



UNITED BREWERIES LIMITED

July 23, 2021

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai – 400 051
Scrip Code: UBL

Dear Sirs,

Sub: **Clarification on the announcement submitted to the Exchange dated July 04, 2021 regarding outcome of the meeting of Board of Directors**

We are in receipt of above email dated July 23, 2021 and providing clarification required by you on your above subject query.

The Company, the VJM Group (including Dr.Vijay Mallya and other companies owned or controlled by Dr.Vijay Mallya), and the Heineken Group had entered into an alliance in 2009 whereby the VJM Group and the Heineken Group were equal co-promoters of the Company holding 37.5% of the total equity share capital in the Company. To give effect to this alliance and for the effective management of the Company under the joint control of the two promoter groups, the VJM Group and the Heineken Group had certain rights and privileges in respect of the Company, which were codified into the Company's Articles of Association (the "AoA"). Over the years, numerous shares held by the VJM Group have been sold by certain lenders (upon invocation of their pledge over such shares) or the recovery officer appointed by the Debt Recovery Tribunal, Bangalore (Recovery Officer) who was authorised to sell such shares in order to recover the outstanding dues to the lenders of Kingfisher Airlines Limited (which was also promoted by Dr. Vijay Mallya). These shares were acquired by the Heineken Group from time to time. Each of these transactions was duly disclosed to the stock exchanges and to the public shareholders of the Company. As disclosed to stock exchanges on June 23, 2021, the Recovery Officer sold an additional 3,96,44,346 (14.99%) equity shares of the Company through the block deal window of the BSE. These shares were purchased by the Heineken Group in accordance with the terms of the proclamation issued by the Recovery Officer and all applicable laws. As a result, the VJM Group's shareholding has been reduced substantially and now stands at less than 15% of the total equity share capital of the Company. Accordingly, it is proposed that it would be in the best interests of the Company to delete various provisions relating to the rights and privileges of all the promoter shareholders (i.e., the VJM Group and the Heineken Group) from the AoA of the Company.

Accordingly, it is proposed that the specific Articles identified below are deleted:

- Board composition and right to appoint/remove nominee directors (Articles 115.1 and 115.2 of the AoA);
- Right to appoint/nominate directors on board committees including corporate governance committee (Article 115.4 of the AoA); • Carve-out for nominee director(s) for retirement by rotation (Article 115.5 of the AoA);
- Right to appoint Chairman (Article 118);
- Right to appoint/nominate certain Key Managerial Personnel such as MD/CEO and CFO (Articles 121 and 122 of the AoA); and • List of reserved matters which required prior approval of VJM Group and Heineken Group or their respective nominee directors before being set out in the agenda for shareholders' meetings or board meetings, as the case may be (Article 126 and Article 124.3 of the AoA).

Further, a few other minor amendments are also being proposed to ensure continued alignment of the AoA with the provisions of the Companies Act, 2013 (the "Act").

Kindly take the same our clarification and for compliance.

Yours faithfully,

For UNITED BREWERIES LIMITED

GOVIND IYENGAR

Senior Vice President – Legal & Company Secretary