



Hindustan Unilever Limited

20th July, 2023

Stock Code BSE: 500696

NSE: HINDUNILVR

ISIN: INE030A01027

BSE Limited,
Corporate Relationship Department,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra – Kurla Complex,
Bandra (E),
Mumbai – 400 051

Dear Sir/Madam,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to the Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the Investor Presentation on Unaudited Financial Results of the Company for the quarter ended 30th June, 2023.

We are also enclosing herewith a copy of a Press Release which will be disseminated shortly. The Press Release is self-explanatory.

Please take the above information on record.

Thanking You.

Yours faithfully,

For Hindustan Unilever Limited

DEVOPAM
NARENDRA
BAJPAI

Digitally signed by
DEVOPAM
NARENDRA BAJPAI
Date: 2023.07.20
15:59:31 +05'30'

Dev Bajpai

**Executive Director, Legal & Corporate Affairs
and Company Secretary**

DIN:00050516 / FCS No: F3354

Hindustan Unilever Limited

JQ'23
Results

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Hindustan Unilever Limited



Safe harbour statement

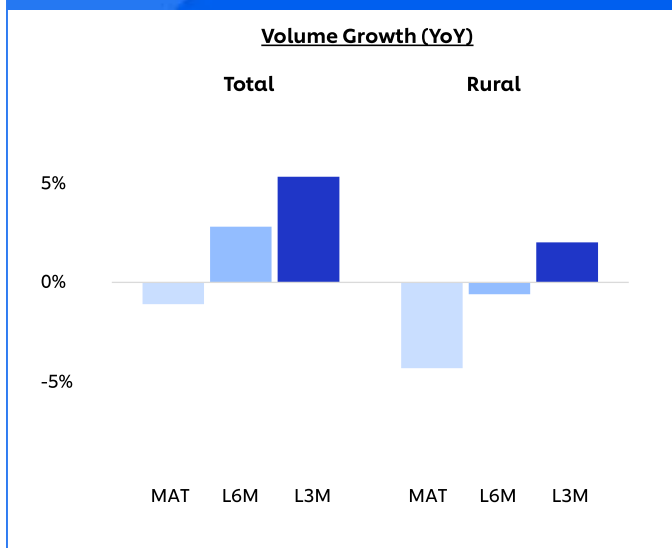
This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations 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.



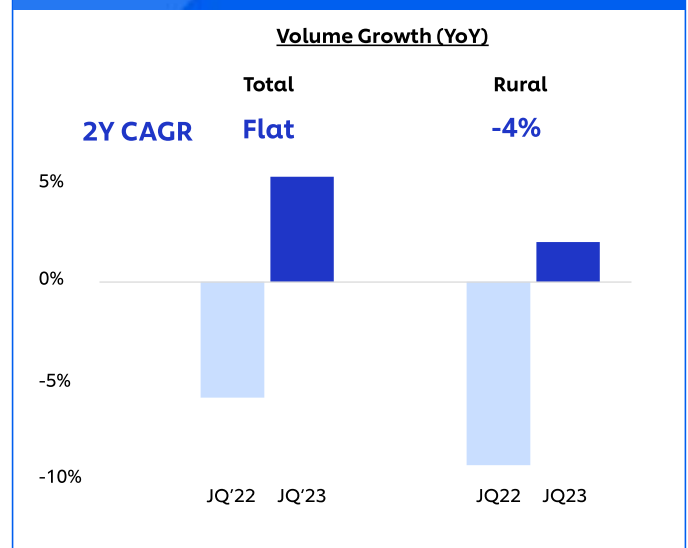
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FMCG demand trends gradually improving

Market volumes recovering...



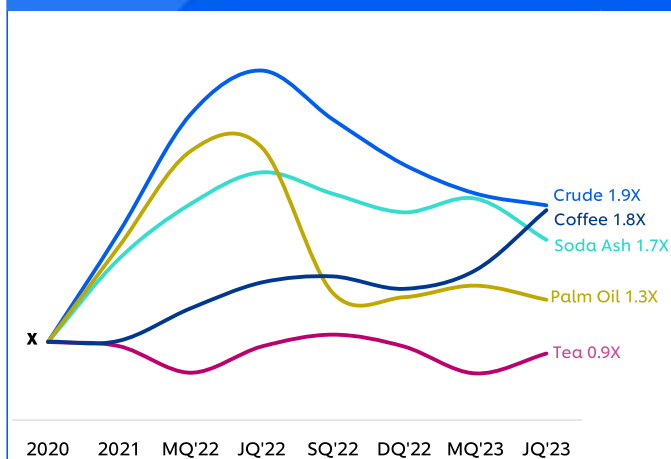
...albeit on a soft base



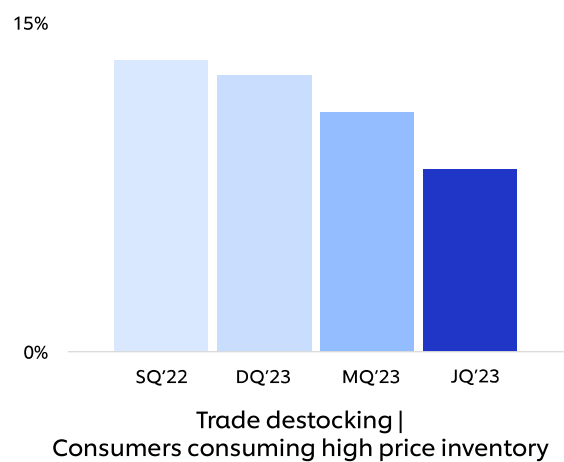
Market growth as per Nielsen FMCG Market Report for June 2023 (HUL relevant categories)
Sensitivity: Public

Inflation softening on a YoY basis

Commodities remain stable



Market price growth tailing off



Commodity prices as per relevant market index

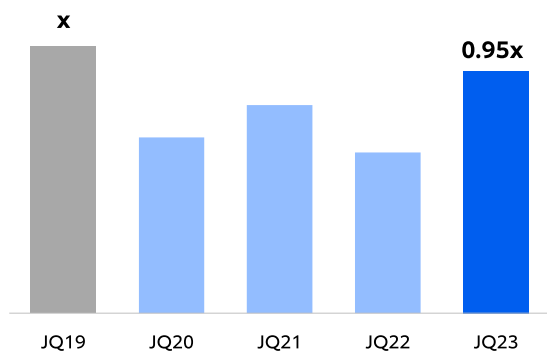
Market growth as per Nielsen FMCG Market Report June 2023 (HUL relevant categories)

Sensitivity: Public

Increased competitive intensity

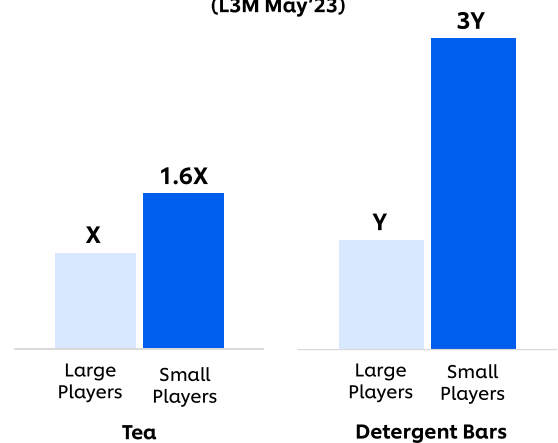
Media intensity up

Media GRPs for FMCG Market
(HUL relevant categories)



Resurgence of small players in select categories

Market Value Growth (YoY)
(L3M May'23)



GRP Trend as per BARC report (HUL relevant categories)
Market growth as per Nielsen FMCG Market Report May 2023
Sensitivity: Public

HUL JQ'23 results

| Topline | EBITDA | PAT (bei) ³ | Net Profit |
|---------------------------------------|----------------|------------------------|------------------|
| Underlying Sales Growth ¹ | Margin | INR | INR |
| 7% | 23.6% | 2,500 cr. | 2,472 cr. |
| 3% | +40 bps | 9% | 8% |
| Underlying Volume Growth ² | Change YoY | Growth YoY | EPS Growth YoY |

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

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

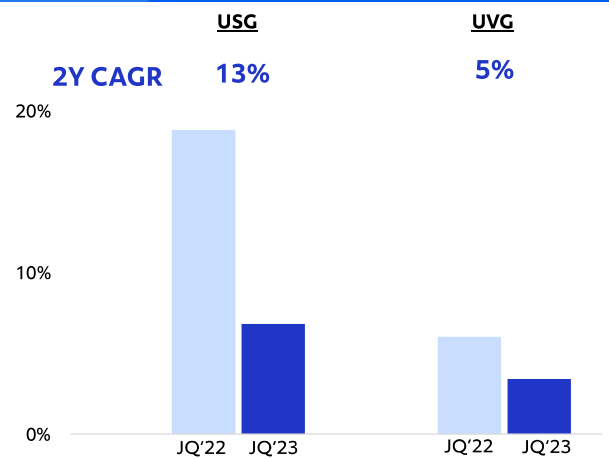
3. PAT (bei) : Profit After Tax before exceptional items

Competitive growth

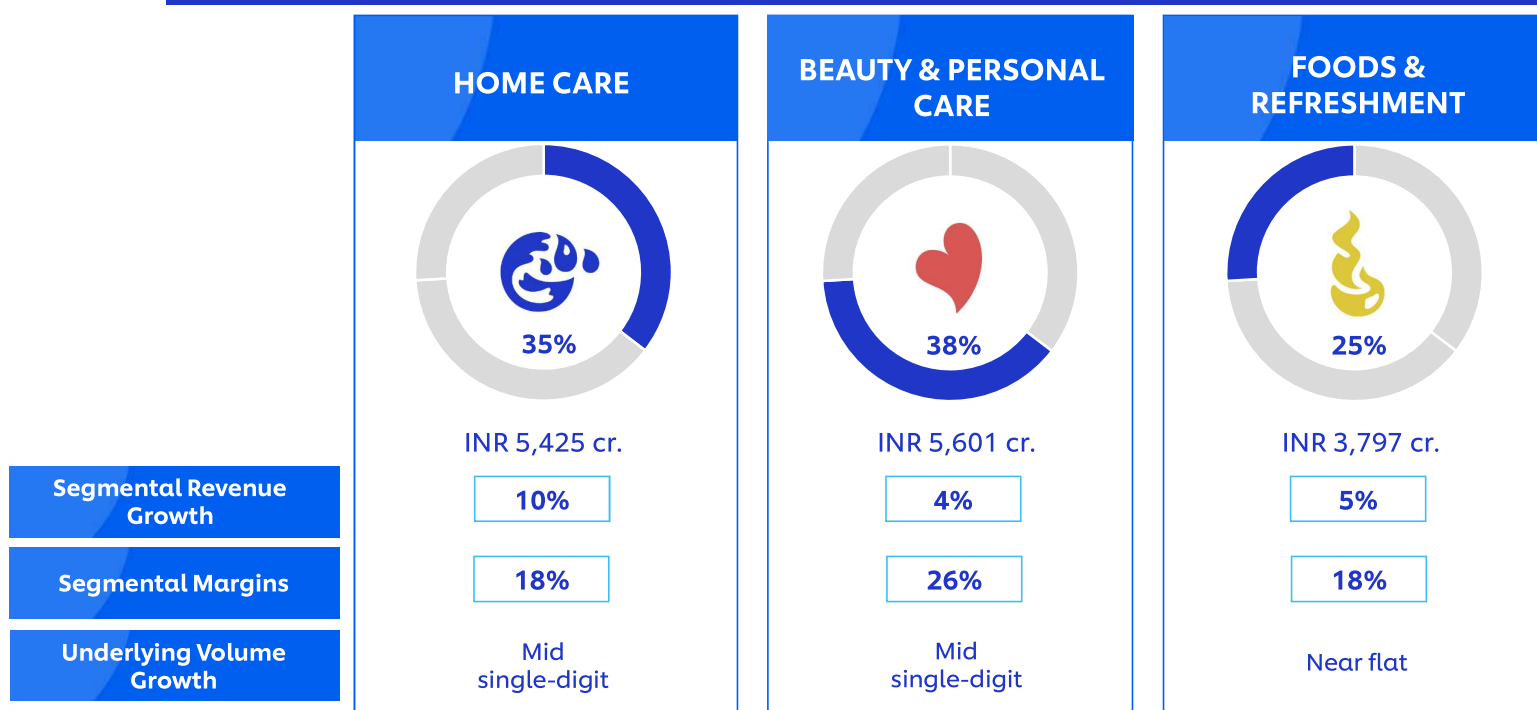
Business winning market shares

>75%

Significantly outperformed the market on a 2-year basis



JQ'23 : 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 Volume Growth (UVG) refers to volume growth including the impact of mix of turnover realization of products sold

Sensitivity: Public

JQ'23: Underlying Volume Growth composition



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

Sensitivity: Public

JQ'23 : Innovations (1/2)



JQ'23 : Innovations (2/2)



JQ'23 : Activations and communications





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HC : Double digit growth on a high base



- ❑ **Fabric Wash:** Double-digit growth balanced between price and volume. Premium portfolio outperforms
 - Market share gains continue
- ❑ **Household Care:** Double-digit volume led growth driven by outperformance in Dishwash



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BPC : Volume led growth



- ❑ **Skin Cleansing:** Modest volume-led growth driven by Lux and Hamam. Price reductions taken in soaps portfolio
 - Market development actions in bodywash continue to yield good results
- ❑ **Hair Care:** Mid-single digit volume growth led by Tresemme, Indulekha and Clinic Plus
 - Innovations and future formats continue to do well
- ❑ **Skin Care and Colour Cosmetics:** Double-digit growth driven by strong performance in premium portfolio
- ❑ **Oral Care:** High double-digit growth led by Closeup



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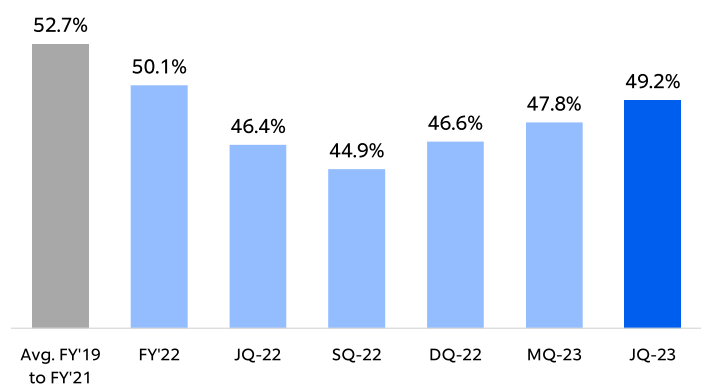
F&R : Steady performance led by HFD and Food Solutions



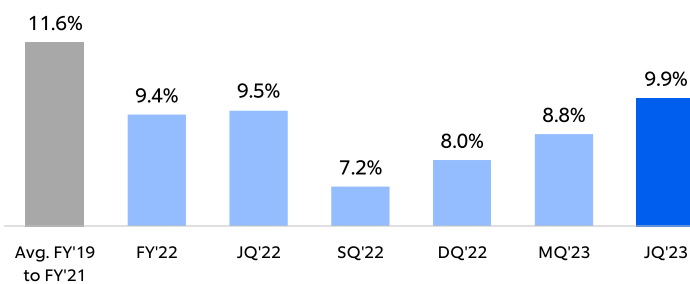
- ❑ **Beverages:** Modest growth as consumers downgrading continued due to inflation differential between premium and loose tea. Coffee grew in mid-single digit
- ❑ **Health Food Drinks:** Price led growth with both Horlicks and Boost performing well
- ❑ **Foods:** Mid-single digit growth led by Ketchup and Food Solutions. Mayonnaise and Peanut Butter continue to deliver strong growth
- ❑ **Ice Cream:** Mid-single digit growth on a high base. Unseasonal rains impacted consumption

Building back gross margins, stepping up A&P

Gross Margin up sequentially



Stepped-up A&P investments



Continue to drive productivity improvement and pricing agility

JQ'23 : Results summary

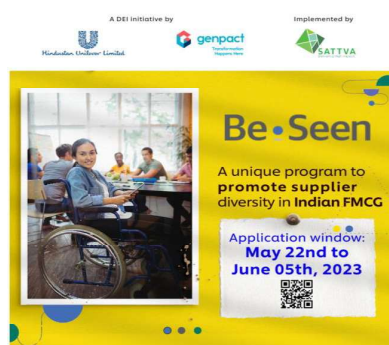
Rs. Crores

| Particulars | JQ'23 | JQ'22 | Growth |
|------------------------------|--------------|--------------|-----------|
| Sales | 14,931 | 14,016 | 7% |
| EBITDA | 3,521 | 3,247 | 8% |
| EBITDA Margin | 23.6% | 23.2% | +40 bps |
| Other Income (Net) | 138 | 111 | |
| PBT | 3,365 | 3,086 | 9% |
| Tax | 893 | 797 | |
| Net Profit | 2,472 | 2,289 | 8% |
| PAT before exceptional items | 2,500 | 2,289 | 9% |

Doing well by doing good



10 new Suvidha Centres to be set up



'Be.Seen': scaling minority-owned businesses



'Centre for Sustainability Leadership'

Looking ahead



Hindustan Unilever Limited

Operating environment remains volatile

Weather related risks continue



Impact on inflation and rural demand to be monitored

Gradual recovery in volumes



High levels of cumulative inflation, consumption to recover gradually

Near-term outlook

- ❑ If commodities remain where they are, our price growth to be flattish/negative in the coming quarters
- ❑ Competitive intensity to go up further, focused on growing our consumer franchise and sustaining our volume growth momentum
 - Right price-value equation and building back gross margin
 - Step-up in A&P investments

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

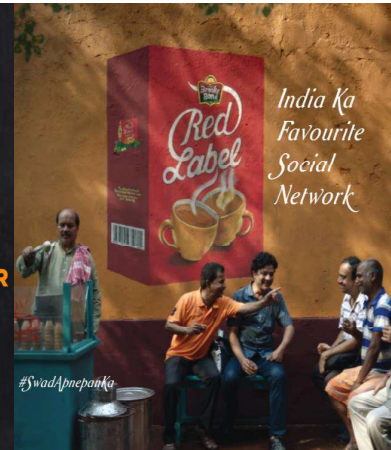
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STANDALONE RESULTS FOR THE QUARTER ENDED 30th JUNE 2023

7% Underlying Sales Growth, 3% Underlying Volume Growth, 8% Profit After Tax Growth

Mumbai, 20th July 2023: Hindustan Unilever Limited (HUL) announced its results for the quarter ended 30th June 2023.

June Quarter 2023: Resilient performance in a challenging environment

HUL delivered a resilient and competitive performance in JQ'23 with Underlying Sales Growth¹ (USG) of 7% and Underlying Volume Growth² (UVG) of 3%. EBITDA margin at 23.6% was up 40 bps YoY. Profit After Tax before exceptional items (PAT bei) grew 9% and Profit After Tax (PAT) grew 8%.

Home Care: Double digit growth on a high base

Home Care delivered another quarter of strong performance with 10% revenue growth and mid-single digit UVG. Both Fabric Wash and Household Care grew double-digit led by focused market development actions and premiumization. Comfort In Wardrobe Premium Fragrance Hangers, Vim Shudhham Cleaning Spray and Gel were launched in the quarter.

Beauty & Personal Care: Volume led growth

Beauty & Personal Care delivered 4% revenue growth with mid-single digit UVG. Skin Care and Colour Cosmetics grew double-digit on the back of strong performance in premium portfolio. Hair Care delivered mid-single digit UVG led by Tresemme, Indulekha and Clinic Plus. Skin Cleansing had a modest volume-led growth with Lux and Hamam continuing to outperform. Further price reductions were taken in soaps portfolio in this quarter. Oral Care delivered strong double-digit growth led by Closeup. During the quarter, Dove Men+ Care range, Indulekha Soap, Pond's Anti Pigmentation Serum were launched.

Foods & Refreshment: Steady performance led by Health Food Drinks and Food Solutions

Foods & Refreshment revenue grew 5% with near flat UVG. Tea saw modest volume led growth as the category continued to witness consumers downgrading due to higher inflation in premium teas vis-à-vis loose tea. HFD continue to grow competitively with both Horlicks and Boost performing well. Foods grew in mid-single digit led by strong performance in Ketchup and Food Solutions. Ice Cream grew in mid-single digit on an exceptionally high base. Unseasonal rains impacted Ice Cream consumption in the quarter. Horlicks Millet Biscuits, range of Knorr Chinese Sauces and Bru Cold Coffee were launched in the quarter.

Building back gross margin and step-up in Advertising & Promotions

EBITDA margin at 23.6% was up 40 bps YoY. PAT (bei) was up 9% YoY. PAT at Rs 2,472 Crores was up 8% YoY. Sequentially vs MQ'23, gross margin was up 140 bps and A&P was stepped up by 110 bps. We continue to manage our business dynamically to drive savings harder and provide the right price-value equation to our consumers. We remain focused on building back our gross margin and investing competitively in A&P.

Rohit Jawa, CEO and Managing Director commented: 'FMCG markets are recovering gradually although the operating environment remains challenging. In this context we have delivered a resilient and competitive performance whilst stepping up our EBITDA margin.

In the near-term, FMCG industry will continue to witness rebalancing of price-volume growth equation and a gradual recovery in consumer demand. In this environment we will continue to provide superior value to our consumers and invest behind our brands. We remain focused on driving our long-term strategic priorities including market development and building distinctive capabilities for the future. I am confident of the medium to long term prospects of the Indian FMCG sector and HUL's ability to deliver a Consistent, Competitive, Profitable and Responsible growth.'

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