

Hindustan Unilever Limited

MQ'24 & FY'24 Results

24th April 2024



Hindustan Unilever Limited

**WATER-LIGHT
SUNSCREEN**
WITH 1% HYALURONIC
COMPLEX

NEW
1% HYALURONIC COMPLEX
AQUA SUN GEL

LAKMĒ

NEW
**Surf
excel
MATIC**

**REMOVES
TOUGH DRIED STAINS
1st TIME IN MACHINE**

Creative: Studio/Studio
B: Studio/Studio
B: Studio/Studio

FEAST
Cadbury
crackle

Creative visualisation only.
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Safe harbour statement

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward-looking statements made herein shall be realised. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward-looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.

Rohit Jawa

Chief Executive Officer
and Managing Director



Hindustan Unilever Limited

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AQUA SUN GEL

LAKMĒ

A close-up of a woman's face with a soft, glowing complexion. In the bottom right corner, there is a product shot of a Lakmē Sun Expert Aqua Sun Gel bottle, which is blue and gold, next to a blue circular graphic with water droplets.

NEW
**Surf
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MATIC**

**REMOVES
TOUGH DRIED STAINS
1st TIME IN MACHINE**

A soccer player in a brown jersey is diving to catch a ball in a goal. In the foreground, there is a large bottle of Surf Excel MATIC detergent and a washing machine. The bottle is blue and white, with the Surf Excel MATIC logo and a washing machine icon. The washing machine is also blue and white.

FEAST
Cadbury
crackle

A large, chocolate-covered ice cream bar with a bite taken out of it, revealing a chocolate filling. The bar is on a wooden stick. The background is a solid purple color.

Creative visualisation only.
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FY'24: Operating Context

Subdued consumption trends



Gradual volume recovery

Commodities deflationary



Absence of price growth

Uneven weather patterns



Urban leads growth

FY'24: Resilient performance in this operating context

Growth

₹ 59,579 cr.

Turnover

3%

Underlying Sales Growth

2%

Underlying Volume Growth

Margins

23.8%

EBITDA % of TO

+40 bps

EBITDA vs. FY'23

+430 bps

Gross Margin vs. FY'23

Earnings

₹ 10,114 cr.

Net Profit

4%

PAT bei Growth vs. FY'23

2%

EPS Growth vs. FY'23

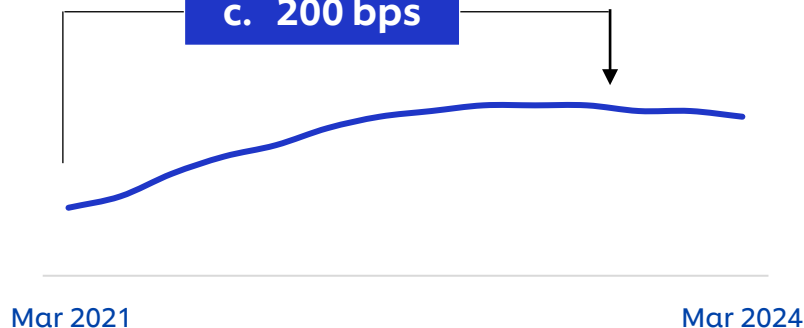
*Underlying Sales Growth (USG) refers to increase in turnover for the period, excluding any change resulting from acquisitions, disposal
Underlying Volume Growth (UVG) refers to volume growth including the impact of mix of turnover realization of products sold
PAT bei : Profit After Tax before exceptional items*

FY'24: Sustained competitive position

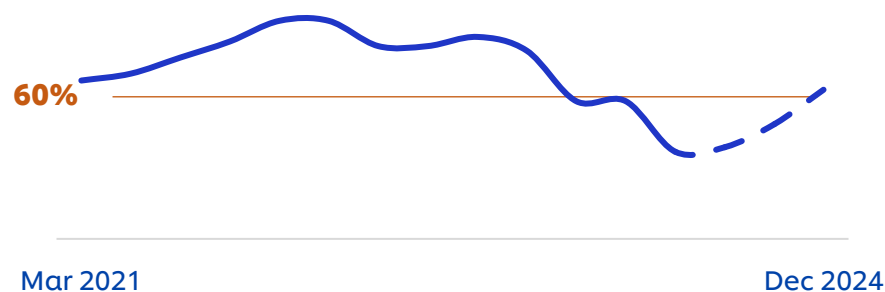
Market Share

Corporate Value Shares (MAT)

c. 200 bps



Business Winning Shares (MAT)



Business Fundamentals

Penetration (MAT)

> 75%

Business with growing/ stable brand power (MAT)

> 75%

Transform to Outperform: Key thrusts

Grow the Core through Unmissable Brand Superiority



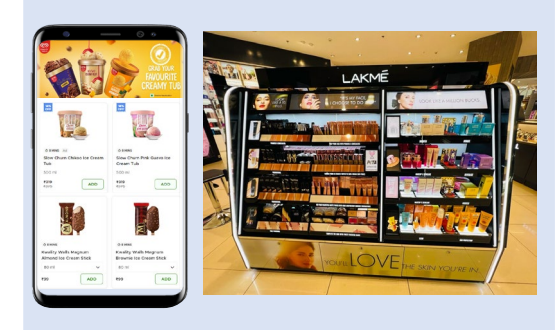
Market Making & Premiumisation



Reshaping Portfolio in High Growth Spaces



Leadership in Channels of the Future



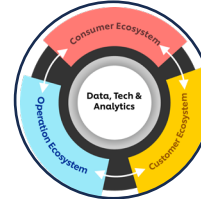
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Winning in Many Indias



Net Productivity



Digital Transformation



Sustainability



Future Fit Talent & Organisation

Transform to Outperform: Key thrusts

Grow the Core through Unmissable Brand Superiority



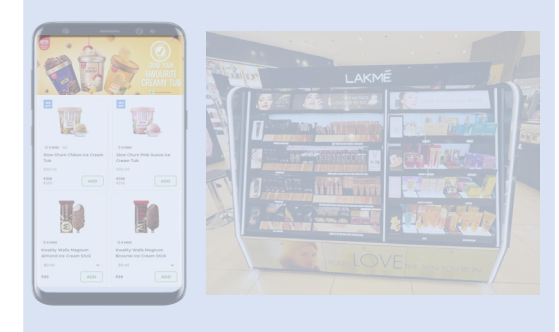
Market Making & Premiumisation



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Leadership in Channels of the Future



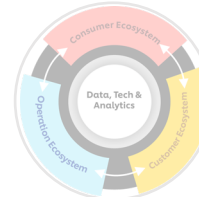
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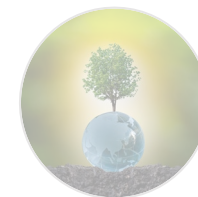
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Future Fit Talent & Organisation

Our brands are getting bigger and stronger

FY'24 Turnover

₹5000 cr.+



19 Brands
> ₹ 1,000 cr.

₹2000 cr. +



8 Brands in India's
most valued

₹1000 cr. +



3 Brands moving
towards the ₹1,000
cr. club

Next ₹1000 cr. +



Drive unmissable brand superiority across our portfolio...



...as we did with Vim liquid



**Double digit volume growth in
FY'24**

**Highest penetration gains in a
decade**

**Market share gains,
strengthening our #1 position**

...as we did with Horlicks



Strong penetration gains during the year

Continued market leadership through market share wins

Highest gainer in brand power within the category

Transform to Outperform: Key thrusts

Grow the Core through Unmissable Brand Superiority



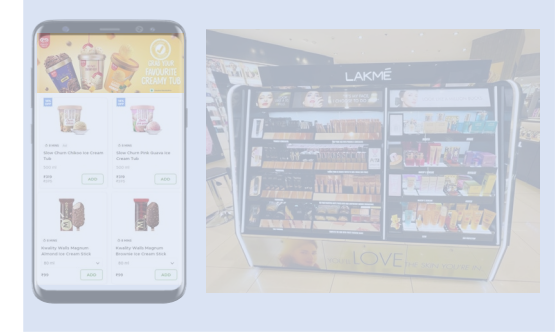
Market Making & Premiumisation



Reshaping Portfolio in High Growth Spaces



Leadership in Channels of the Future



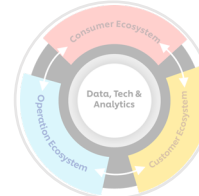
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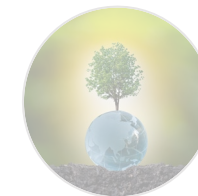
Winning in Many Indias



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Future Fit Talent & Organisation

Disproportionate investments towards Market Making and Premiumisation

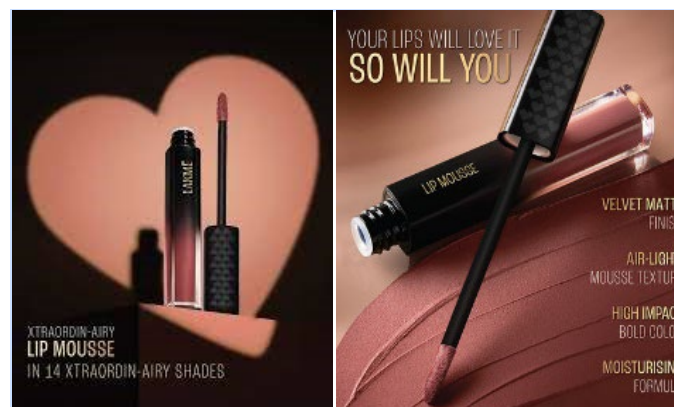
Innovations



>70%

Share of innovation turnover**

Media



>75%

Share of incremental media investments*

Driving Trials



>45 Mn

Home to Home connects

*In Market development and premiumisation cells compared to total HUL for FY'24

** Market development and premiumisation cells compared to total HUL, Feb MAT

A proven track record of Market Making and Premiumisation

FY'24 Turnover

₹1000cr+



Home Care Liquids



Premium Detergent Powders



Premium Shampoos

₹500 - 1000cr



High-science Functional Nutritional Drinks



Face Cleansing



Green & Functional Tea



Premium Colour Cosmetics

₹250 - 500cr



Hand & Body Wash



Intl. cuisine & Food Solutions



Masstige



Light Moisturisers



Post-wash Hair Treatment



Sun Care

Contributing to 25%+ of total business

Transform to Outperform: Key thrusts

Grow the Core through Unmissable Brand Superiority



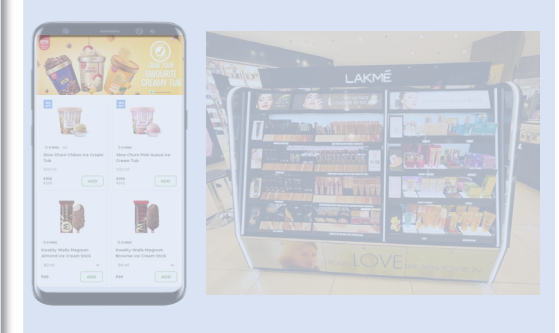
Market Making & Premiumisation



Reshaping Portfolio in High Growth Spaces



Leadership in Channels of the Future



Enabled by distinctive capabilities



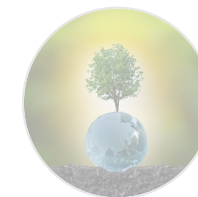
Winning in Many Indias



Net Productivity



Digital Transformation



Sustainability



Future Fit Talent & Organisation

Market Maker with a history of creating beauty categories



#1 Skin care
Hair care
Color cosmetics

Right to win with a strong portfolio and market leadership
in all categories where we participate



Building a world class beauty company

Contemporizing Masterbrands



Building a world class beauty company

Multi-year bets

Face Cleansing



Sun Care



Light Moisturisation



Serums & Treatments



Weatherproof Body Care



Masstige



Double digit
USG

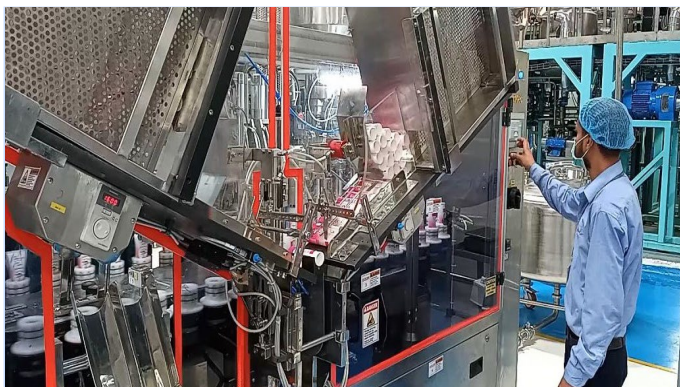
>₹2000 cr.
Turnover

c. 50%
E-com growth

Building a world class beauty company

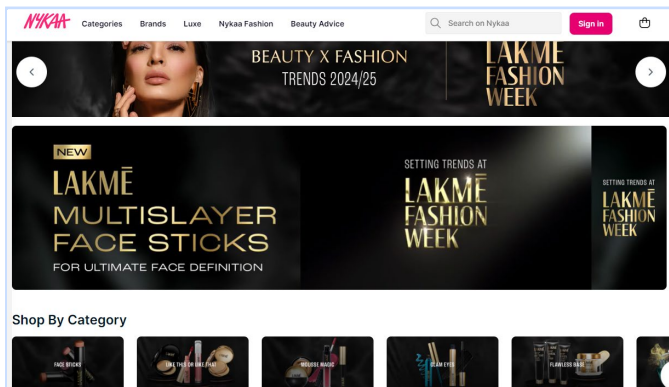
Embedding Capabilities

Make for Beauty



Superior Technology |
Agile Supply Chain

Reach for Beauty



Beauty specialist channels |
Social media | Influencers

Authority for Beauty



Lakme Fashion Week |
Beauty Collective

Transform to Outperform: Key thrusts

Grow the Core through Unmissable Brand Superiority



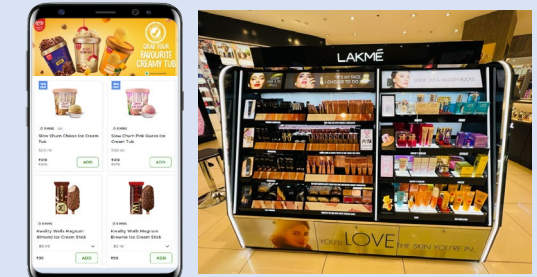
Market Making & Premiumisation



Reshaping Portfolio in High Growth Spaces



Leadership in Channels of the Future



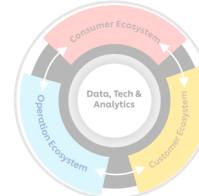
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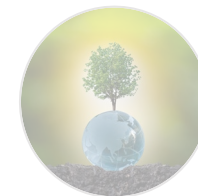
Winning in Many Indias



Net Productivity



Digital Transformation



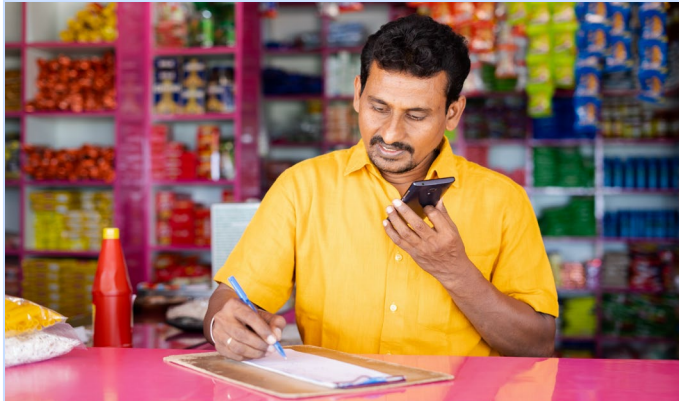
Sustainability



Future Fit Talent & Organisation

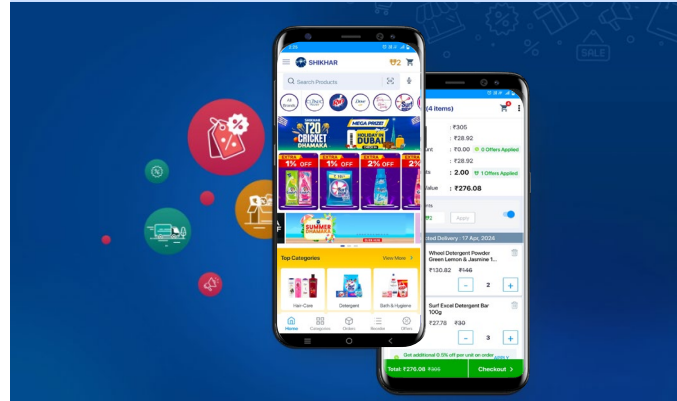
Winning with Customers

General Trade



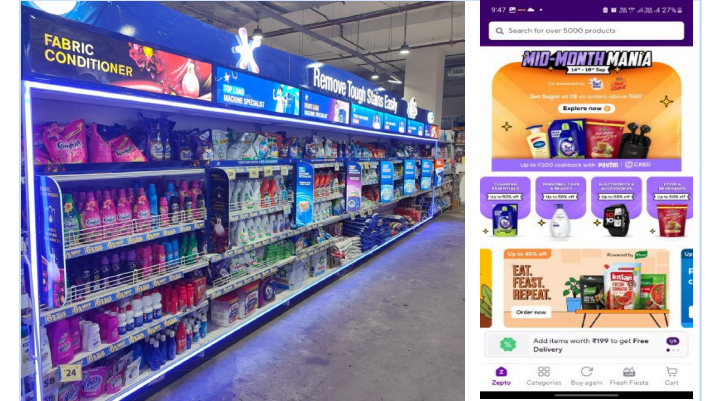
1.2X Coverage vs. FY'20
1.25X Assortment vs. FY'20

Shikhar



1.3Mn Stores onboarded

Organised Trade



+200 bps On Shelf Availability
+500 bps On-Line Availability

Transform to Outperform: Key thrusts

Grow the Core through
Unmissable Brand Superiority



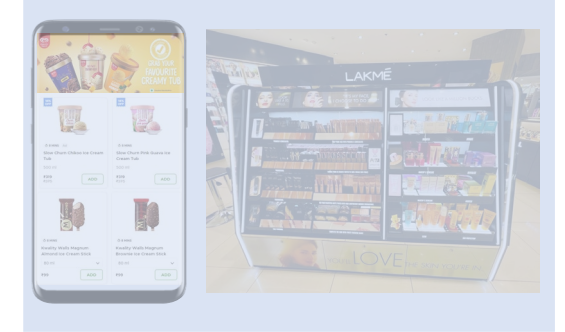
Market Making &
Premiumisation



Reshaping Portfolio in
High Growth Spaces



Leadership in Channels of
the Future



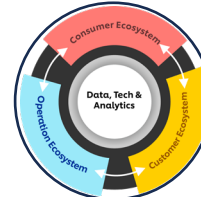
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Winning in Many
Indias



Net Productivity



Digital
Transformation



Sustainability



Future Fit Talent &
Organisation

Transform to Outperform: Key thrusts

Grow the Core through Unmissable Brand Superiority



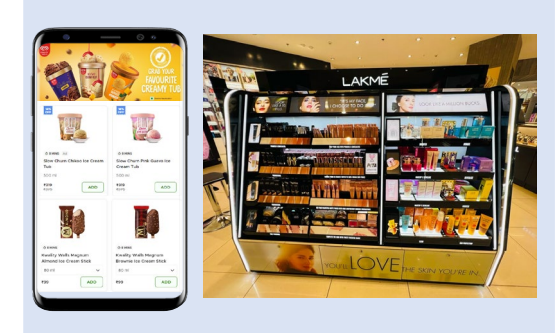
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Leadership in Channels of the Future



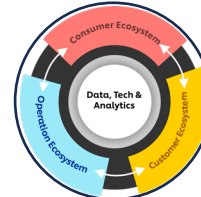
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Winning in Many Indias



Net Productivity



Digital Transformation



Sustainability



Future Fit Talent & Organisation

Ritesh Tiwari

Chief Financial Officer



Hindustan Unilever Limited

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Creative: Studio/Studio
Brand: Surf Excel MATIC
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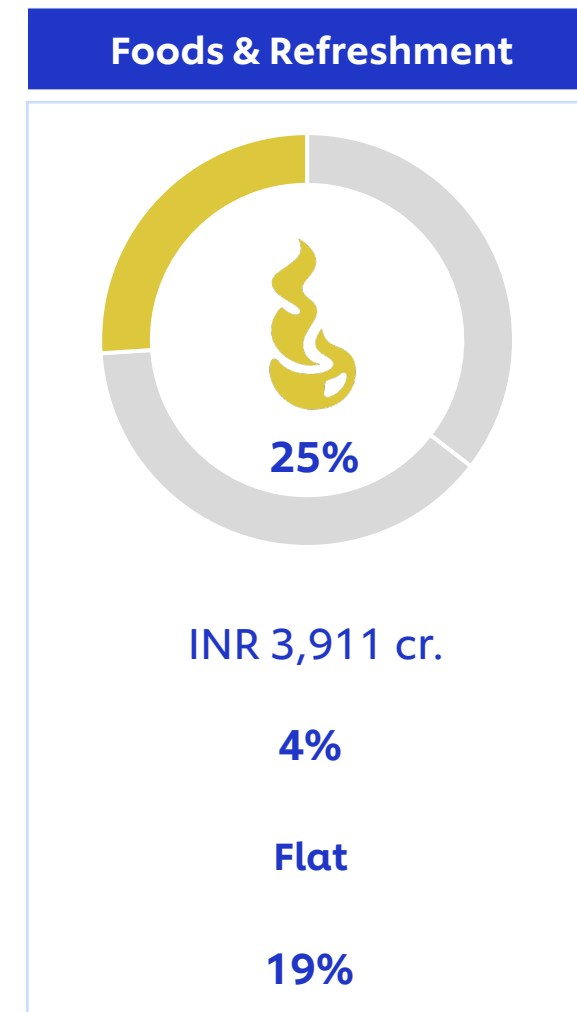
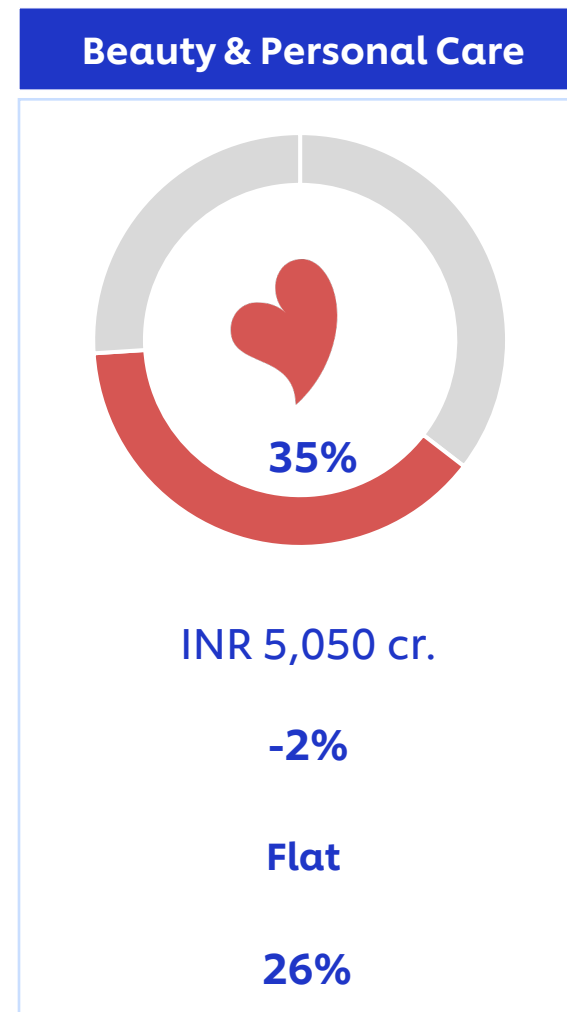
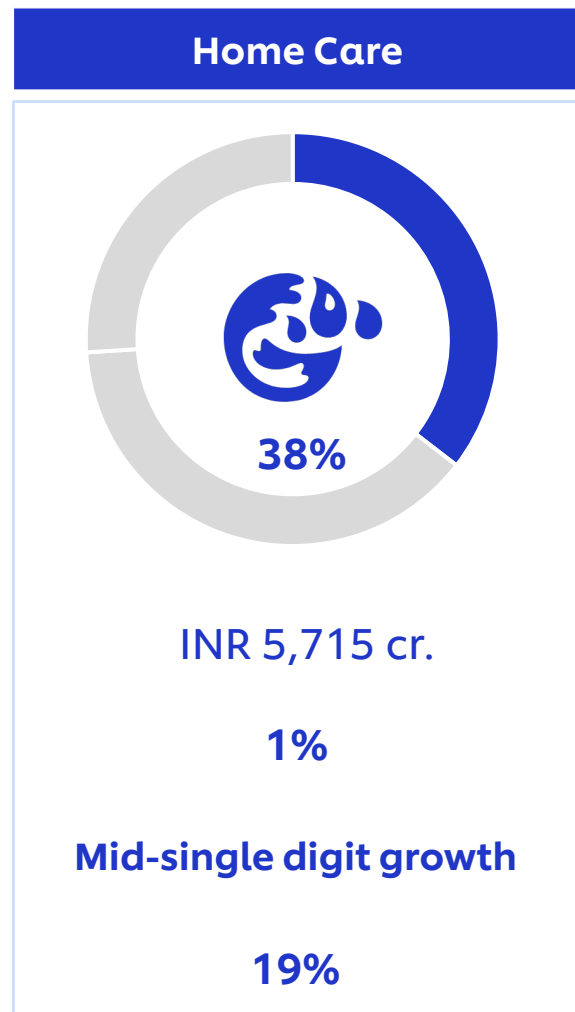
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Cadbury
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MQ'24: Results

Topline	EBITDA	PAT (bei)	PAT
Underlying Sales Growth	Margin	INR	INR
1%	23.4%	2,396 cr.	2,406 cr.
2%	-30 bps	-3%	-6%
Underlying Volume Growth	Change YoY	Growth YoY	Growth YoY

MQ'24: Segmental Performance



Segment Revenue = Segment Turnover + Other Operating Income, Segment Margins (EBIT) excludes exceptional items. Excludes 'Others' segment, proportion of segments for same period last year

Underlying Sales Growth (USG) refers to the increase in turnover for the period, excluding any change in turnover resulting from acquisitions, disposal

Underlying volume growth (UVG) refers to volume growth including the impact of mix of turnover realization of products sold



HC : Innovations and Activations



NEW
Surf excel MATIC

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Crease Visualization
SCP refers to Stain Pull Power Technology
Based on lab test on select dried stains & fabric



Comfort
Crease Ease

Refreshing fragrance that **reduces maldodour**

No Ironing
For re-wear



नयी जैसी चमक

Rin MATIC

BRIGHTEN YOUR WASH
CLOTHING

Home Care


Robust volume led performance

- ❑ **Fabric Wash:** Mid-single digit volume growth led by premium portfolio.
- ❑ **Household Care:** Volumes grew in mid-single digit led by outperformance in Vim liquid.
- ❑ Both categories continue to have negative price growth on account of pricing actions taken during the year

**A NEW KIND OF 'CLEAN'
FOR YOUR DISHES**




BPC : Innovations and Activations



SPF 50+ SUN PROTECTION NOW WITH 100% INVISIBLE FINISH


LAKME

NEW LAKME SUN EXPERT INVISIBLE SUNSTICK SPF 50+ PA++++



NEW


Gulshan, Visual Designer



BLUSH IN A STICK

LAKME

NEW



Glow & Lovely

BRIGHTENING SUNSCREEN


SPF 30

VITAMIN C

JUST 2 FINGERS FOR BRIGHTER PROTECTED SKIN

BRIGHTENING SUNSCREEN

I AM READY




10-in-1 DEEP REPAIR HAIR MASK

Reverses 3 Years of Damage*

Dove

*Based on lab test



Dove

ADVANCED

sensitive care

WITH CERAMIDE REPAIR CREAM

HYPOALLERGENIC FORMULA

NO PARABENS, DYES, PHENOLATES

BODY WASH (200ml)

Beauty and Personal Care

A story of two parts

B&W : 4% USG

PC : -10% USG

- ❑ **Hair Care:** Volume driven high-single digit growth led by strong performance in Dove and Tresemme. Innovations and future formats continue to lead growth
- ❑ **Skin Care and Colour Cosmetics:** Low-single digit growth with mass skin portfolio declining. Premium skin continues its strong double-digit growth trajectory led by innovations in new demand spaces and formats
- ❑ **Skin Cleansing:** Business declined due to impact of price cuts coupled with drop in volumes in the mass and popular segments. Bodywash continues to do well
- ❑ **Oral Care:** Double-digit broad-based growth driven by pricing





Hindustan Unilever Limited

Skin Cleansing

Actions to improve performance

- ❑ Corrected price-value equation in mass and popular segments
- ❑ Superior formulation in mass and popular segments
- ❑ Intensifying innovations in premium demand spaces and formats
- ❑ Accelerating channels of the future



F&R : Innovations and Activations



Foods & Refreshment

Mid-single digit growth driven by pricing

- ❑ **Beverages:** Tea further strengthened value and volume market leadership. Category continued to witness consumers downgrading to loose tea. Coffee grew in double-digits driven by pricing
- ❑ **Functional Nutrition Drinks (Horlicks & Boost):** Delivered high-single digit growth driven by Plus range. Continue to gain market share and penetration on the back of sustained market development actions
- ❑ **Foods:** Mid-single digit growth led by strong performance in Soups and Food Solutions. Mayonnaise and Peanut Butter continue to gain traction with consumers
- ❑ **Ice Cream:** Volume led double-digit growth. Exciting range of innovations launched for the upcoming season



EBITDA maintained within a healthy range despite headwinds



MQ'24: Results summary

Rs. Crores

Particulars	MQ'24	MQ'23	Growth
Sales	14,693	14,638	1%*
EBITDA	3,435	3,471	-1%
EBITDA Margin	23.4%	23.7%	-30 bps
Other Income (Net)	118	136	
Exceptional Items	-17	80	
PBT	3,247	3,425	-5%
Tax	841	873	
Net Profit	2,406	2,552	-6%
PAT before exceptional items	2,396	2,471	-3%

* Underlying Sales Growth

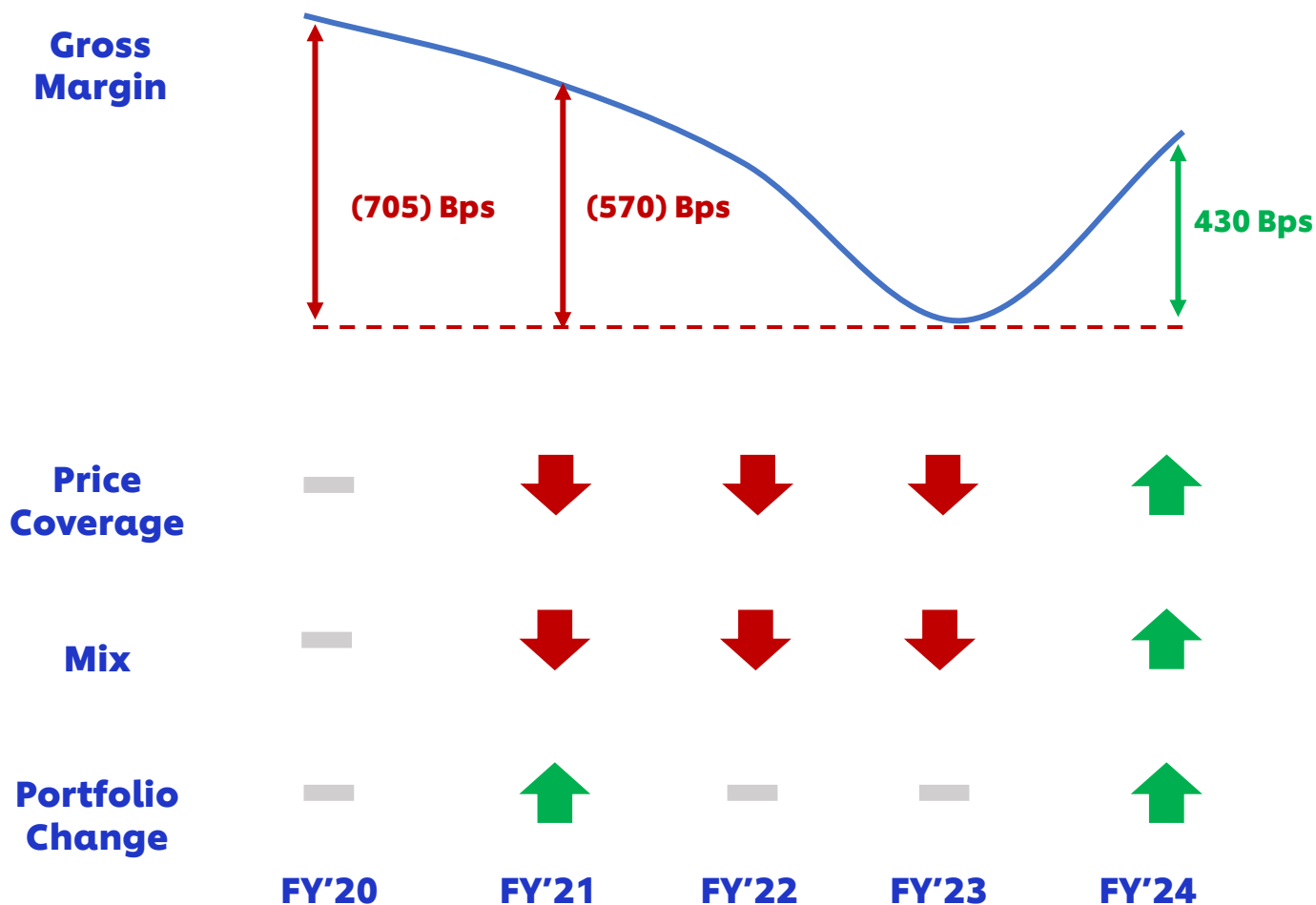
FY'24: Results summary

Rs. Crores

Particulars	FY'24	FY'23	Growth
Sales	59,579	58,154	3%*
EBITDA	14,190	13,632	4%
EBITDA Margin	23.8%	23.4%	+40 bps
Other Income (Net)	671	539	
Exceptional Items	-89	-62	
PBT	13,675	13,079	5%
Tax	3,561	3,117	
Net Profit	10,114	9,962	2%
PAT before exceptional items	10,105	9,720	4%

* Underlying Sales Growth

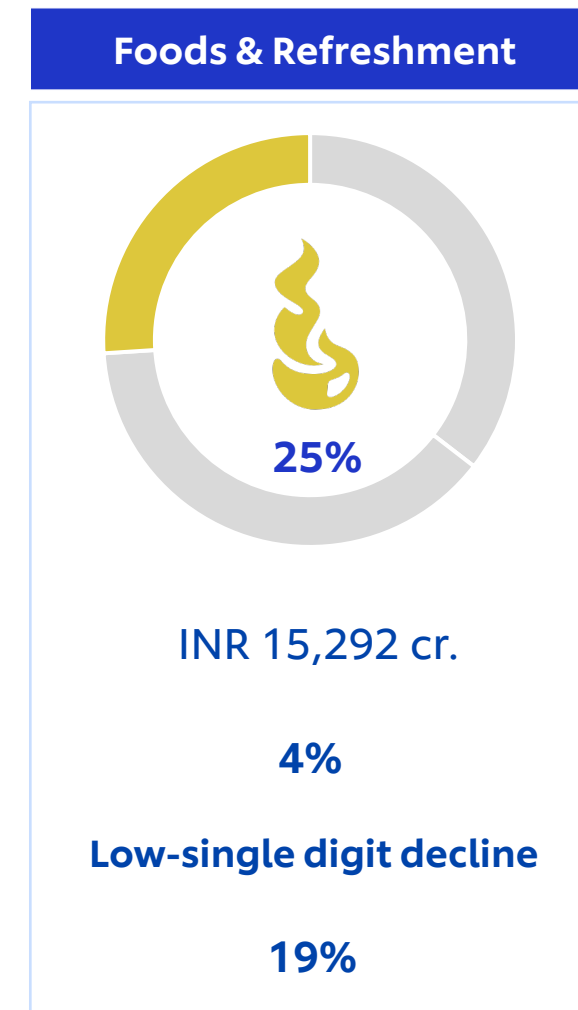
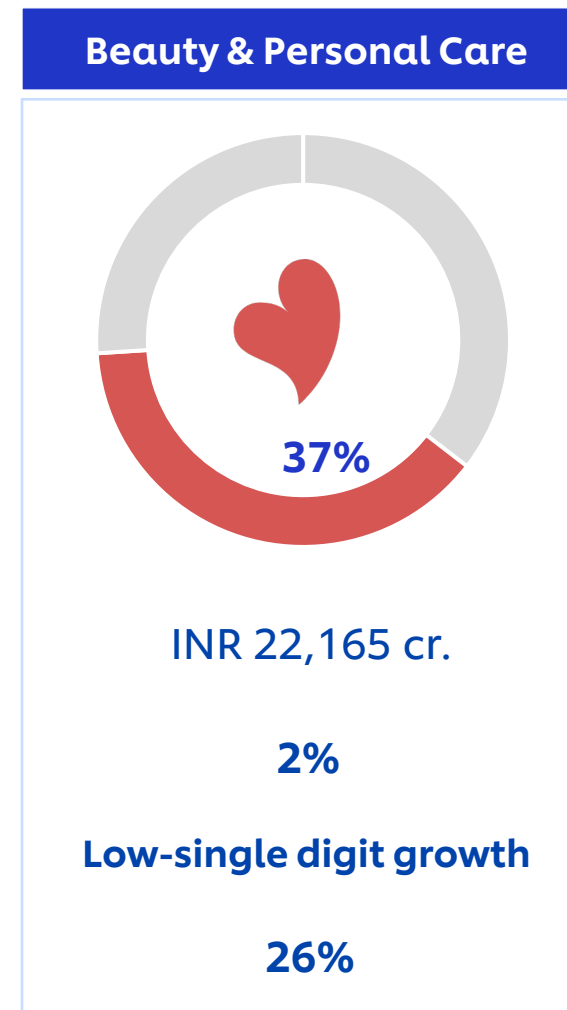
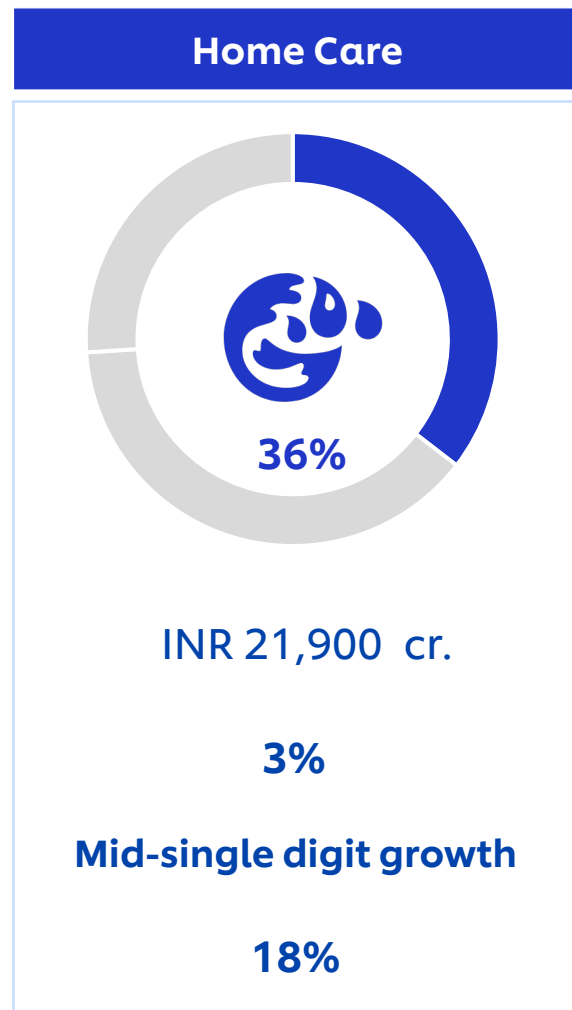
FY'24: Building back Gross Margin



End-to-End Net Productivity

- ❑ Right price-value equation enabled by 'Net Revenue Management'
- ❑ Premiumisation led mix improvement
- ❑ Simplification and Digital acceleration
- ❑ Cost competitiveness

FY'24: Segmental Performance



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Sensitivity: Public

FY'24: Proposed Dividend

Particulars	FY'24	FY'23
Dividend per share	42	39
Interim	18	17
Final	24	22
Total Dividend (Rs. Crores)	9,868	9,163

Outlook



Unilever



Hindustan Unilever Limited

Looking ahead: Near Term

Outlook

- ❑ FMCG demand to continue improving gradually
- ❑ Optimistic of mid-term impact of better monsoons and improving macro-economic indicators
- ❑ Price growth to be low-single digit negative if commodity prices remain where they are

Our priorities

- ❑ Focused on driving competitive volume led growth
- ❑ Actions underway to improve Skin Cleansing performance
- ❑ Unlocking fuel for growth and stepping up investments behind our brands and long-term strategic priorities. EBITDA margin to remain at current levels

Looking ahead: Mid-Long Term

India & FMCG Opportunity

- ❑ Fastest growing major economy
- ❑ Rise of affluent households
- ❑ Rapid digital revolution
- ❑ Under-indexed per-capita FMCG consumption

HUL well placed to win

- ❑ Wide and resilient portfolio straddling price-benefit pyramid across categories
- ❑ Deep distribution moat
- ❑ Agile, resilient and future-fit supply chain capabilities
- ❑ Strong talent pool and enduring culture

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24th April 2024



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Bhaskar/Studio on self

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