

# Hindustan Unilever Limited

## SQ'21 Results : 19<sup>th</sup> October 2021

**Surf excel MATIC**

**TOUGH ON STAINS + ECO-FRIENDLY**

**WITH**

100% BIODEGRADABLE ACTIVES  
100% RECYCLABLE BOTTLE

100% BIODEGRADABLE ACTIVES  
100% RECYCLABLE BOTTLE

**Surf excel MATIC**

**Surf excel MATIC**

daag achhe hain

**TRESemmé**  
USED BY PROFESSIONALS

**THICKER FULLER LOOKING HAIR**

**TRESemmé**  
THICK & FULL SHAMPOO 340 ml

**TRESemmé**  
THICK & FULL CONDITIONER 340 ml

**THICK & FULL**  
with BIOTIN & PROTEIN

**High Fibre is proven to help manage diabetes\***

Get **26%** of daily fibre<sup>†</sup> requirement

**Horlicks Diabetes PLUS**

Helps manage blood sugar\*\*

**Horlicks Diabetes PLUS**

\*Journal of Diabetes and Metabolism, 2020 Feb; 11(2): 841. \*\*As per ICMR 2020 RDAs for adults. NUTRIGISE is a registered trademark of Roquette Frères. Nutriose and FIBERISOL-2 are trade names for Wheat fibre dextrin & Corn fibre dextrin respectively. Horlicks Diabetes Plus is not intended to replace any existing medication. It is a nutritional beverage meant to be consumed as a part of balance daily diet and exercise. †Sucrose. ‡CONTAINS NATURALLY OCCURRING SUGARS. Creative Visualization.



# 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 realized. 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.

# Sanjiv Mehta

## Chairman and Managing Director

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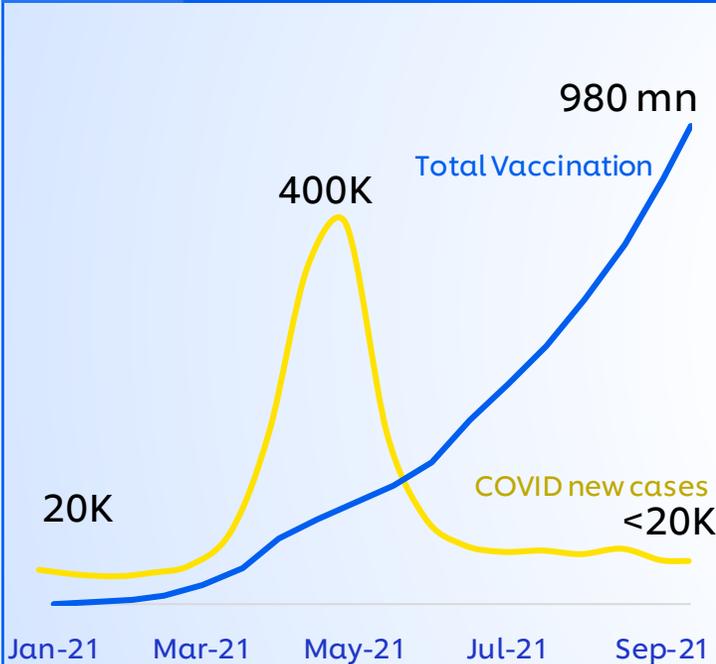
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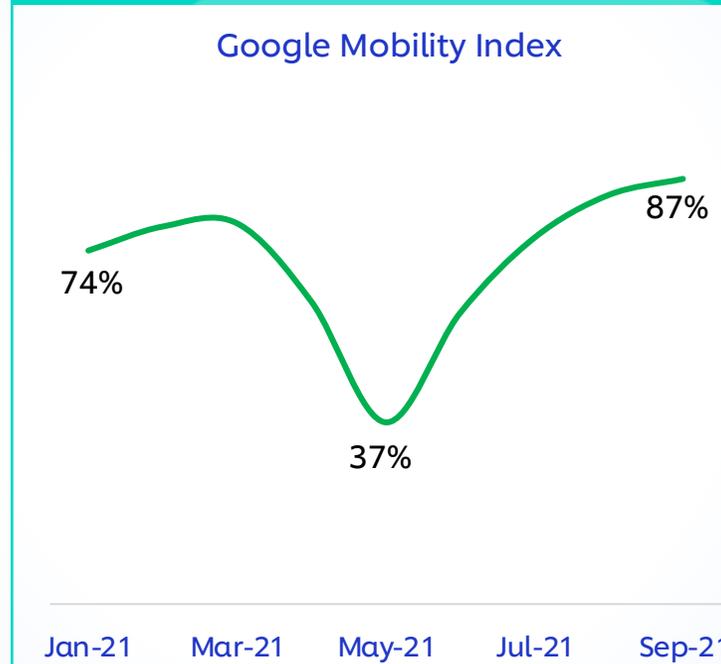


# Operating environment has improved post Wave 2...

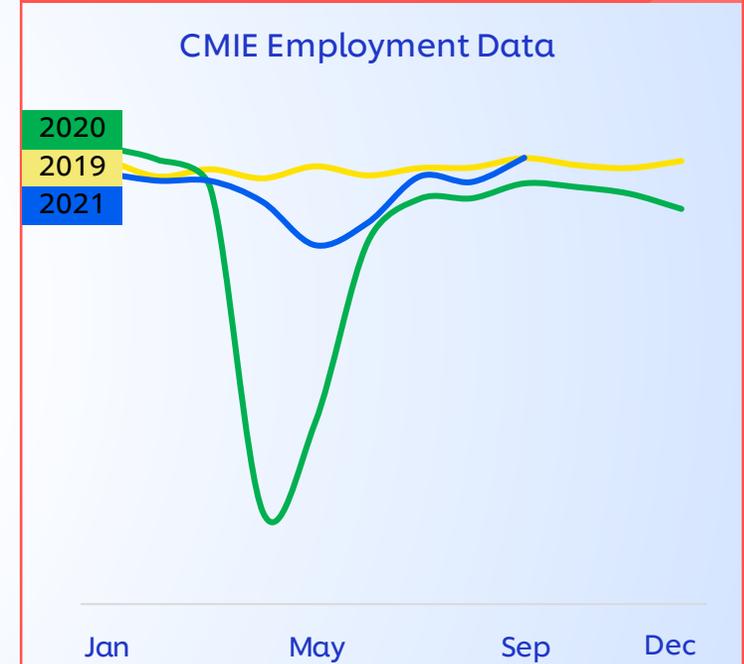
## COVID cases receding; Vaccination gathers pace



## Mobility improving post COVID Wave 2

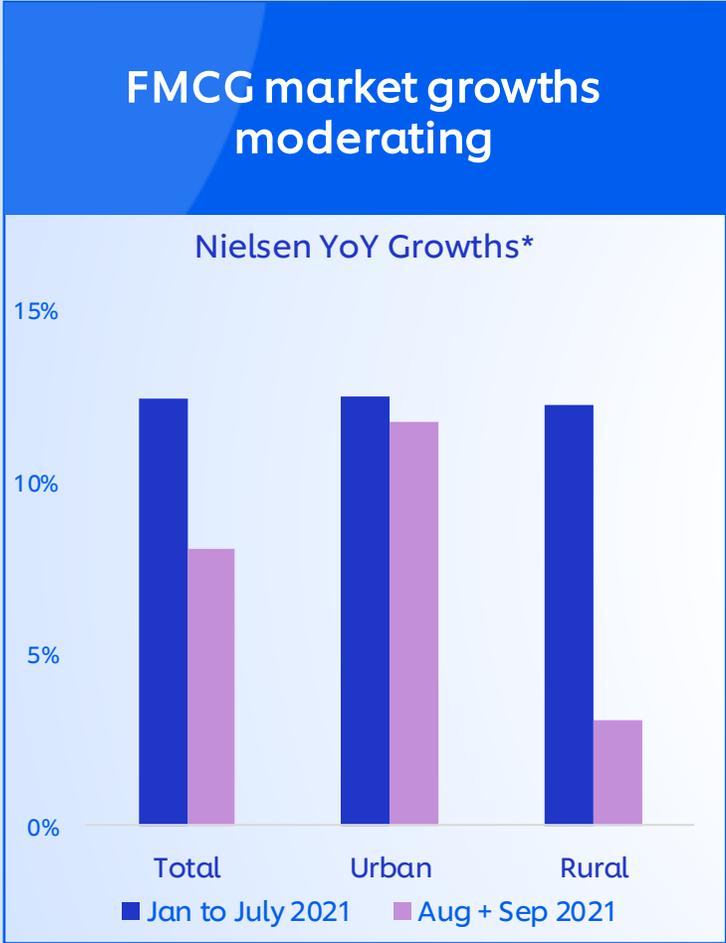


## Employment heading towards a recovery

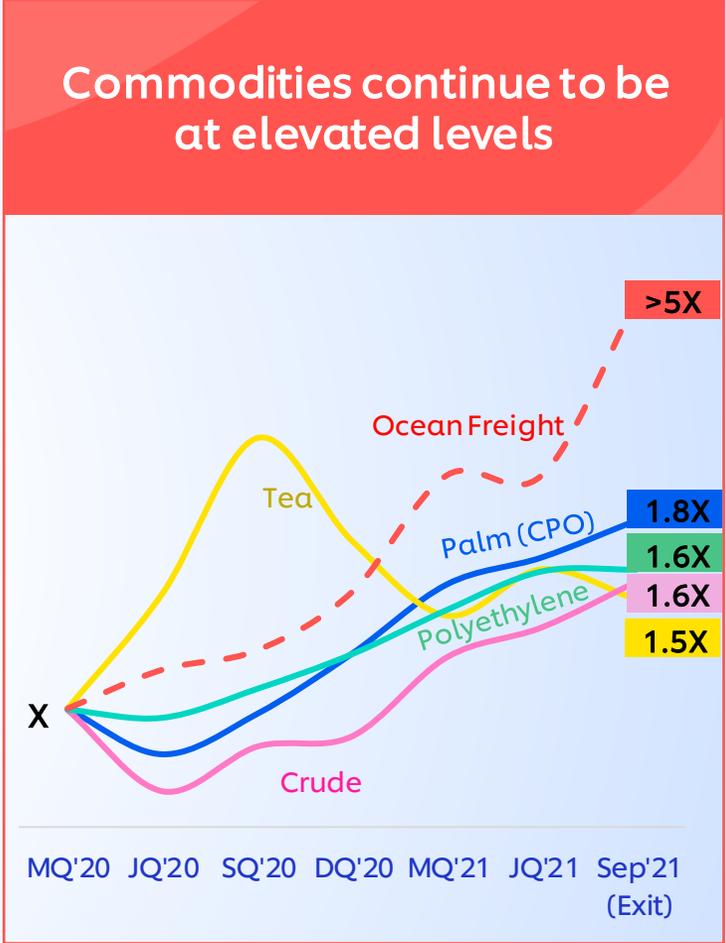
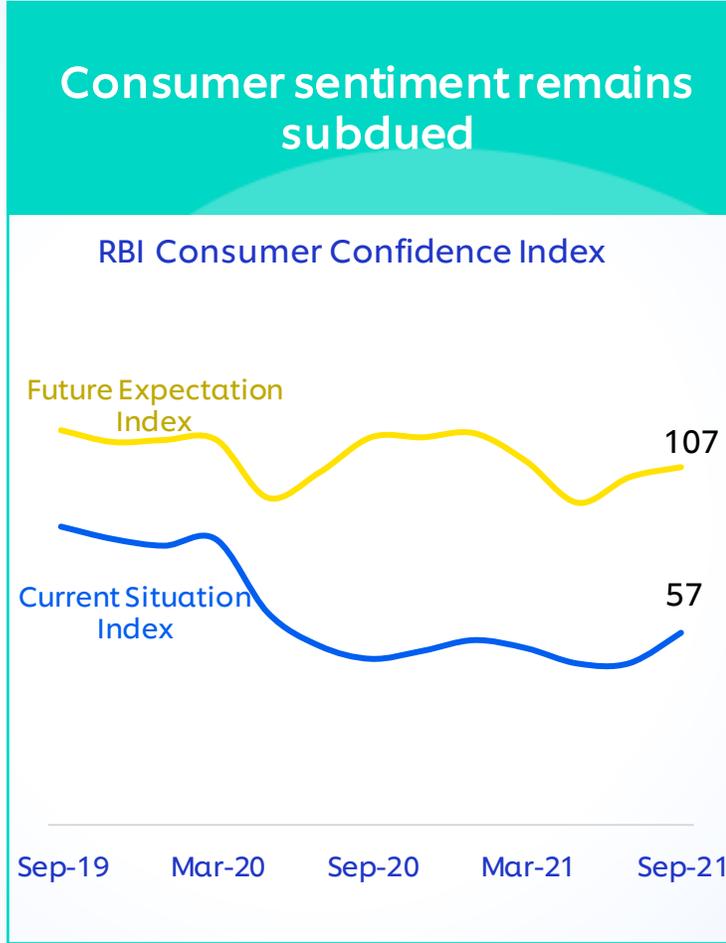




# ...however, remains challenging



\*Nielsen FMCG Market Growths for relevant categories



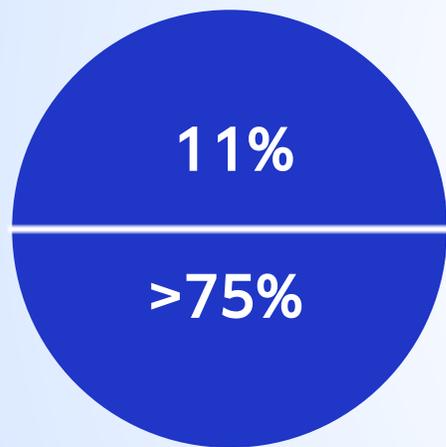
Ocean Freight – Drewry World Container Index (Not to Scale)



# SQ'21 : Robust performance in a challenging environment

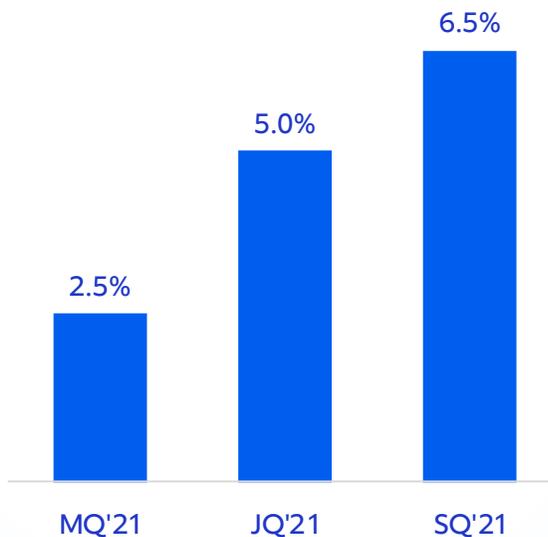
## Double-digit growth, ahead of the market

Domestic Consumer Growth



Business Gaining Shares & Penetration

## Pricing further stepped-up sequentially



Consumer Pricing\*

## Healthy EBITDA Margins; +70 bps QoQ

EBITDA Margins



Vs JQ'21

\* Adjusted for trade spends

Market shares: Nielsen L3M August Value shares

Penetration: Kantar Worldpanel, L3M August



# Clear and compelling strategy

1. Developing our portfolio

2. Win with our brands as a force for good, powered by purpose and innovation

3. Lead in the channels of the future

4. Build differentiated structures and capabilities

5. Build a purpose-led, future-fit organisation and growth culture

**Operational Excellence**

Improve  
penetration

Impactful  
innovation

Design for  
channel

Purposeful  
brands

Fuel for  
growth



## Lakmé limited edition lip colours



## Pond's Vitamin C Serum



## Vaseline Lip Therapy



## Pond's Gold Beauty



## Lakmé Lumi Cream for a 3D glow



## Glow and Lovely : Many Miss Indias





## Tresemme Thick & Full



## Dove Hair Mask



## Pepsodent Relaunch



## New Lifebuoy Silver+



## Skin Friendly Dove Deodorants



## Lux : Our Best Soap for Glow





# HC : Impactful innovations and activations

## Surf Excel Matic transitioned to recycled bottles



## Domex fights upto 100 flushes



## Sunlight Tantir Rong



## New Rin Bar – Superior product | Clean future



## Vim Bar – Breaking Stereotype



## Comfort Fabric Conditioner





# F&R : Impactful innovations and activations

## Horlicks Diabetes Plus

High Fibre is proven to help manage diabetes\*

Get **26%** of daily fibre\* requirement

Horlicks Diabetes PLUS

\*Based on clinical studies conducted in India. For more information, visit www.horlicks.com. © 2023 Unilever. All rights reserved. \*Based on clinical studies conducted in India. For more information, visit www.horlicks.com. © 2023 Unilever. All rights reserved.

## Knorr : Restaurant like Chinese at home

RESTAURANT-LIKE CHINESE AT HOME.

## Kwality Walls : Best company to festive meals

KWALITY WALL'S AFTER SPICY PUJO MEALS!

MAHE KESAR PRETTY BUNNY

Crackie

## Kissan Crunchy Peanut Butter

MEGA SAVER PACK

kissan PEANUT BUTTER CRUNCHY

MEGA SAVER PACK

kissan PEANUT BUTTER Creamy

100% PEANUT BUTTER

Creative Visualization Only.

## Brooke Bond 3 Roses

Brooke Bond 3 Roses. Perfect colour, taste, strength

## Boost breaking stereotypes

SECRET OF MY ENERGY



# Nutrition : Market development at scale

## Persuasive communication



## Consumer connects (>5mln households)



## Driving physical reach

<p>GTM Integration</p>		<p>&gt;85% complete</p>
<p>Effective Coverage</p>		<p>1.9X vs Pre-integration (GTM)</p>

## Addressing key Triggers & Barriers for category adoption



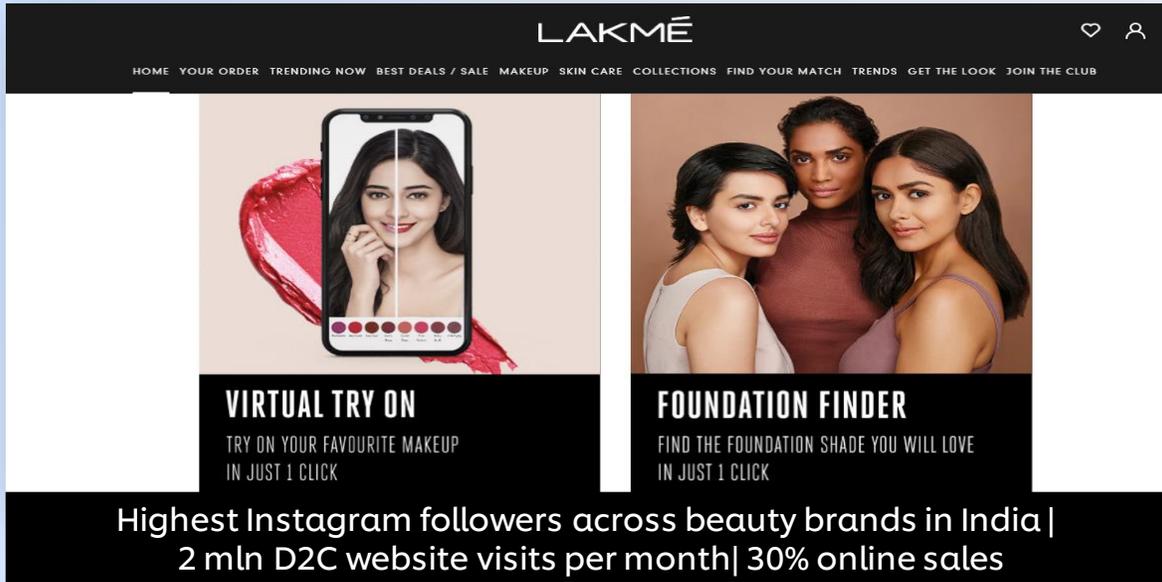
# Premium Beauty Business Unit



## Building Digital First Beauty Brands with On Trend Innovations



# Digital play in premium beauty brands



**LAKMÉ**

HOME YOUR ORDER TRENDING NOW BEST DEALS / SALE MAKEUP SKIN CARE COLLECTIONS FIND YOUR MATCH TRENDS GET THE LOOK JOIN THE CLUB

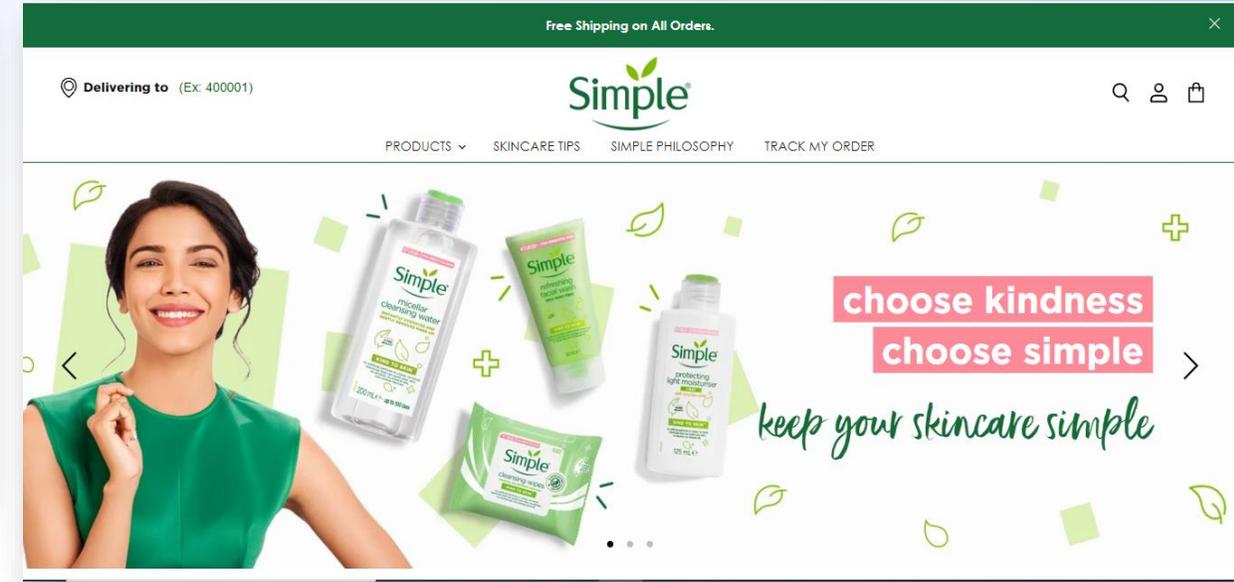


**VIRTUAL TRY ON**  
TRY ON YOUR FAVOURITE MAKEUP  
IN JUST 1 CLICK



**FOUNDATION FINDER**  
FIND THE FOUNDATION SHADE YOU WILL LOVE  
IN JUST 1 CLICK

Highest Instagram followers across beauty brands in India | 2 mln D2C website visits per month | 30% online sales



Free Shipping on All Orders.

Delivering to (Ex: 400001)

**Simple**

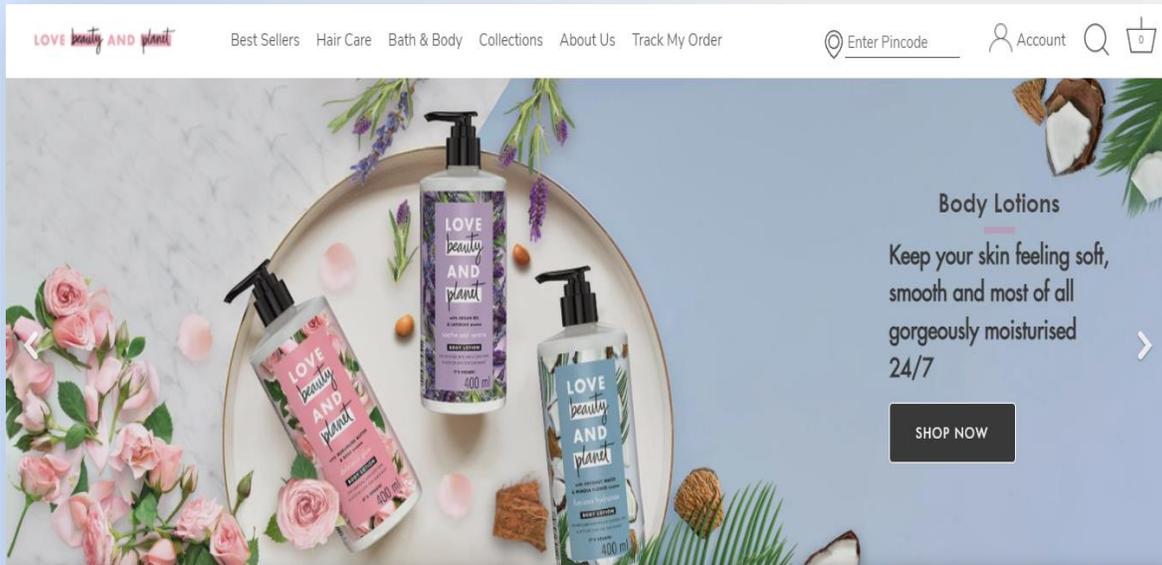
PRODUCTS SKINCARE TIPS SIMPLE PHILOSOPHY TRACK MY ORDER



**choose kindness**

**choose simple**

*keep your skincare simple*



LOVE beauty AND planet

Best Sellers Hair Care Bath & Body Collections About Us Track My Order

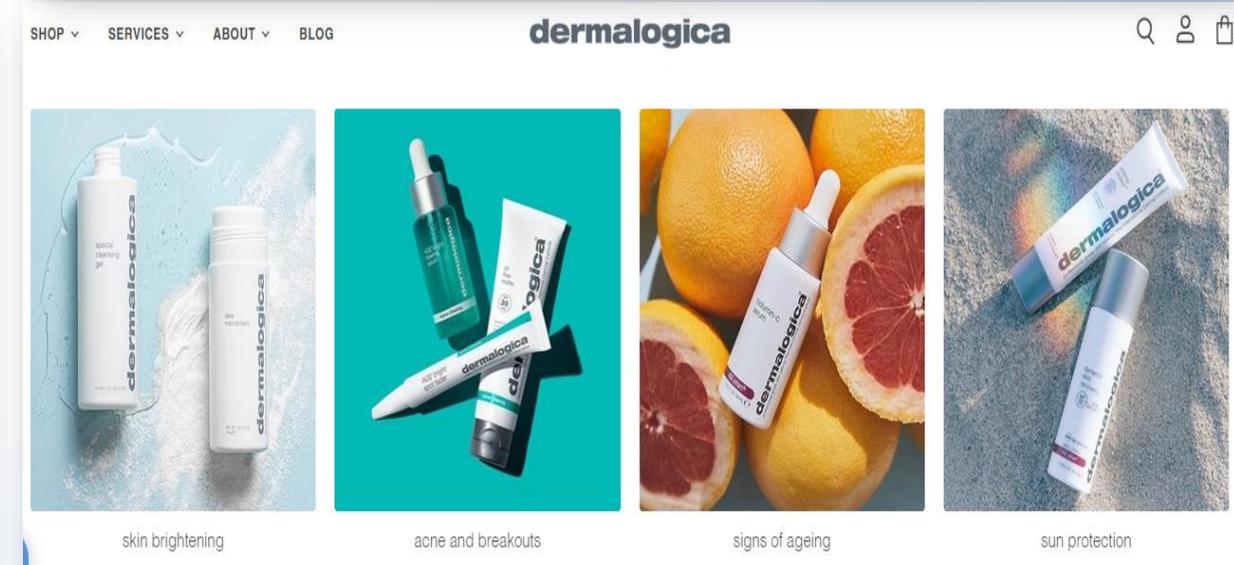
Enter Pincode Account



**Body Lotions**

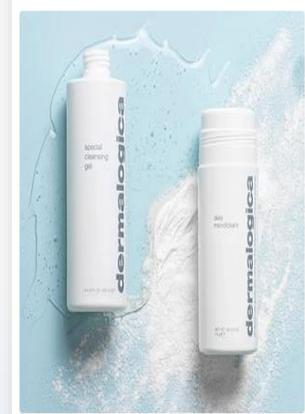
Keep your skin feeling soft,  
smooth and most of all  
gorgeously moisturised  
24/7

**SHOP NOW**



SHOP SERVICES ABOUT BLOG

**dermalogica**



skin brightening



acne and breakouts



signs of ageing



sun protection



# Winning in all channels

## Design for channel



General Trade

Modern Trade

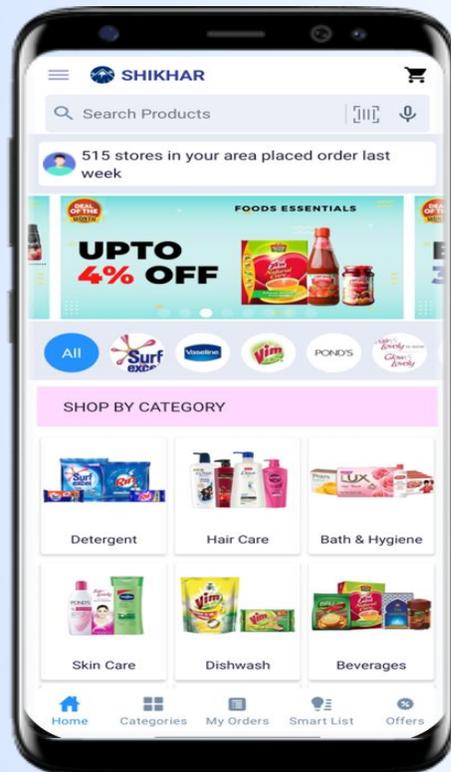
eComm

## Flawless Execution

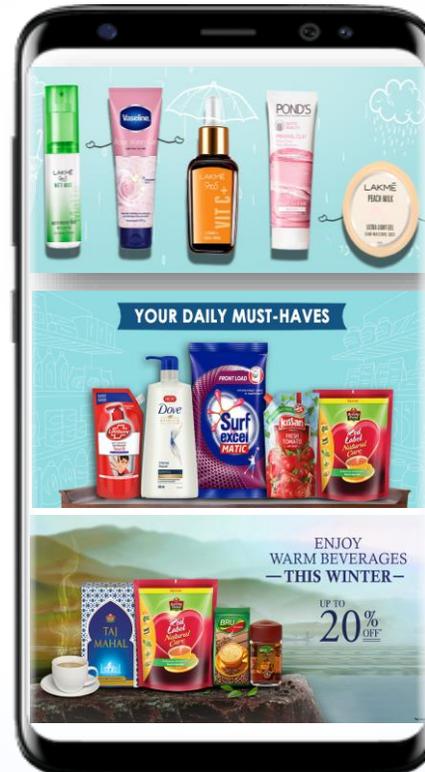
Effective Coverage Assortment



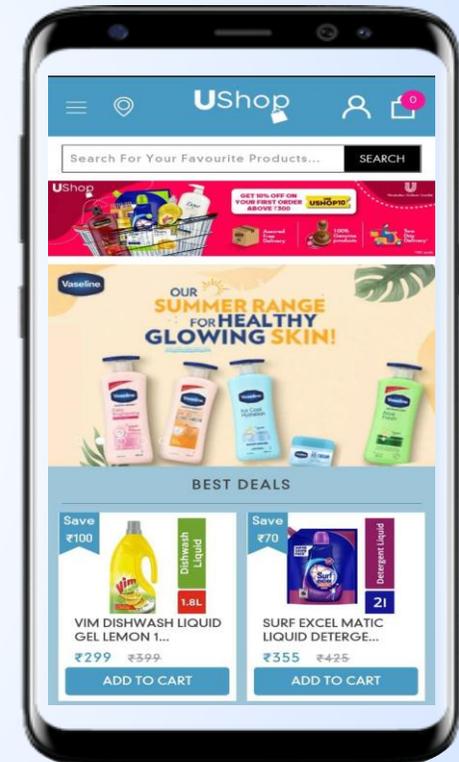
## eRTM - Shikhar



## Accelerating eCommerce



## Direct to Consumer





# Purpose drives growth : Key actions in this quarter

## Making sustainable living commonplace



Eliminated coal usage across our factories



Clean Futures : Soda Ash from Carbon Capture



Reducing our plastic footprint: Bottles with recycled plastic



Partnering for research on COVID 19 vulnerability and vaccine efficacy



6<sup>th</sup> Suvidha Centre in Ghatkopar (Mumbai)



'Smart fill' machine : Empowering consumer to reduce plastic waste

# Ritesh Tiwari

## Chief Financial Officer



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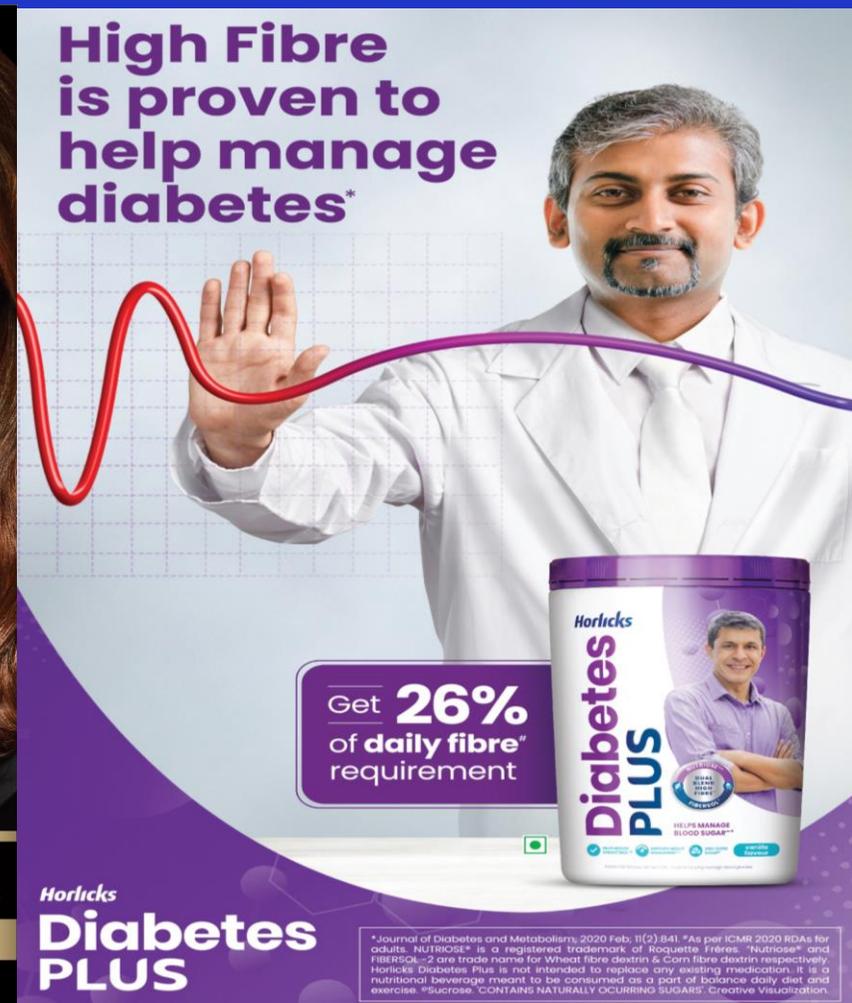
NEW

NEW

NEW

THICK & FULL SHAMPOO 340 ml

THICK & FULL CONDITIONER 340 ml



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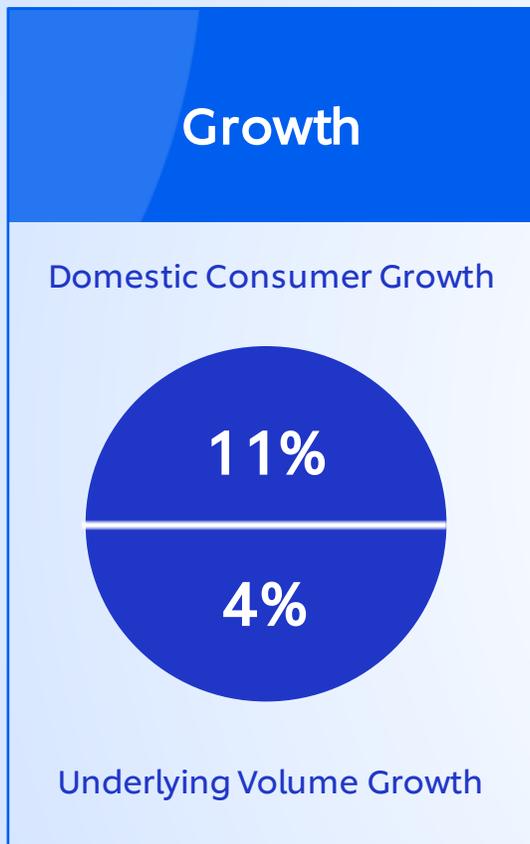
HELPS MANAGE BLOOD SUGAR\*\*

**Horlicks Diabetes PLUS**

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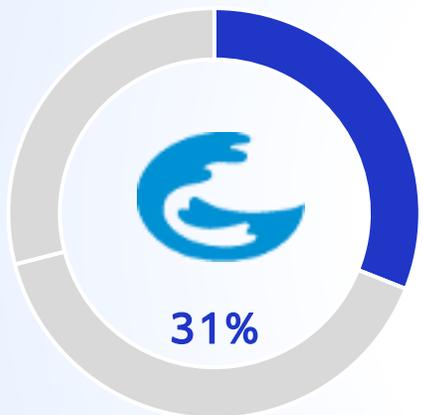
# SQ'21 : Robust performance in a challenging environment





# Broad based growth across Divisions

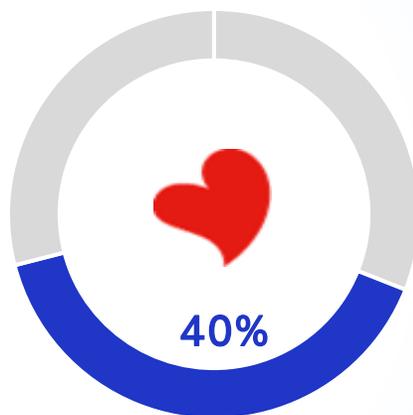
## HOME CARE



31%

15%

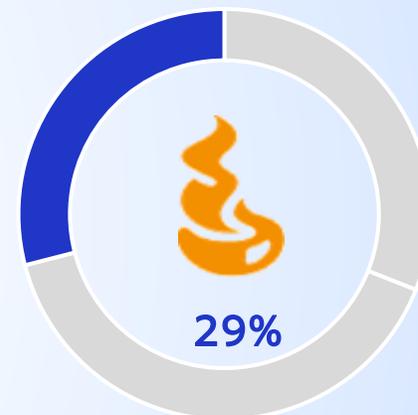
## BEAUTY & PERSONAL CARE



40%

10%

## FOODS & REFRESHMENT



29%

7%

Sales Growth



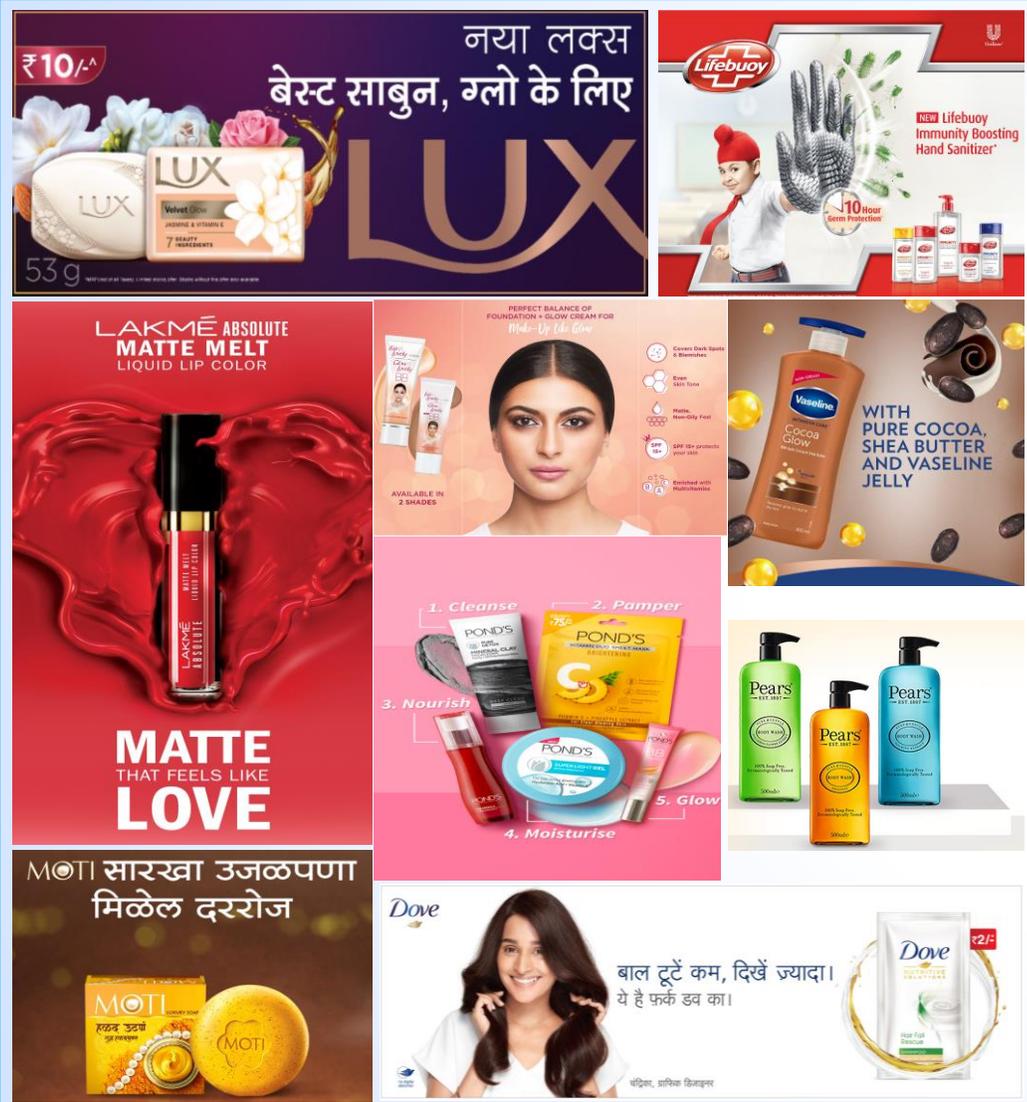
# Home Care : Double-digit growth momentum sustained



- ❑ **Household Care:** Strong performance continues. Grew on a high base led by penetration and market share gains.
- ❑ **Fabric Wash:** High double-digit growth led by strong performance in premium portfolio
  - *Significant input cost inflation; calibrated pricing actions to continue*
- ❑ **Purifiers:** Double-digit growth led by acceleration in eCommerce



# BPC : Double-digit growth led by Skin Care, Color Cosmetics and Hair Care



- ❑ **Skin Cleansing:** Soaps grew on a high base of SQ'20. Beauty and premium brands grew double-digit. Hand hygiene declined on an exceptionally high base. 'Vwash' continued its strong momentum
  - *Inflationary pressures remain elevated; calibrated pricing actions continue*
- ❑ **Hair Care:** Another quarter of strong performance as purposeful communications and impactful innovations continue to drive salience.
- ❑ **Skin Care:** High double-digit growth as mobility improved. Steady performance in 'Glow & Lovely', continues to gain penetration.
- ❑ **Color Cosmetics:** Strong YOY growth as mobility improved but slightly below pre-COVID levels.
- ❑ **Oral Care:** Performs well on a high base. 'Pepsodent' relaunched in this quarter with a superior product



# Foods & Refreshment : Strong performance on a high base

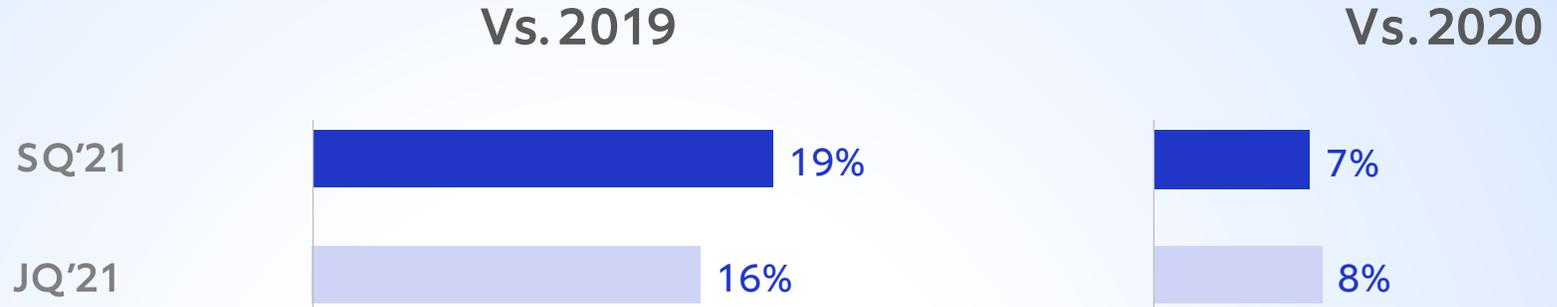


- ❑ **Beverages:** Tea grew on a very strong base and further strengthened its market leadership. Coffee performs well.
- ❑ **Nutrition:** Focus on market development yielding results, Health Food Drinks volumes grew in double-digit. Sequential penetration gains continue.
  - Launched 'Horlicks Diabetes Plus'
- ❑ **Foods:** Soft quarter on the back of double-digit growth in the base. 'Kissan Peanut Butter' and 'Hellman's Mayonnaise' innovations picking up momentum.
- ❑ **Ice Cream:** Strong recovery in Ice Creams led by effective communications and innovations. 'ICNow' gaining traction.

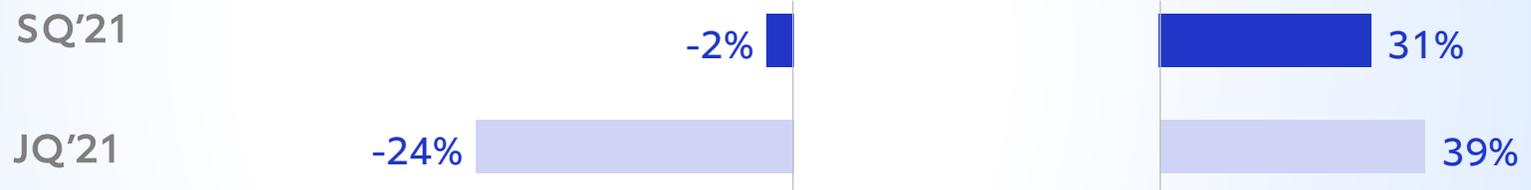


# Accelerating growth across the portfolio

**Health, Hygiene and Nutrition**  
c. 85%



**Discretionary**  
c. 12%



**Out of Home**  
c. 3%





# Playing all lines of the P&L

Margin headwinds likely to persist



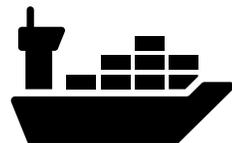
Palm Oil



Packaging



Crude Oil



Freight

**+7%**

YOY Pricing in SQ'21

**Savings Programme**

**Improving mix**

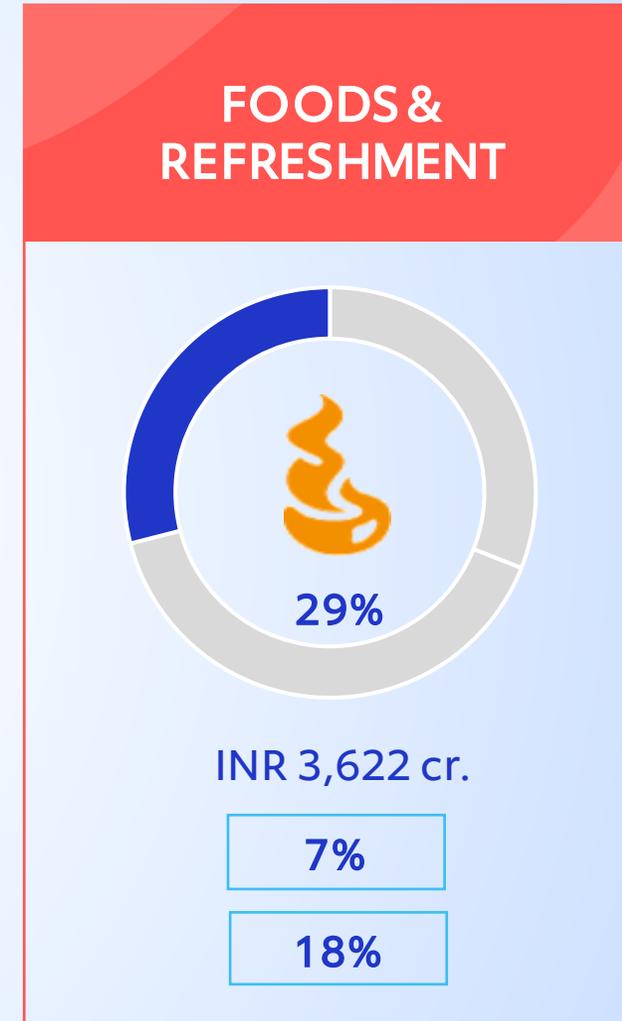
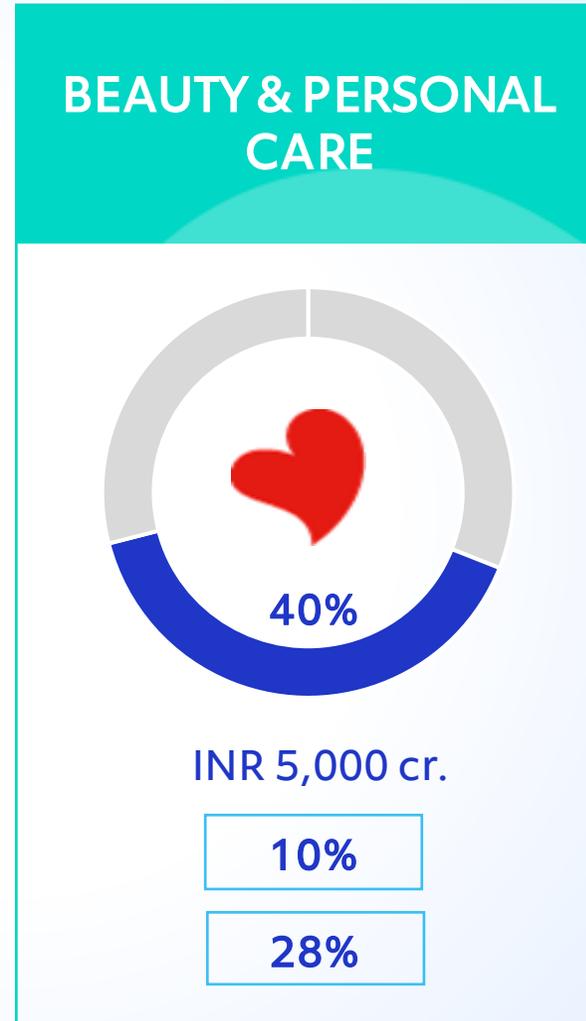
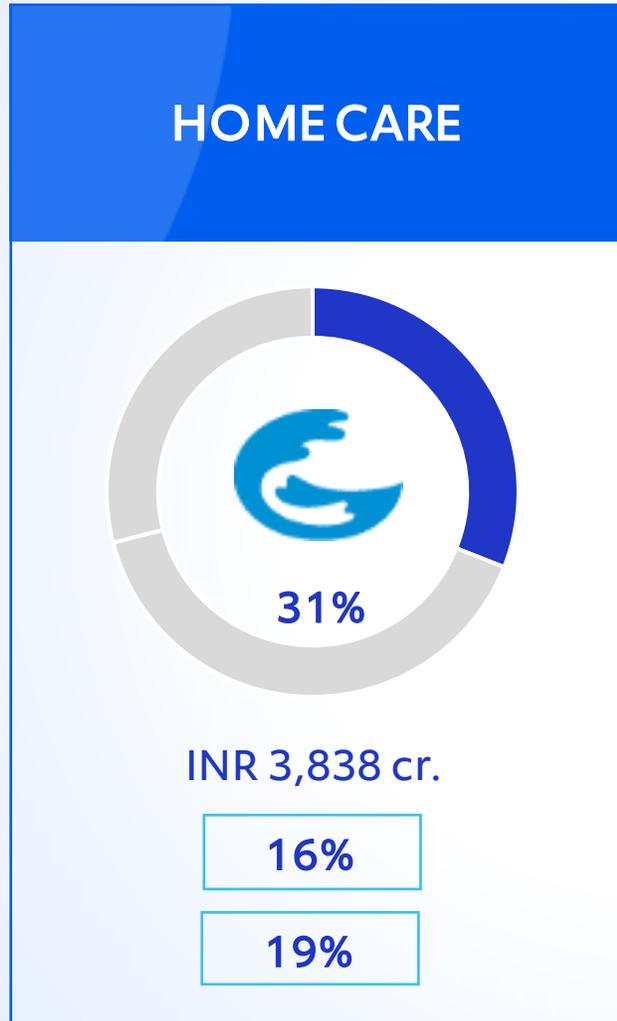
**25.0%**  
SQ'21 EBITDA

**+70 bps**  
vs JQ'21

# SQ'21 : Segmental performance

**Segmental Revenue Growth\***

**Segmental Margins\*\***



\*Segment Revenue Growth = Segment Turnover growth + Other Operating Income

\*\* Segment Margins (EBIT) excludes exceptional items



# SQ'21 : Results summary

Rs. Crores

Particulars	SQ'21	SQ'20	Growth
Sales	12,516	11,276	11%
EBITDA	3,132	2,869	9%
EBITDA Margin	25.0%	25.4%	-40 bps
Other Income (Net)	87	122	
Exceptional Items – Credit / (Charge)	-	(81)	
PBT	2,954	2,661	11%
Tax	767	652	
PAT bei	2,187	2,035	7%
Net Profit	2,187	2,009	9%



# H1'22 : Strong performance in a challenging environment





# Interim Dividend

Particulars	FY 2021-22	FY 2020-21
Dividend per share (Rs.)	15.0	14.0
No. of shares (Crores)	235	235
Total Dividend (Rs. Crores)	3,524	3,289



## We remain cautiously optimistic in the near term

- ❑ Next few months critical to get better understanding of underlying demand
  - Normalisation of economic activities
  - Onset and intensity of winter
  - Impact of inflation
  
- ❑ Commodities remain volatile and elevated
  - Gross margin likely to remain under pressure; Judicious pricing actions coupled with cost agility and savings programmes to continue

**Our focus remains on delivering Consistent, Competitive, Profitable and Responsible Growth**

# For more information and updates

Visit our IR website

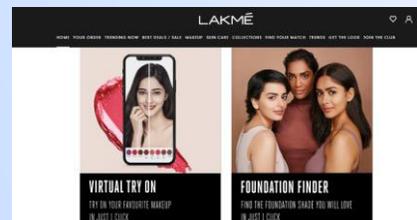


**Hindustan Unilever Limited**  
SQ'21 Results : 19<sup>th</sup> October 2021

The screenshot shows three promotional banners:
 

- Surf Excel**: "TOUGH ON STAINS + ECO-FRIENDLY" with images of detergent bottles and a washing machine.
- TRE Semmè**: "THICKER FULLER LOOKING HAIR" and "THICK & FULL with BIOTIN & PROTEIN" featuring a woman with long hair and hair care products.
- Horlicks Diabetes PLUS**: "High Fibre is proven to help manage diabetes" and "Get 26% of daily fibre\* requirement" featuring a doctor and a product tin.

Click to visit our D2C platforms



Lakme



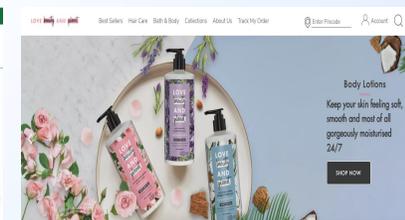
U Shop



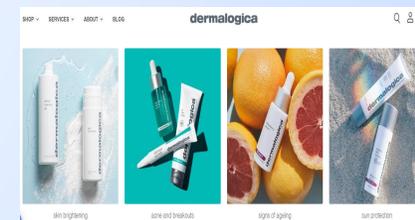
Indulekha



Simple



Love Beauty & Planet



Dermalogica