

Hindustan Unilever Limited,
Unilever House,
B D Sawant Marg, Chakala,
Andheri East, Mumbai 400 099

Tel: +91 (22) 50433000 | Web: www.hul.co.in | CIN: L15140MH1933PLC002030



Hindustan Unilever Limited

19th January, 2024

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 31st December, 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: 2024.01.19
15:39:52 +05'30'

Dev Bajpai
Executive Director, Legal & Corporate Affairs
and Company Secretary
DIN:00050516 / FCS No: F3354

Hindustan Unilever Limited

DQ'23 Results

19th January 2024



Hindustan Unilever Limited



ACTIVE SKIN BARRIER CARE
with Ceramide Boosters

a new generation of cleansers & creams
visibly soft, supple & replenished skin
from 1st use





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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Operating environment remains challenging

Weather vagaries



Uneven monsoon | Delayed winter

Subdued festive season



Weak consumer sentiment

Uneven economic recovery



Urban > Rural | Premium > Mass



FMCG demand trends remain stable

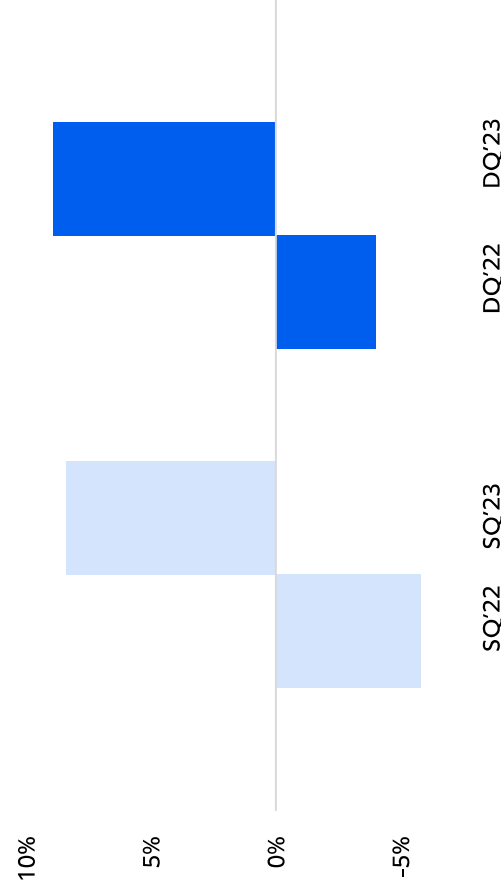
Gradual recovery in volumes
albeit on a soft base

Market Volume Growth (Urban + Rural)

2Y CAGR

1%

2%



Urban resilience continues
while Rural remains subdued

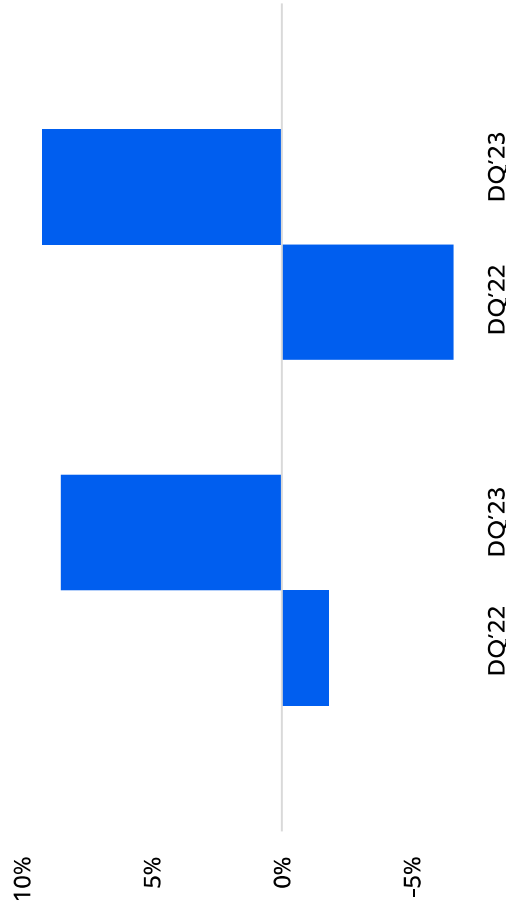
Market Volume Growth

Urban

3%

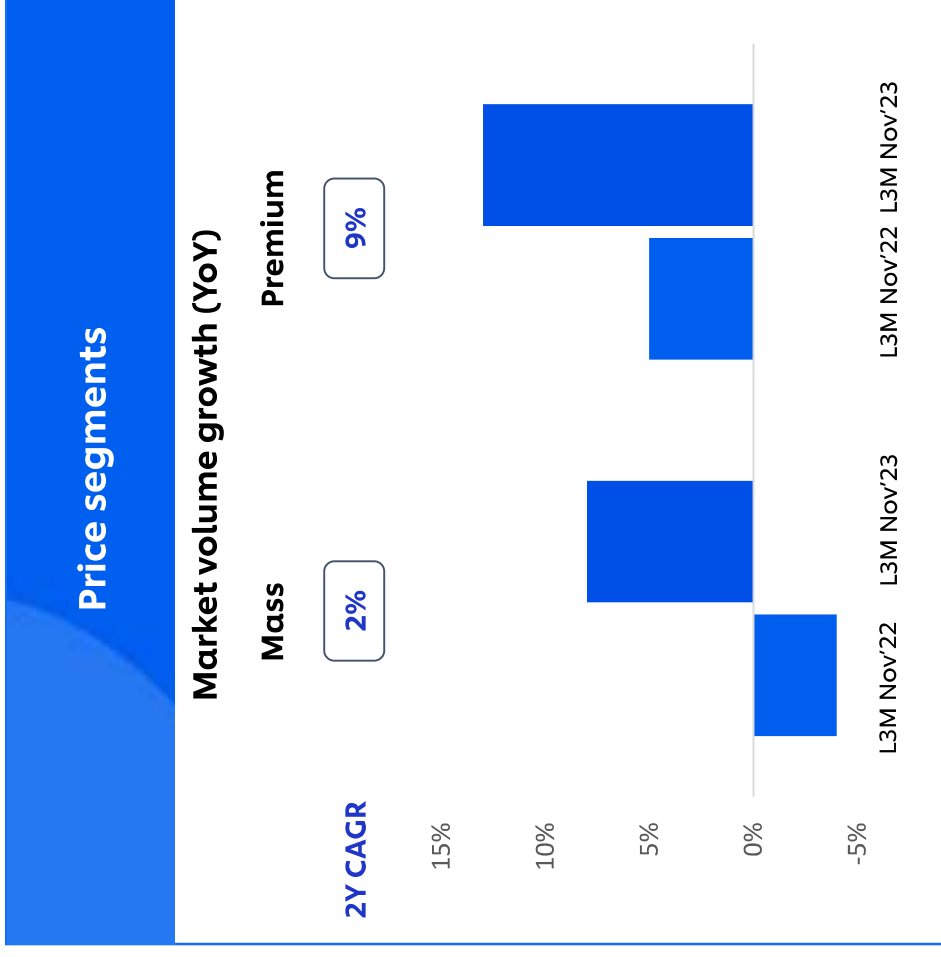
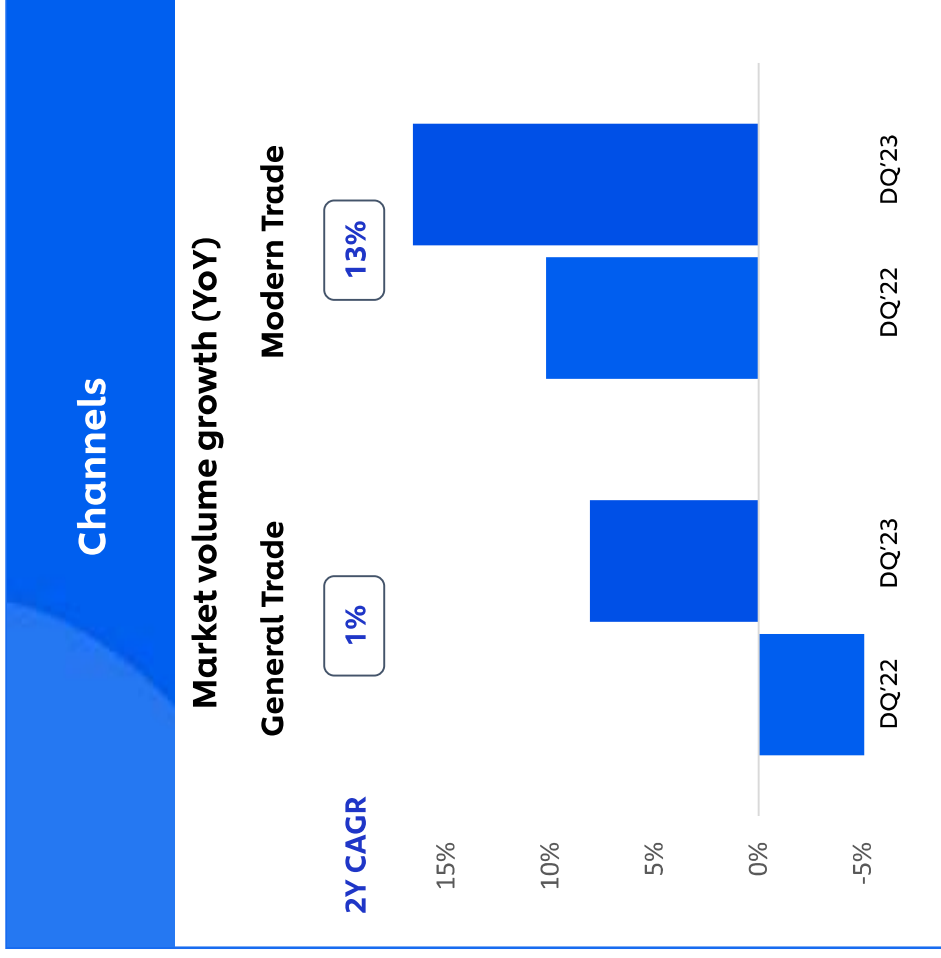
Rural

1%





Modern Trade and Premium lead market growth



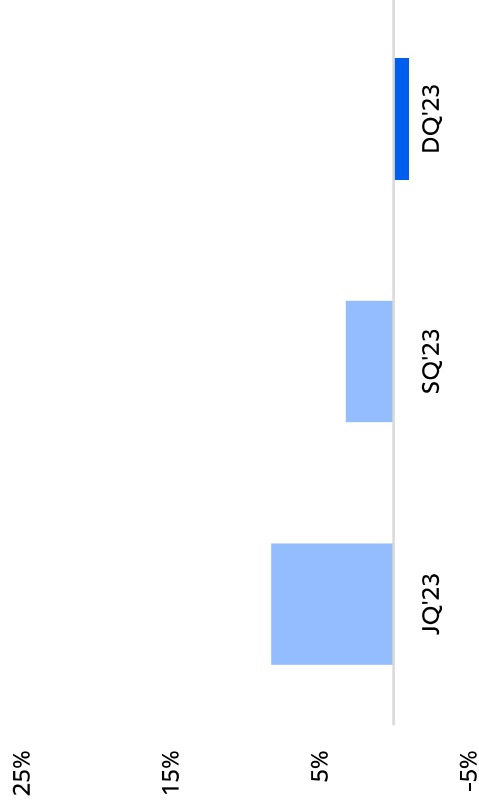


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Market price growth tailing off albeit remains high on a 3-year basis

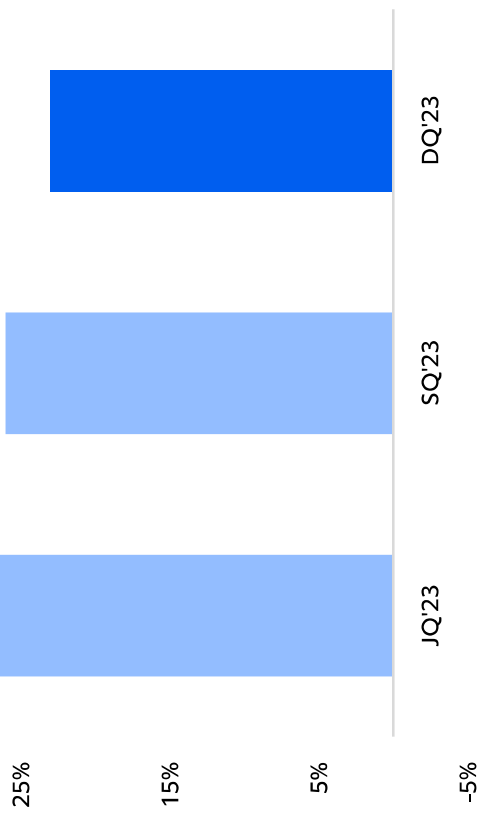
FMCG market price growth

YoY



FMCG market cumulative price growth

vs 2020



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

Sensitivity: Public



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DQ'23 Financial highlights

Turnover

14,928 cr.

Underlying Sales Growth

Flat

Underlying Volume Growth

2%

EBITDA Margin

23.7%

PAT bei

-2%

Net Profit

1%

+10 bps YoY

YoY growth

YoY Growth

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

Sensitivity: Public



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Strong business fundamentals

Business Winning
Shares

c.60%

Business Gaining
Penetration

>75%

Business with growing / stable
Brand Power

>80%

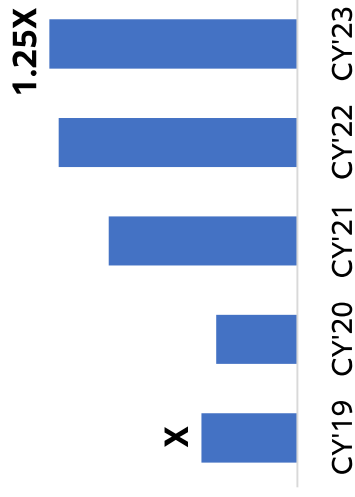
Product Superiority



A&P Investments (₹ crs.)



Coverage



Brand Power and penetration as per Kantar for Oct '23 MAT and Nov'23 MAT respectively
Business winning value shares as per December'23 MAT Nielsen market data (HUL relevant categories)
CY : Current Year
Sensitivity: Public



Building for the future

Deepening Category focus : Beauty and Personal Care

BEAUTY & WELLBEING



Skin Care | Colour
Cosmetics | Hair Care |
Health & Wellbeing
c. ₹12K Cr.

PERSONAL CARE



Skin Cleansing |
Oral Care | Deodorants
c. ₹10K Cr.

Diverging Business models, Competitive
landscape and Innovation rhythm

FY 23 Annual Turnover

Next phase of HUL's digital journey : Enhance consumer and customer experience

DIGITAL ACCELERATION



Appointment of Chief Digital
Officer

Scalable Foundations | Exploding digital
ecosystems

Responsible growth : Doing well by doing good



75



64

Dow Jones Sustainability Indexes

ICAI award for excellence in BRSR

Best rated Indian FMCG company



Brookfield



Hindustan Unilever Limited

32% equity investment

Solar energy park : 45MW capacity

10 years of Prabhat



c.10 Mn people, >1200 villages

Ritesh Tiwari

Chief Financial Officer



Hindustan Unilever Limited



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from 1st use





DQ'23 Results

Topline
Underlying Sales Growth
Flat
2%
Underlying Volume Growth

EBITDA
Margin
23.7%
+10 bps
Change YoY

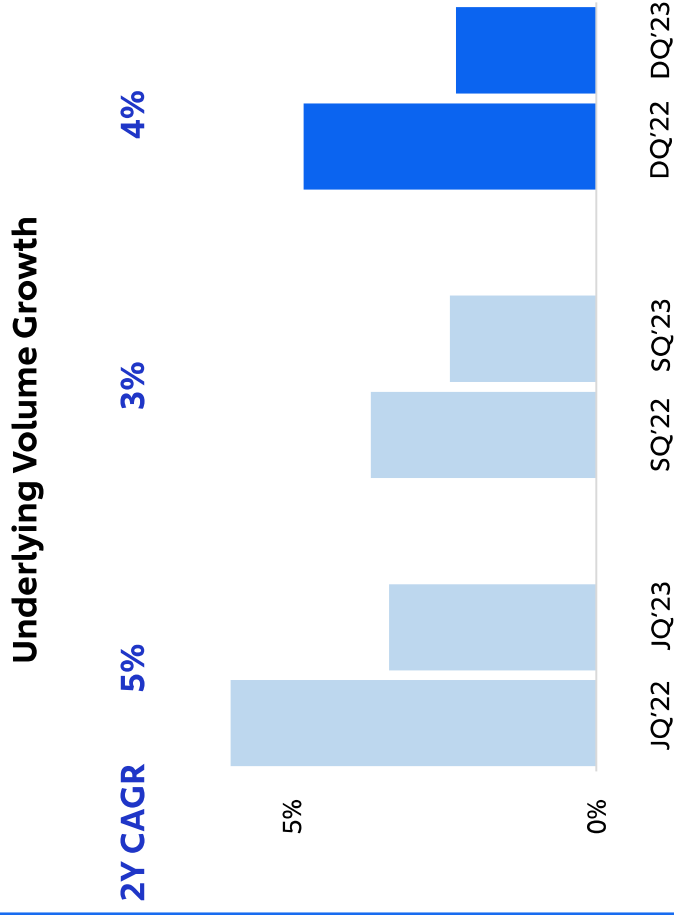
PAT (bei)
INR
2,541 cr.
-2%
Growth YoY

Net Profit
INR
2,519 cr.
1%
Growth YoY

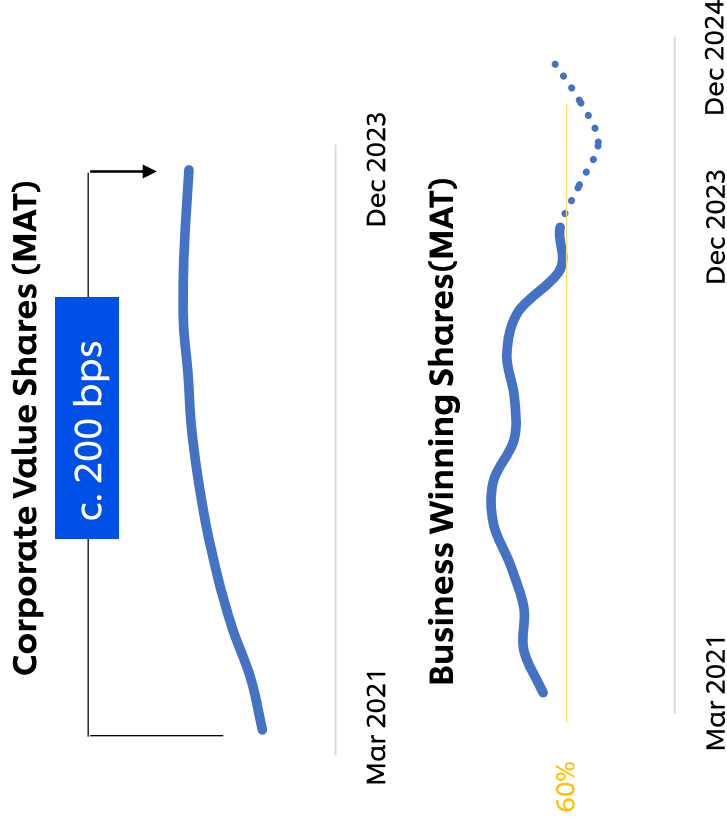


Competitive growth

Strong volume growth on a 2-year basis



Healthy market share gains





Premium portfolio continues to outperform

Premium vs Mass

YTD Dec'23 Value

>2.5X

Strong double-digit value growth



Premium Laundry



Premium Beauty Business Unit



Mayonnaise & Peanut butter

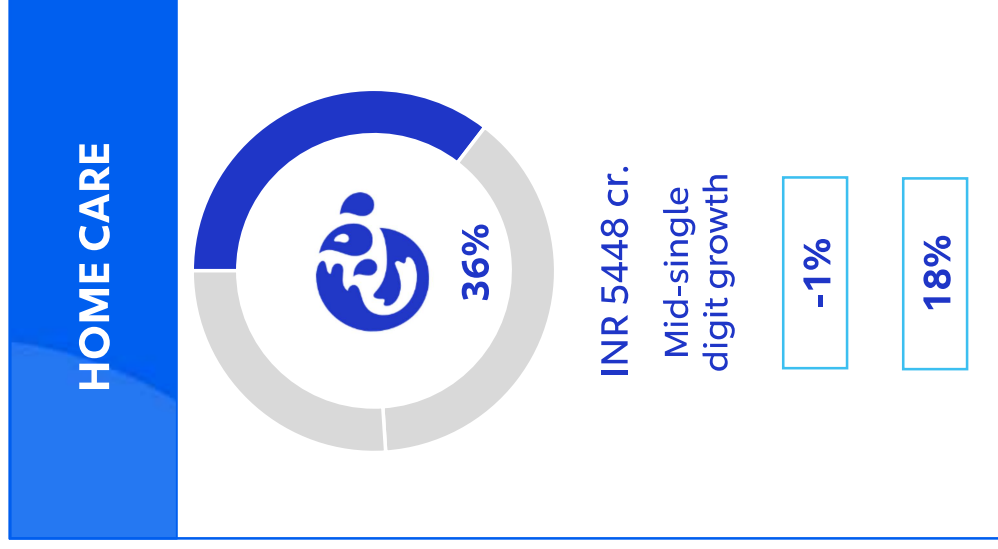


Horlicks Plus Range



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DQ'23 : Segmental performance



Underlying Volume Growth

Underlying Sales Growth

Segmental Margins

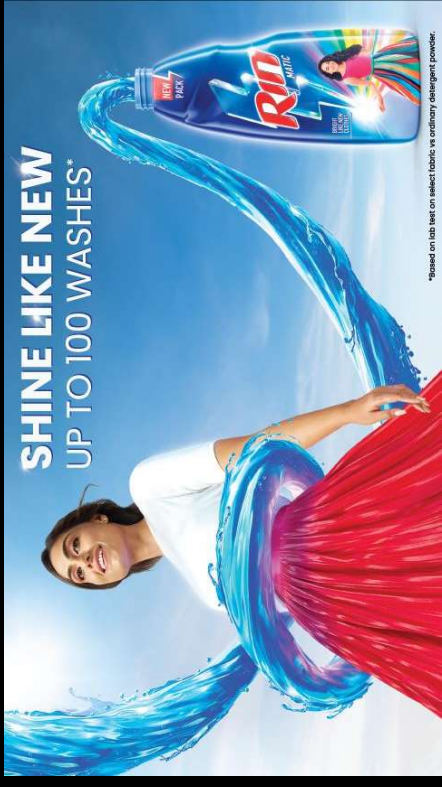
Segment Revenue = Segment Turnover + Other Operating Income, Segment Margins (EBIT) excludes exceptional items. Excludes 'Others' segment, proportion of segments for same period last year
Underlying Sales Growth (USG) refers to the increase in turnover for the period, excluding any change in turnover resulting from acquisitions, disposal
Underlying volume growth (UVG) refers to volume growth including the impact of mix of turnover realization of products sold

Sensitivity: Public



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HC : Innovations and Activations





HC : Robust volume led performance on a very high base

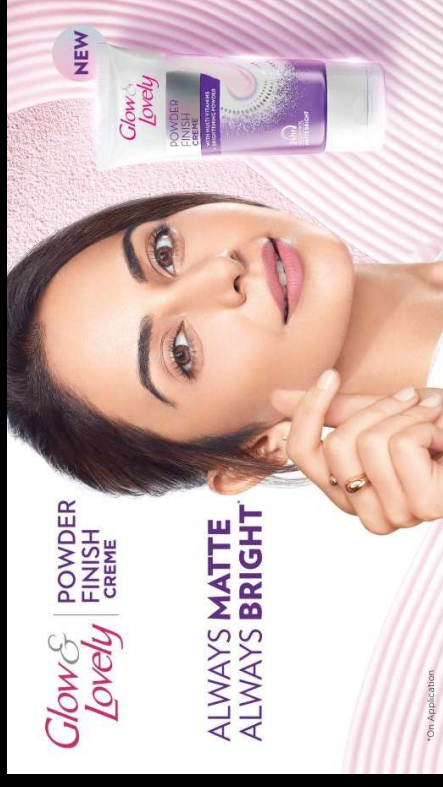
- ❑ **Fabric Wash:** Volumes grew in mid-single digit driven by outperformance in premium portfolio
- ❑ **Household Care:** Low-single digit volume growth led by Dishwash
- ❑ Both categories delivered a strong double-digit growth on a 2-year CAGR basis driven by high single digit UVG





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BPC : Innovations and Activations





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BPC : Mid-single digit volume growth led by Hair and Premium Skin

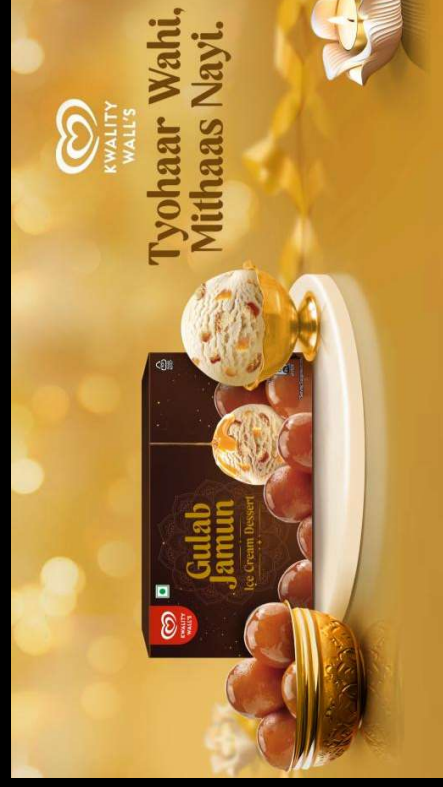


- ❑ **Skin Cleansing:** Declined versus prior year due to impact of price cuts. Market development actions in bodywash continue to yield good results
- ❑ **Hair Care:** Volume led double-digit growth with broad based performance across brands. Future formats including serums, masks and conditioners continue to gain traction
- ❑ **Skin Care and Colour Cosmetics:** Impacted by delayed winter. Premium non-winter portfolio continues to do well.
- ❑ **Oral Care:** Mid-single digit growth led by Closeup



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F&R: Innovations and Activations





F&R : Price led growth driven by Market Development portfolio



- ❑ **Beverages:** Tea further strengthened value and volume market leadership. Muted performance in the quarter as category continued to witness consumers downgrading. Green Tea and flavoured tea performed well. Coffee grew in double-digits driven by pricing
- ❑ **Health Food Drinks:** Delivered competitive modest price-led growth driven by Plus range
- ❑ **Foods:** Food Solutions, Mayonnaise and Peanut Butter continue to deliver strong growth
- ❑ **Ice Cream:** Mid-single digit growth on a high base



Stepping up gross margin, investing behind brands and capabilities

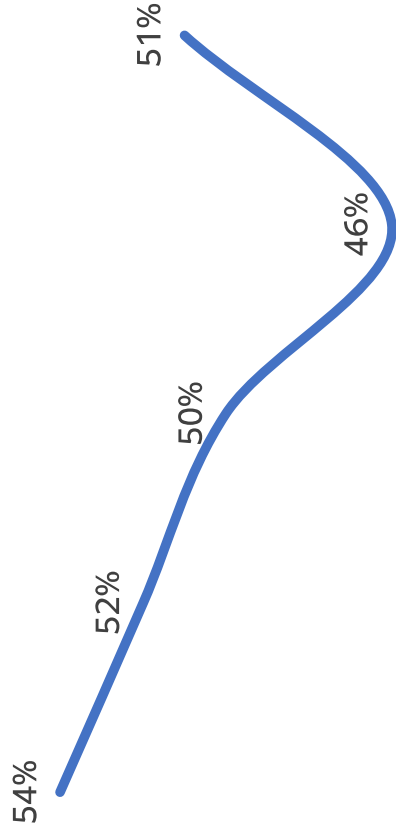
YoY	EBITDA DQ'23 23.7%	Gross Margin 50.6%	Advertising & Promotion 10.7%	Employee Benefits & Other expenses 16.3%	
	10 bps improvement	400 bps improvement	270 bps investment	120 bps investment	
	Drivers	Net Productivity Mix Improvement	c. ₹400 cr. increase in investment	Capability building Phasing Royalty	

Other expenses is net of other operating income

Sensitivity: Public

Gross Margin : Fuel to invest behind brands and capabilities

Gross Margin



End-to-end net productivity focus

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

DQ'23 : Results summary

Rs. Crores

Particulars	DQ'23	DQ'22	Growth
Sales	14,928	14,986	Flat
EBITDA	3,540	3,537	Flat
EBITDA Margin	23.7%	23.6%	+10 bps
Other Income (Net)	204	202	
Exceptional Items	-30	-102	
PBT	3,432	3,377	2%
Tax	913	872	
PAT before exceptional items	2,541	2,581	-2%
Net Profit	2,519	2,505	1%



FY'24 : 9-month performance

Turnover
INR
44,886 cr.
3%
Growth YoY

EBITDA
INR
10,755 cr.
6%
Change YoY

PAT (bei)
INR
7,709 cr.
6%
Growth YoY

Net Profit
INR
7,708 cr.
4%
Growth YoY

Outlook

Sensitivity: Public



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Cautiously optimistic in the near term

❑ **Operating environment:**

- Expect gradual demand recovery to continue. Rural income growths and winter crop yields key factors determining pace of recovery
- With commodity prices remaining benign, competitive intensity likely to stay high

❑ **Our outlook:**

- Focused on driving competitive volume growth
- Price growth to be marginally negative if commodity prices remain where they are
- Stepping up investments behind our brands and long-term strategic priorities whilst maintaining EBITDA margins in a healthy range

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

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DQ'23 Results

19th January 2024



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STANDALONE RESULTS FOR THE QUARTER ENDED 31st DECEMBER 2023

HUL DQ'23 Results: Resilient performance in a challenging environment

Mumbai, 19th January 2024: Hindustan Unilever Limited (HUL) announced its results for the quarter ended 31st December 2023.

December Quarter 2023 Results

HUL delivered a resilient performance in DQ'23 with Underlying Volume Growth¹ (UVG) at 2%. Home Care and Beauty & Personal Care which constitutes about 75% of our business continues to see volume recovery and had mid-single digit UVG. Foods & Refreshment, on the other hand, saw a low-single digit decline in UVG primarily due to pricing taken in the year to offset impact of higher commodity cost. Underlying Sales Growth² (USG) was flat due to the impact of price reductions. EBITDA margin at 23.7% was up 10 bps YoY. Profit After Tax before exceptional items (PAT bei) declined 2% and Profit After Tax (PAT) grew 1%.

Home Care: Robust volume led performance on a very high base

Home Care saw a marginal decline in revenue with mid-single digit UVG in the quarter. However, on a 2-year CAGR basis, the business delivered a strong double-digit growth of 14% with high single digit UVG. Fabric Wash volumes grew in mid-single digit YoY driven by outperformance in premium portfolio. Household care volumes grew in low single digit led by Dishwash.

Beauty & Personal Care: Mid-single digit volume growth led by Hair and Premium Skin

Beauty & Personal Care revenue remained flat with mid-single digit UVG. Skin Cleansing revenue declined due to the impact of price reductions taken to pass on the benefits of lower commodity costs to consumers. Market development actions in bodywash continue to yield good results. While delayed winter impacted Skin Care performance in the quarter, premium non-winter portfolio continued to do well. Hair Care delivered volume led double-digit growth with broad based performance across brands and future formats continuing to gain traction. Oral Care grew mid-single digit led by Closeup. Key launches in this quarter include Glow & Lovely Powder finish crème, New active skin barrier care range by Simple, Sunsilk hair serums, Close-up naturals range and Lakme's range of make-up products.

Foods & Refreshment: Price led growth driven by Market Development portfolio

Foods & Refreshment revenue grew 1%. Tea further strengthened value and volume market leadership. Green Tea and flavoured tea performed well. Coffee grew in double-digits driven by pricing. Health Food Drinks delivered competitive modest price-led growth driven by Plus range. Foods Solutions, Mayonnaise and Peanut Butter continue to clock strong growths. Ice Cream grew in mid-single digit on a high base. During the quarter, Knorr Korean K-Pot noodles and Bru Gold in Vanilla, Caramel and Hazelnut flavours were launched.

Stepping up Gross Margin and Investments

EBITDA margin at 23.7% improved 10 bps versus DQ'22. Gross Margin and A&P investments increased 400 bps and 270 bps respectively versus DQ'22. We continue to manage our business dynamically by ensuring right price-value equation and investing competitively behind our brands and long-term capabilities.

FY'24: 9-month performance

Turnover at Rs. 44,886 Crores grew 3%. Both EBITDA and PAT (bei) grew 6% while Net Profit grew 4%.

Rohit Jawa, CEO and Managing Director commented: 'HUL has delivered another quarter of resilient performance with strong operating fundamentals amidst a challenging operating environment. Our focus on providing the right consumer value, excellence in execution, increased investments behind brands and capabilities, premiumisation and market development continues to serve us well.

Looking forward we expect gradual recovery in market demand to continue aided by increased Government spending, recovery in winter crop sowing and better crop realization. Rural income growths and winter crop yields are key factors that will determine the pace of recovery. In this context, our focus remains on driving competitive volume growth whilst stepping up investment behind our brands and long-term strategic priorities. We remain confident of the mid to long term potential of Indian FMCG sector and HUL remains well positioned to unlock this opportunity whilst navigating the short-term challenges.'

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

2. Underlying sales growth (USG) refers to the increase in turnover for the period, excluding any change in turnover resulting from acquisitions, disposal

