) Intangible assets	1,430	1,638
(d) Goodwill on consolidation	645	645
(e) Financial assets		
(i) Investments	816	835
(ii) Other financial assets	4,596	4,816
(f) Income tax assets (net)	20,199	20,199
(g) Deferred tax asset (net)	3,752	3,844
(h) Other non-current assets	23,593	25,044
	<b>2,52,220</b>	<b>2,57,018</b>
<b>Current assets</b>		
(a) Inventories	1,16,650	93,581
(b) Financial assets		
(i) Trade receivables	1,25,780	1,25,486
(ii) Cash and cash equivalents	71,329	86,260
(iii) Bank balances other than (ii) above	6,568	4,708
(iv) Other financial assets	99	115
(c) Other current assets	25,448	27,275
	<b>3,45,874</b>	<b>3,37,425</b>
(d) Assets held for sale	488	488
	<b>3,46,362</b>	<b>3,37,913</b>
<b>Total assets</b>	<b>5,98,582</b>	<b>5,94,931</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	2,644	2,644
(b) Other equity	3,92,775	3,90,868
<b>Equity attributable to equity holders of parent company</b>	<b>3,95,419</b>	<b>3,93,512</b>
Non-controlling interest	440	414
	<b>3,95,859</b>	<b>3,93,926</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Lease liabilities	800	606
(ii) Other financial liabilities	1,925	2,497
(b) Provisions	797	441
	<b>3,522</b>	<b>3,544</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Lease liabilities	360	368
(ii) Trade payables		
- Total outstanding dues to micro and small enterprises	7,521	9,158
- Total outstanding dues of creditors other than micro and small enterprises	46,726	54,642
(iii) Other financial liabilities	72,847	55,810
(b) Other current liabilities	59,384	67,261
(c) Provisions	9,989	10,222
(d) Current tax liabilities (net)	2,374	-
	<b>1,99,201</b>	<b>1,97,461</b>
<b>Total equity and liabilities</b>	<b>5,98,582</b>	<b>5,94,931</b>





**UNITED BREWERIES LIMITED**

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Phone: 080 - 45655000 Fax: 080 - 2221964, 22229488

CIN: L36999KA1999PLC025195 Email: ubinvestor@ubmail.com Website: www.unitedbreweries.com

Rs. in Lakhs

Statement of unaudited consolidated financial results for the quarter and year to date ended September 30, 2022						
Particulars	Quarter ended			Year to date ended		Year ended
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 INCOME</b>						
(a) Revenue from operations (gross of excise duty)	3,67,351	5,19,608	3,29,473	8,86,959	5,94,736	13,12,392
(b) Other income	1,416	1,043	445	2,459	1,061	2,979
<b>Total income</b>	<b>3,68,767</b>	<b>5,20,651</b>	<b>3,29,918</b>	<b>8,89,418</b>	<b>5,95,797</b>	<b>13,15,371</b>
<b>2 EXPENSES</b>						
(a) Cost of materials consumed	90,246	1,32,924	62,737	2,23,170	1,14,191	2,70,729
(b) Purchase of stock-in-trade	1,578	3,527	5,330	5,105	9,578	19,582
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,461)	(896)	587	(3,357)	2,563	2,301
(d) Excise duty on sale of goods	1,99,120	2,75,737	1,86,772	4,74,857	3,40,088	7,28,548
(e) Employee benefits expense (refer Note 6)	9,521	9,598	10,244	19,119	18,809	38,755
(f) Contract employee expense	4,462	5,379	3,251	9,841	6,118	13,557
(g) Finance costs	99	83	473	182	859	1,478
(h) Depreciation and amortisation expense	5,204	5,760	5,568	10,964	11,092	21,719
(i) Other expenses	42,943	66,725	44,013	1,09,668	77,291	1,69,258
<b>Total expenses</b>	<b>3,50,712</b>	<b>4,98,837</b>	<b>3,18,975</b>	<b>8,49,549</b>	<b>5,80,589</b>	<b>12,65,927</b>
<b>3 Profit before tax</b>	<b>18,055</b>	<b>21,814</b>	<b>10,943</b>	<b>39,869</b>	<b>15,208</b>	<b>49,444</b>
<b>4 Tax expense</b>						
(a) Current tax	4,353	5,782	3,438	10,135	4,602	13,203
(b) Deferred tax charge/(credit)	290	(218)	(529)	72	(522)	(367)
<b>Total tax expense</b>	<b>4,643</b>	<b>5,564</b>	<b>2,909</b>	<b>10,207</b>	<b>4,080</b>	<b>12,836</b>
<b>5 Profit for the period/year</b>	<b>13,412</b>	<b>16,250</b>	<b>8,034</b>	<b>29,662</b>	<b>11,128</b>	<b>36,608</b>
<b>6 Other comprehensive income/(loss) (OCI)</b>						
Items that will not be reclassified to profit or loss in subsequent periods						
Re-measurement gains/(losses) on defined benefit plans	1,142	(1,067)	571	75	337	80
Income tax effect on above	(288)	269	(144)	(19)	(85)	(20)
<b>Total other comprehensive income/(loss), net of taxes</b>	<b>854</b>	<b>(798)</b>	<b>427</b>	<b>56</b>	<b>252</b>	<b>60</b>
<b>7 Total comprehensive income for the period/year</b>	<b>14,266</b>	<b>15,452</b>	<b>8,461</b>	<b>29,718</b>	<b>11,380</b>	<b>36,668</b>
<b>8 Profit for the period/year attributable to:</b>						
Equity shareholders of the Holding Company	13,405	16,209	8,038	29,614	11,127	36,546
Non-controlling interest	7	41	(4)	48	1	62
	<b>13,412</b>	<b>16,250</b>	<b>8,034</b>	<b>29,662</b>	<b>11,128</b>	<b>36,608</b>
<b>9 Other comprehensive (loss)/income (OCI) attributable to:</b>						
Equity shareholders of the Holding Company	854	(798)	427	56	252	60
Non-controlling interest	-	-	-	-	-	-
	<b>854</b>	<b>(798)</b>	<b>427</b>	<b>56</b>	<b>252</b>	<b>60</b>
<b>10 Total comprehensive income for the period/year attributable to:</b>						
Equity shareholders of the Holding Company	14,259	15,411	8,465	29,670	11,379	36,606
Non-controlling interest	7	41	(4)	48	1	62
	<b>14,266</b>	<b>15,452</b>	<b>8,461</b>	<b>29,718</b>	<b>11,380</b>	<b>36,668</b>
<b>11 Paid up equity share capital (Face value of Re. 1 each)</b>	<b>2,644</b>	<b>2,644</b>	<b>2,644</b>	<b>2,644</b>	<b>2,644</b>	<b>2,644</b>
<b>12 Other equity</b>						<b>3,90,868</b>
<b>13 Earnings per equity share in Rs. (nominal value per share Re. 1)**</b>						
(a) Basic	5.07	6.13	3.04	11.20	4.21	13.82
(b) Diluted	5.07	6.13	3.04	11.20	4.21	13.82

\*\*Not annualised for interim periods

Segment information (also refer Note 3)

Particulars	Rs. in Lakhs					
	Quarter ended			Year to date ended		Year ended
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 Segment revenue</b>						
Beer	3,67,222	5,18,874	3,28,579	8,86,096	5,93,154	13,09,404
Non-alcoholic beverages	129	734	894	863	1,582	2,988
<b>Total segment revenue</b>	<b>3,67,351</b>	<b>5,19,608</b>	<b>3,29,473</b>	<b>8,86,959</b>	<b>5,94,736</b>	<b>13,12,392</b>
<b>2 Segment results</b>						
Beer	24,305	29,396	19,290	53,701	30,677	84,080
Non-alcoholic beverages	(407)	(860)	(1,347)	(1,267)	(2,551)	(6,510)
<b>Total segment results</b>	<b>23,898</b>	<b>28,536</b>	<b>17,943</b>	<b>52,434</b>	<b>28,126</b>	<b>77,570</b>
Other income	1,416	1,043	445	2,459	1,061	2,979
Finance costs	(265)	83	(473)	(182)	(859)	(1,478)
Other unallocable expenses	(6,994)	(7,848)	(6,972)	(14,842)	(13,120)	(29,627)
<b>Profit before tax</b>	<b>18,055</b>	<b>21,814</b>	<b>10,943</b>	<b>39,869</b>	<b>15,208</b>	<b>49,444</b>

See accompanying notes to the consolidated financial results



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Rs. in Lakhs

**Unaudited consolidated cash flow statement for the year to date ended September 30, 2022**

Particulars	Year ended	
	September 30, 2022	September 30, 2021
	Unaudited	Unaudited
<b>A Cash flow from operating activities</b>		
Profit before tax	39,869	15,208
<u>Adjustments for:</u>		
Depreciation and amortisation expense	10,964	11,092
Bad debts/advances written off	-	263
Loss allowance for trade receivables	333	603
Provision for doubtful advances/deposits	14	154
Unrealised exchange differences (net)	104	16
Net (gain)/loss on sale of property, plant and equipment	(16)	11
Profit on sale of investments	-	(75)
Liabilities no longer required written back	(13)	(51)
Loss allowance for trade receivables, no longer required written back	(4)	(217)
Interest expense	171	853
Interest income	(1,320)	(546)
<b>Operating profits before working capital changes</b>	<b>50,102</b>	<b>27,311</b>
<b>Movement in working capital:</b>		
(Increase)/decrease in Inventories	(23,069)	7,445
(Increase)/decrease in Trade receivables	(690)	23,349
(Increase)/decrease in Other financial assets	380	(36)
(Increase)/decrease in Other assets	2,837	11,225
Increase/(decrease) in Trade payables	(9,226)	(24,675)
Increase/(decrease) in Other financial liabilities	16,936	6,593
Increase/(decrease) in Other current liabilities and provisions	(7,679)	(13,446)
<b>Cash generated from operations</b>	<b>29,591</b>	<b>37,766</b>
Direct taxes paid (net of refund)	(7,761)	(6,889)
<b>Net cash flow from operating activities (A)</b>	<b>21,830</b>	<b>30,877</b>
<b>B Cash flow from investing activities</b>		
Purchase of property, plant and equipment including capital work-in-progress, intangible assets and capital advances	(9,095)	(7,705)
Proceeds from sale of property, plant and equipment	39	14
Investments in equity and debt securities	-	(251)
Proceeds from sale of equity and debt securities	19	124
Investments in bank deposits (having original maturity of more than three months)	(326)	(115)
Redemption/maturity of bank deposits (having original maturity of more than three months)	327	83
Interest received	1,336	444
<b>Net cash (used in) investing activities (B)</b>	<b>(7,700)</b>	<b>(7,406)</b>
<b>C Cash flow from financing activities</b>		
Repayment of long-term borrowings	-	(3,125)
Payment of lease liabilities	(757)	(247)
Repayment of from short-term borrowings (net)	-	(17)
Interest paid	(519)	(742)
Dividend paid*	(27,785)	(1,344)
<b>Net cash (used in) financing activities (C)</b>	<b>(29,061)</b>	<b>(5,475)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(14,931)</b>	<b>17,996</b>
Cash and cash equivalents at the beginning of the period	86,260	40,970
Cash and cash equivalents at the end of the period	<b>71,329</b>	<b>58,966</b>

\*Includes amount transferred to separate bank accounts earmarked for unpaid dividend and also includes dividend paid for non-controlling interest



## NOTES

1. The consolidated financial results of United Breweries Limited (“the Company” or “the Holding Company”) and its subsidiary (together referred to as “the Group”) and its associate for the quarter ended September 30, 2022 and the year to date period from April 1, 2022 to September 30, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on October 19, 2022 and October 20, 2022, respectively, and have been subjected to limited review by the statutory auditors of the Holding Company. The consolidated financial results does not include the Holding Company’s share of net profit/loss in respect of Kingfisher East Bengal Football Team Private Limited, an associate, which is considered as not material to the Group. The consolidated financial results for the quarter ended June 30, 2022, quarter and year to date ended September 30, 2021 and year ended March 31, 2022 were reviewed/audited by previous auditors.
2. The consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
3. As per Ind AS 108, operating segment is a component of the Group that engages in business activities, whose operating results are regularly reviewed by the Group’s Chief Operating Decision Maker (‘CODM’) to make decisions about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available. Accordingly, the Group has identified its operating segments, as below:
  - (a) Beer - This segment includes manufacture, purchase and sale of beer including licensing of brands
  - (b) Non-alcoholic beverages - This segment includes manufacture, purchase and sale of non-alcoholic beverages

Considering the seasonality of the business, the revenue and profits do not accrue evenly over the year in respect of aforesaid operating segments. The Group’s CODM does not review assets and liabilities for each operating segment separately, hence segment disclosures relating to total assets and liabilities have not been furnished.

4. The Holding Company received an order dated September 24, 2021 under Section 27 of the Competition Act, 2002 from the Competition Commission of India (“CCI”) (‘the CCI Order’), wherein the CCI concluded that the Holding Company and certain executives (including former executives) of the Holding Company contravened the provisions of Section 3 of the Competition Act, 2002. The CCI levied a penalty of Rs 75,183 Lakhs on the Holding Company. On December 8, 2021, the Holding Company filed an appeal against the aforesaid CCI Order before the National Company Law Appellate Tribunal (‘NCLAT’). The NCLAT vide its order dated December 22, 2021 granted a stay of the CCI Order during the pendency of the appeal, including recovery of the penalty imposed by the CCI, subject to deposit of 10% of the penalty amount by the Holding Company. The Holding Company has accordingly deposited Rs. 7,518 Lakhs with the Registrar, NCLAT which is presented under “Other non-current assets”.

Based on the advice of the external legal experts, the Holding Company is of the view that the Director General and the CCI has not considered all aspects of its submissions particularly considering the nature of the regulations governing the manufacture, distribution and sale of beer in India. As advised by the Holding Company’s external legal experts, the Holding Company has a strong case on merits, there exists uncertainty relating to the final outcome in this matter, which is dependent on judicial proceedings; and that it is not in a position to reliably estimate the final obligation relating to penalties, if any. Accordingly, no provision has been recorded in the books of account and the same has been considered as a contingent liability in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets.



5. The Bihar State Government (“the Government”) vide its notification dated April 5, 2016 had imposed ban on trade and consumption of alcoholic beverages in the State of Bihar. The Holding Company had filed a writ petition with the High Court at Patna, requesting remedies and compensation for losses incurred on account of such abrupt notification, which was allowed by Patna High Court and against which the Government preferred a special leave petition before the Supreme Court of India. Further, the Government did not renew brewery licenses for the financial year 2017-18 onwards and consequently the Holding Company discontinued production of beer at Bihar. The matter is currently pending before the Supreme Court for final conclusion.

During the financial year 2018-19, in order to maintain the assets in running condition, the Holding Company commenced manufacture of non-alcoholic beverages at its existing manufacturing facility at Bihar using its existing property, plant and equipment. The Holding Company carries out an impairment assessment of its property, plant and equipment and the recoverable amount for these property, plant and equipment is determined by an external valuer based on a fair value less cost of disposal calculation.

Effective May 1, 2022, the Holding Company has closed its manufacturing operations from Bihar unit and has made alternative arrangement for manufacturing non-alcoholic beverages on contract basis with a third-party contractor, considering the economies of scale of operations for non-alcoholic beverages. The Holding Company has received a show cause notice dated June 25, 2022 from Bihar Industrial Area Development Authority (BIADA) for cancellation of its land lease at Bihar considering non-operation of the manufacturing unit. The Holding Company, based on legal advice, has filed its response to the said show-cause notice stating that there has been no violation of the BIADA Act and the notice to the Holding Company is not maintainable. As at September 30, 2022, the carrying value of property, plant and equipment at Bihar is Rs. 9,498 Lakhs (net of impairment).

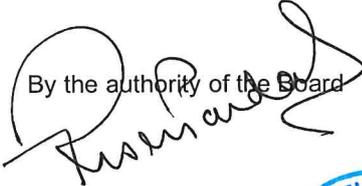
6. Employee benefits expense for the year ended March 31, 2022 includes severance pay of Rs. 1,748 Lakhs paid to certain employees of the Holding Company on separation.
7. During the quarter ended June 30, 2022, based on a concern raised from a member of senior management of the Company, the majority shareholder with the co-operation of the Company initiated a review of the appropriateness of commercial terms with certain distributors and vendors in certain states. The review is ongoing and yet to be completed. Pending conclusion of the review, no adjustments have been determined necessary to the unaudited consolidated financial results of the Company for the quarter and half year ended September 30, 2022.
8. As a result of an ongoing post integration review undertaken by Heineken, which acquired a majority equity stake in the Company in June 2021, the Holding Company is implementing a change in its existing operating models in the states of Tamil Nadu and Andhra Pradesh. This resulted in the termination of its agency contracts in the aforementioned states. Whilst the change did not impact availability of the Company’s brands and sales in these states during the quarter and half year ended September 30 2022, the Company continues to closely monitor the operations in these states.
9. The Holding Company had received orders from the Debt Recovery Tribunal, Karnataka, Bangalore (DRT), whereby the Holding Company has been directed not to pay/release amounts that may be payable with respect to shares in the Holding Company held by an erstwhile director (including his joint holdings) and certain other shareholders, without its prior permission; accordingly, the Holding Company has withheld payment of Rs. 3,812 Lakhs (net of taxes) relating to dividend on aforesaid shares. Further, the Holding Company had received various orders from tax and provident fund authorities prohibiting the Holding Company from making any payment to an erstwhile director; accordingly the Holding Company has withheld payment of Rs. 45 Lakhs (net of TDS), relating to director commission and sitting fees payable to the aforesaid erstwhile director.



10. The Code on Social Security, 2020 ("the Code) which would impact the contributions by the Group towards Provident Fund and Gratuity, has received Presidential assent in September 2020. The Code have been published in the Gazette of India. However, the date from which the Code will come into effect has not been notified. The Ministry of Labour and Employment (Ministry) has released draft rules for the Code on November 13, 2020 and has invited suggestions from stake holders which are under active consideration by the Ministry. The Group will complete its evaluation and will give appropriate impact in its consolidated financial results in the period in which the Code becomes effective and the related rules are published.
11. The Board of Directors of the Holding Company at its meeting held on April 26, 2022 had proposed dividend of Re. 10.50 per equity share of Re. 1 each amounting to Rs. 27,763 Lakhs for the year ended March 31, 2022, which was approved at the annual general meeting of the Holding Company held on August 10, 2022. The aforesaid dividend was paid during the quarter resulting in a cash outflow of Rs.27,763 Lakhs.
12. Previous year/periods figures have been regrouped/reclassified to confirm with the classification adopted in these consolidated financial results.
13. The consolidated financial results and notes are also available on the websites of the Stock Exchanges viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and also on the website of the Holding Company viz. [www.unitedbreweries.com](http://www.unitedbreweries.com).

Place : Bengaluru  
Date : October 20, 2022



By the authority of the Board  


Rishi Pardal  
Managing Director



## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF UNITED BREWERIES LIMITED

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **United Breweries Limited** ("the Company" or "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") for the quarter and six months ended September 30, 2022 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Holding Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the Holding Company and its Subsidiary i.e., Maltex Malsters Limited.
5. We draw attention to Note 7 regarding the ongoing review by the majority shareholder with the cooperation of the Company regarding the appropriateness of commercial terms with certain distributors and vendors in certain states. Pending conclusion of this review, we are unable to comment on its impact, if any, on the attached unaudited consolidated financial results.

This matter was also qualified in the report of the predecessor auditors on the consolidated financial results for the quarter ended June 30, 2022.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of the other auditor referred to in paragraph 8 below, except for the possible effects of the matter described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, has not been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting



# Deloitte Haskins & Sells

principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. We draw attention to below mentioned notes to the accompanying unaudited consolidated financial results:
- a. As described in Note 4, the Holding Company has a strong case based on external legal advice relating to judicial outcome of the matter pertaining to the levy of a penalty of Rs. 75,183 Lakhs on the Holding Company, by the Competition Commission of India (CCI) and the Holding Company is not in a position to reliably estimate, if any, the final obligation relating to penalties. Accordingly, no provision has been recorded in the books of account and amount is disclosed as contingent liability.
  - b. As described in Note 5 relating to the uncertainty of the outcome of special leave petition filed by the Bihar State Government before the Honourable Supreme Court of India and the consequential impact thereof on carrying value of property, plant and equipment.

Our conclusion is not modified in respect to the aforesaid matters.

8. We did not review the interim financial results of one subsidiary included in the unaudited consolidated financial results, whose interim financial results reflect total assets of Rs. 1,107 Lakhs as at September 30, 2022, total revenues of Rs. 448 Lakhs and Rs. 937 Lakhs for the quarter and six months ended September 30, 2022 respectively, total net profit after tax of Rs. 13 Lakhs and Rs. 98 Lakhs for the quarter and six months ended September 30, 2022 respectively, and total comprehensive income of Rs 13 Lakhs and Rs. 98 Lakhs for the quarter and six months ended September 30, 2022 respectively, and net cash flows of Rs. 24 Lakhs for the six months ended September 30, 2022, as considered in the Statement.

These interim financial results have been reviewed by other auditor whose report have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the aforesaid matter.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)



**Gurvinder Singh**  
Partner  
(Membership No. 110128)  
UDIN: 22110128BAJVBT8533

Place: Bengaluru  
Date: October 20, 2022



**United Breweries Ltd**

**PERFORMANCE HIGHLIGHTS FOR Q2 AND THE HALF YEAR ENDED SEPTEMBER 2022**

- **Q2 VOLUMES UP 23%, RESULTING IN A TOTAL VOLUME GROWTH OF 67% FOR THE HALF YEAR**
- **Q2 PREMIUM VOLUME GROWTH AHEAD OF MARKET**
- **TOP LINE PERFORMANCE DRIVING GROWTH OF EBITDA YTD BY 87%**
- **STRONG LIQUIDITY POSITION, BEING DEBT FREE WITH BANK BALANCES OF RS. 720 CR**

A strong 23% growth in the quarter supported by a more than double growth in the previous quarter resulted in a 3% growth also vs 2019. Premium volumes grew 48% in the quarter with strong performance of Heineken and Kingfisher Ultra.

While the three regions of North, East and West recorded growth in the quarter compared to 2021 and 2019, the South recorded growth vs 2021 but a decline vs 2019 was impacted primarily by the policy change in Andhra Pradesh.

Gross margin during the quarter was lower by 508 bps as compared to Q2 2021 due to continued inflationary pressures on costs, particularly on prices of barley and packaging material.

Price increases have been taken in a multiple of states and the Company continues to pursue options of further price increases to mitigate gross margin erosion

Strong revenue growth revenue combined with cost control drive OP margin growth for the quarter by 277 bps;

Capex during the quarter was a spend of Rs.90 Cr, however, with continued volume growth, Capex investments are planned to meet the expected volume expansion.

Inflationary pressure on costs is seen to continue in the foreseeable future, requiring the company to pursue price increases and drive cost management. UBL continues to remain optimistic on the long term growth of the industry and evolving consumer trends driving premiumization

*Bangalore, October 20, 2022*