

RITESH TIWARI

CHIEF FINANCIAL OFFICER



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.



WHAT YOU HAVE HEARD SO FAR

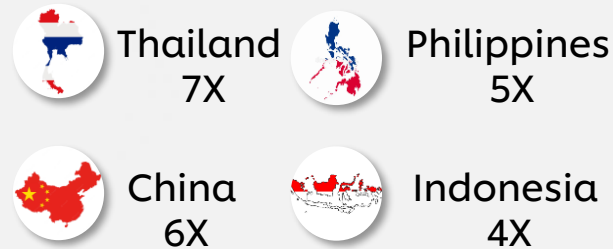


FAST GROWING ECONOMY

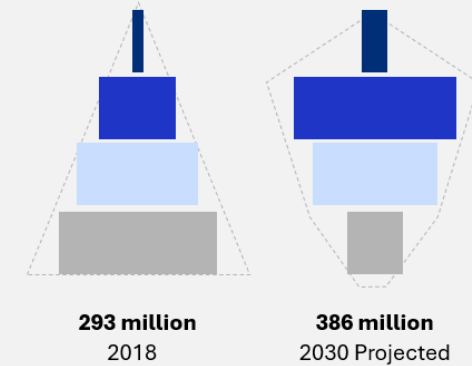
India's GDP Ranking



UNDER INDEXED FMCG SPENDS



RISING HOUSEHOLD INCOMES



Segmentation by Annual Household Income

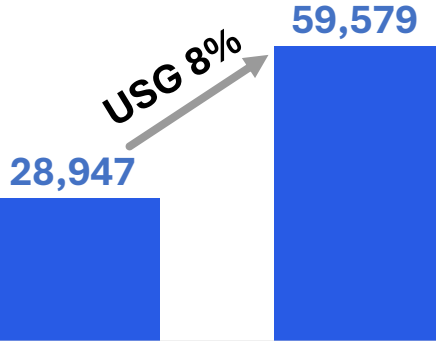
- < \$4000
- \$4000-8500
- \$8500-40000
- > \$40000

OUR TEN-YEAR TRACK RECORD



TURNOVER

2X



FY'14

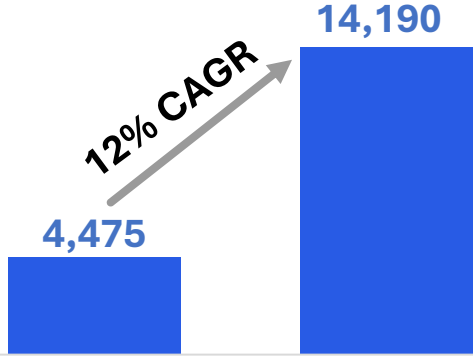
FY'24

Rs. Crs



EBITDA

3X



FY'14

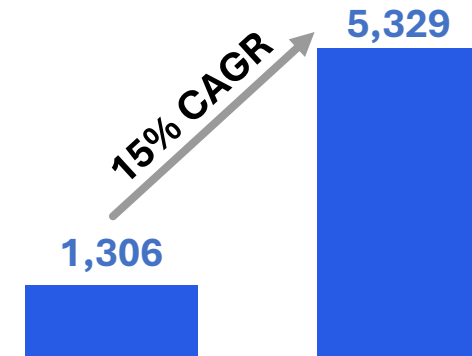
FY'24

Rs. Crs



MARKET CAP

4X



FY'14

FY'24

Rs. Bn

10 YEARS CUMULATIVE DIVIDEND PAYOUT RATIO > 90% : c.65,000 Crs

EACH BUSINESS GROUP PLAYS A DISTINCTIVE ROLE



Hindustan Unilever Limited

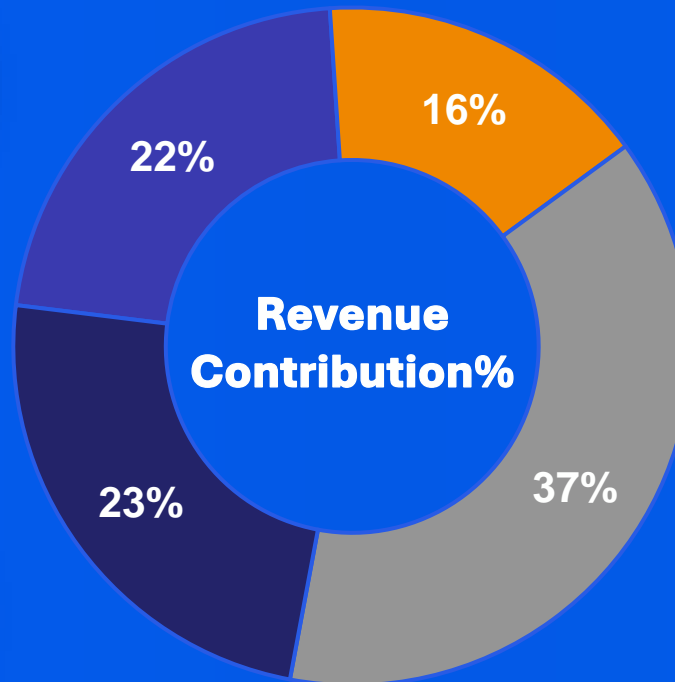
BEAUTY & WELLBEING

Shape the beauty market in the country



FOODS & REFRESHMENT

Sharper portfolio choices with India for India Strategy



PERSONAL CARE

Pioneer category development and market-making



HEMOCARE

Accelerated market-making & Premiumisation

ICE CREAM SEPARATION



WHAT I WILL COVER IN THIS SESSION

01

**DELIVERING THE
SHORT TERM**

02

**DELIVERING THE
LONG TERM**



01

DELIVERING THE SHORT TERM

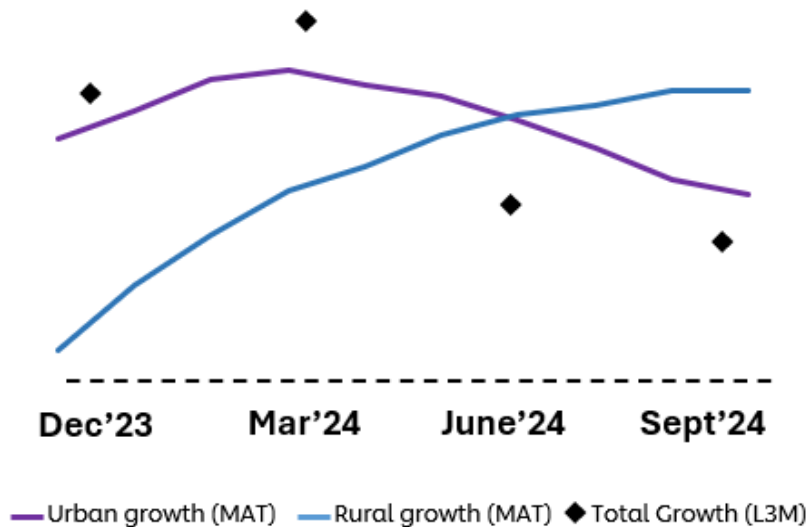
CURRENT OPERATING ENVIRONMENT



Hindustan Unilever Limited

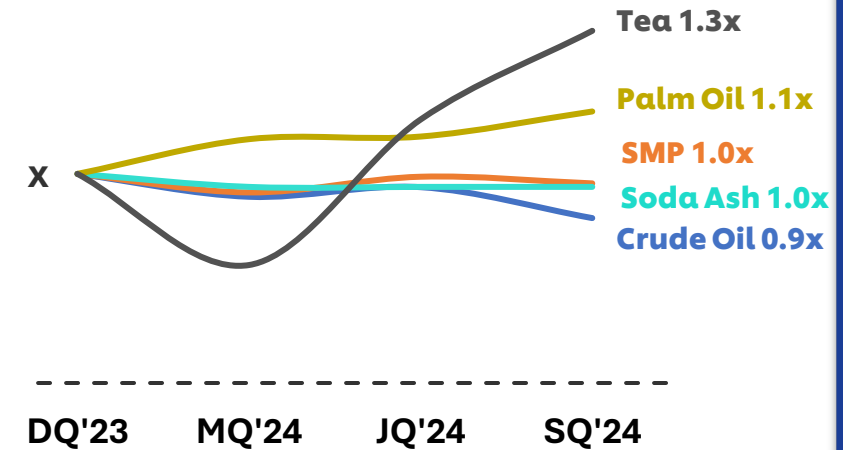
URBAN GROWTH MODERATING, RURAL RECOVERY GRADUAL

FMCG Volume Growth Trends (Nielsen)



COMMODITY PRICES LARGELY BENIGN TEA AND PALM OIL INCREASES IN SQ'24

Key raw materials ~70% of the commodity footprint





OUTLOOK



Demand trends expected to be stable



Low-single digit price growth, if commodity prices remain where they are



EBITDA to be maintained at current healthy levels

KEY FOCUS AREAS

1

Competitive volume led growth

2

Generating fuel for growth

3

Sharper portfolio choices

DRIVING COMPETITIVE VOLUME LED GROWTH



Hindustan Unilever Limited

Market leadership

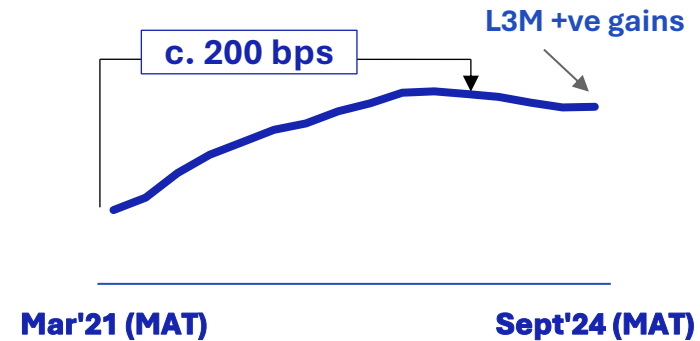
Market leadership in >85% of the business

Scale compared to the second largest player

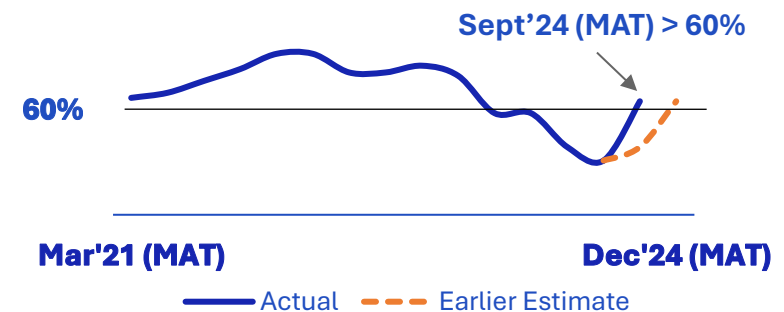


Relative market share period MAT Sep'24 Nielsen Market research

Market share



Business winning





SAVINGS ACROSS ALL THE LINES OF P&L

RESTORING GROSS MARGINS

50.7%

BEST IN CLASS OVERHEADS

Employee cost and other expenses vs. peers
% Turnover



INVESTING IN OUR BRANDS & CAPABILITIES

DEPLOYING A&P SPENDS

10.2%

SOV > SOM

c.40% of media spends are digital

DELIVERING SUPERIOR VALUE TO CONSUMERS

PRODUCT SUPERIORITY

PRODUCT INNOVATION

CUSTOMER INVESTMENTS

CAPABILITY BUILDING

SHARPER PORTFOLIO CHOICES



Hindustan Unilever Limited

PUREIT DIVESTMENT



ICE CREAM SEPARATION



LIMITED BUSINESS MODEL SYNERGIES



SIGNIFICANT HEADROOM FOR GROWTH

- Category projected to grow in double-digits
- Favourable demographics and climate
- Premiumisation opportunity
- Low penetration and per capita consumption

ROBUST BUSINESS FUNDAMENTALS

- Double-digit growth in the last decade
- #2 player nationally with iconic brands
- Superior manufacturing and distribution
- Over-indexed¹ in channels of the future vs. the competition

LOW COMPLIMENTARITY WITH HUL



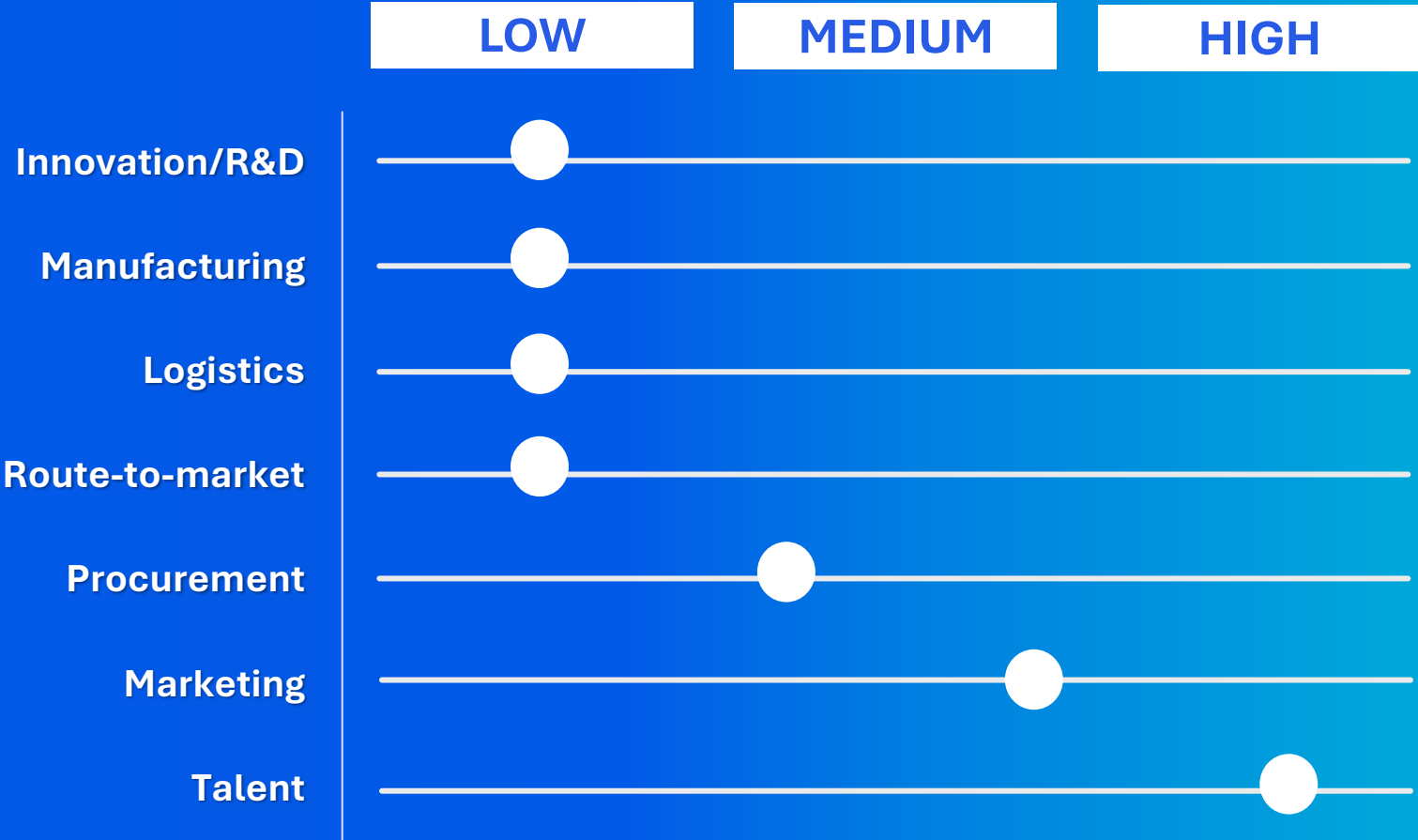
Hindustan Unilever Limited

A **distinct operating model** including cold chain infrastructure

High **seasonality** and **capital intensity**

Unilever's **decision to separate** the Ice Cream business

SYNERGIES WITH HUL



Synergy levels based on management estimates

Sensitivity: Public

DEMERGER WILL CREATE A FOCUSED AGILE ENTITY



Hindustan Unilever Limited

- 1 **Great business with significant growth potential**
- 2 **Opportunity for shareholders to participate in future value creation**
- 3 **Focused management with greater flexibility to deploy strategies suited to Ice Cream's distinctive business model**
- 4 **Equipped with the portfolio, brand and innovation expertise from the largest global Ice Cream business**
- 5 **Smoother transition for business as well as our people while securing a better talent outcome**



02

DELIVERING THE LONG TERM

OUR VALUE CREATION MODEL



Hindustan Unilever Limited

**COMPETITIVE
TURNOVER
GROWTH**

**MODERATE
MARGIN
EXPANSION**

**c.100%
CASH
CONVERSION**

**FOCUSED
CAPITAL
ALLOCATION**

DOUBLE-DIGIT EPS GROWTH

THE GROWTH ALGORITHM



Hindustan Unilever Limited

CORE

FUTURE
CORE

MARKET
MAKERS

Vs. Market
Growth

1.0x

1.25x

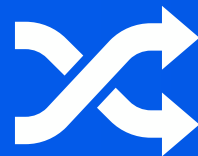
1.5x

Investment



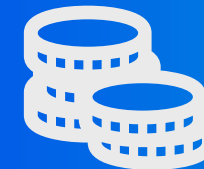
VOLUME GROWTH

100 Bps > Market



MIX GROWTH

Favourable



PRICE GROWTH

In line with Market

GENERATING FUEL FOR GROWTH



Hindustan Unilever Limited

NET PRODUCTIVITY

+100 Bps

Ahead of average savings

SC controlled cost



Buying negotiations



Smart product



Net revenue management



Media ROI



Overheads



PREMIUMISATION & MIX

From

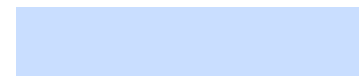
Market makers



Future core



Core



To

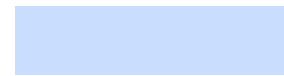
Market makers



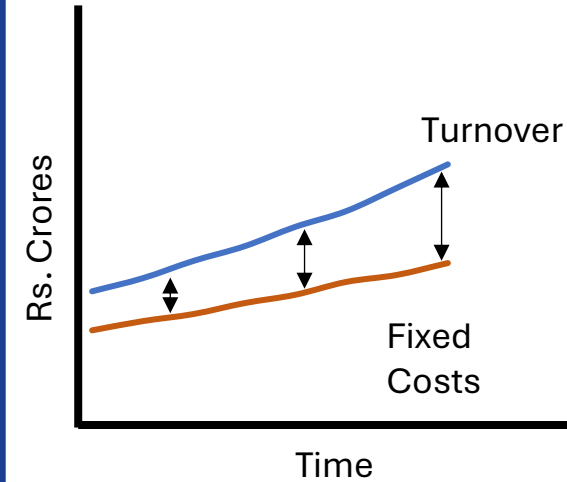
Future core



Core



TURNOVER LEVERAGE



**USG >
Fixed costs CAGR**

INVESTING FOR GROWTH | MODEST MARGIN EXPANSION

CONVERTING PROFITS INTO CASH AND FUEL INVESTMENTS



Hindustan Unilever Limited

NET PROFIT TO
CASH CONVERSION

c.100%

TRADE WORKING
CAPITAL DAYS

Negative
WC

CAPEX FOR
GROWTH & PRODUCTIVITY

2%



c.3%

GUIDED BY OUR CAPITAL ALLOCATION PRINCIPLES



Hindustan Unilever Limited

INVEST IN BUSINESS

Brands & innovations

Capex for growth & productivity

Capabilities & sustainability

HIGH GROWTH M&A

Bolt-on acquisitions

Strategic fit

Value accretive

RETURN TO SHAREHOLDERS

Steady stream of dividends

High payout ratio

RETURN ON CAPITAL EMPLOYED 95%+

OUR LONG-TERM VALUE CREATION FRAMEWORK



Hindustan Unilever Limited



**TURNOVER
GROWTH**

COMPETITIVE

Volume growth of
100 Bps > Market

Premiumisation

Portfolio
Transformation in
B&W and Foods



**MARGIN
EXPANSION**

MODERATE

Net productivity

Favourable mix

Turnover leverage



**CASH
CONVERSION**

c.100%

Effective working
capital management

Invest in growth &
productivity capex



**CAPITAL
ALLOCATION**

ROCE >95%

Business investments

High growth M&A

High dividend payout

DOUBLE-DIGIT EPS GROWTH

THANK YOU



Hindustan Unilever Limited