

Hindustan Unilever Limited

SQ'21 Results : 19th October 2021



Surf excel MATIC

TOUGH ON STAINS + ECO-FRIENDLY

WITH

100% BIODEGRADABLE ACTIVES
100% RECYCLABLE BOTTLE

Surf excel MATIC

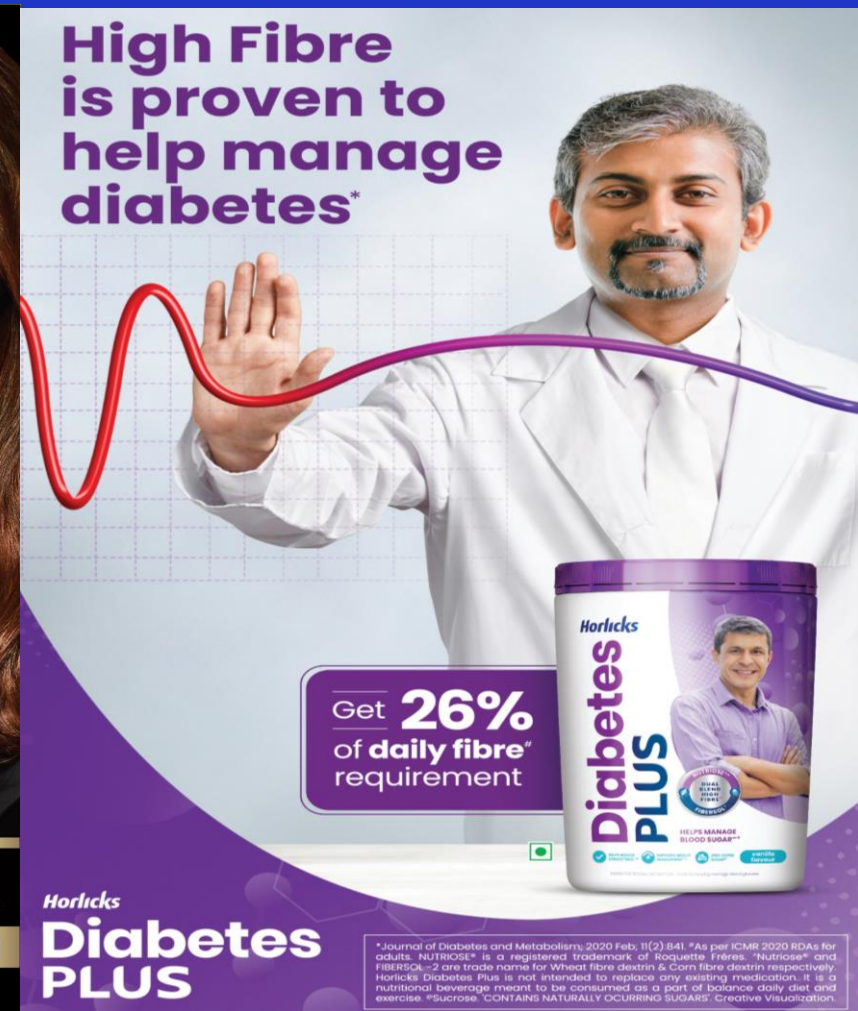
daag achhe hain



TRESemmé
USED BY PROFESSIONALS

THICKER FULLER LOOKING HAIR

THICK & FULL
with BIOTIN & PROTEIN



High Fibre is proven to help manage diabetes*

Get 26% of daily fibre* requirement

Horlicks Diabetes PLUS

Helps manage blood sugar**

*Journal of Diabetes and Metabolism, 2020 Feb; 11(2): 841. **As per ICMR 2020 RDAs for adults. NUTRIOSE® is a registered trademark of Roquette Frères. "Nutriose" and FIBERSOL-2 are trade name 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



Surf
excel
MATIC

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Surf
excel
MATIC

TOP LOAD

FRONT LOAD

daag achhe hain



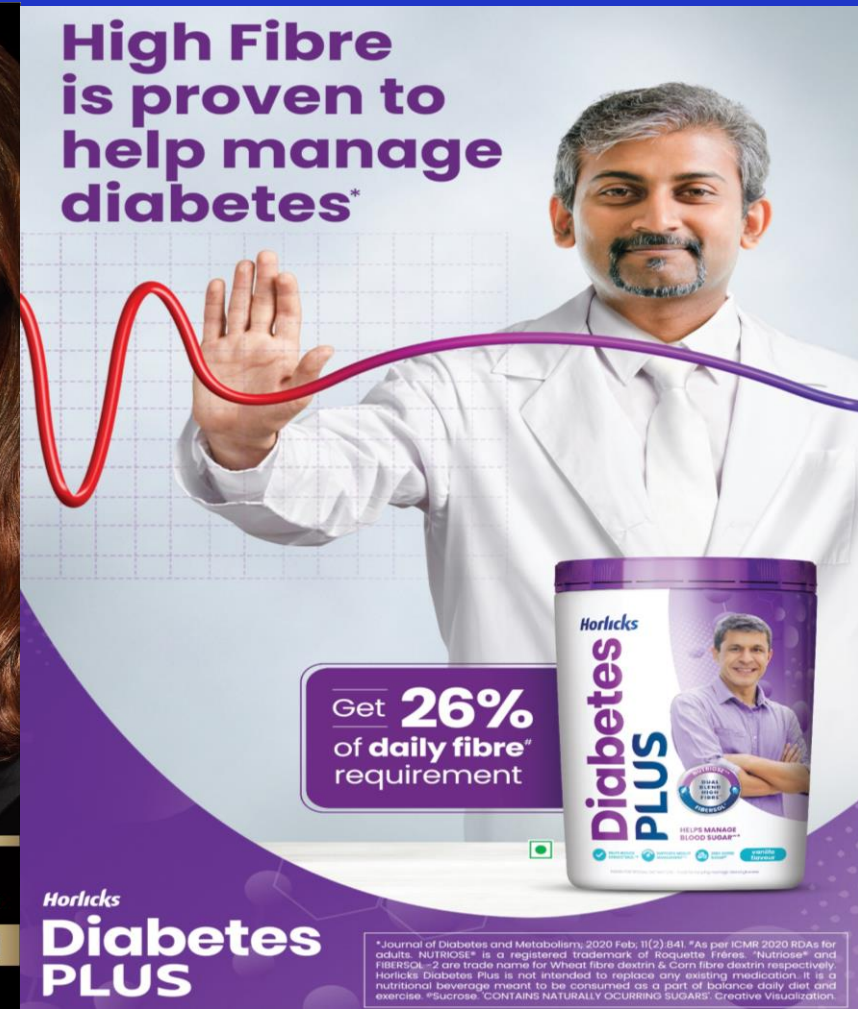
TRESemmé
USED BY PROFESSIONALS

THICKER
FULLER
LOOKING HAIR

THICK & FULL
with BIOTIN & PROTEIN

TRESemmé
THICK & FULL
SHAMPOO 340 ml

TRESemmé
THICK & FULL
CONDITIONER 340 ml



High Fibre
is proven to
help manage
diabetes*

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

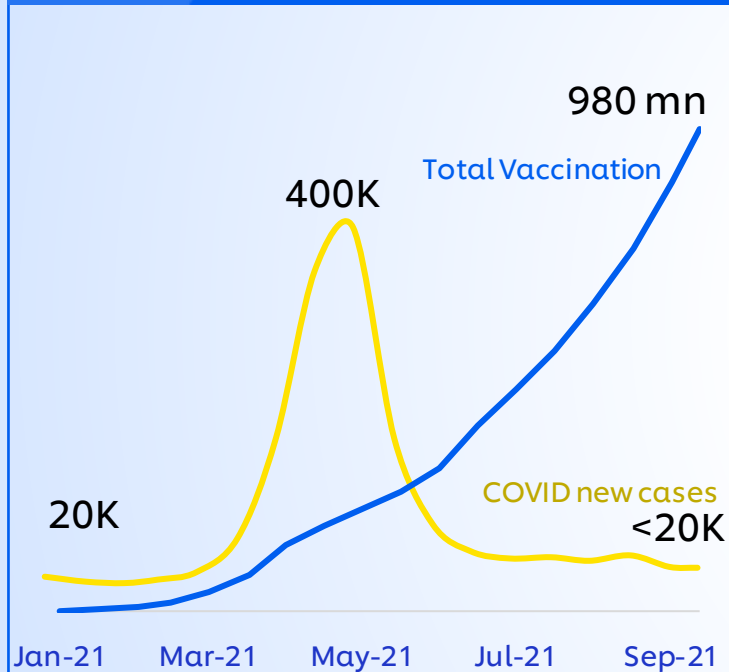
Horlicks
**Diabetes
PLUS**

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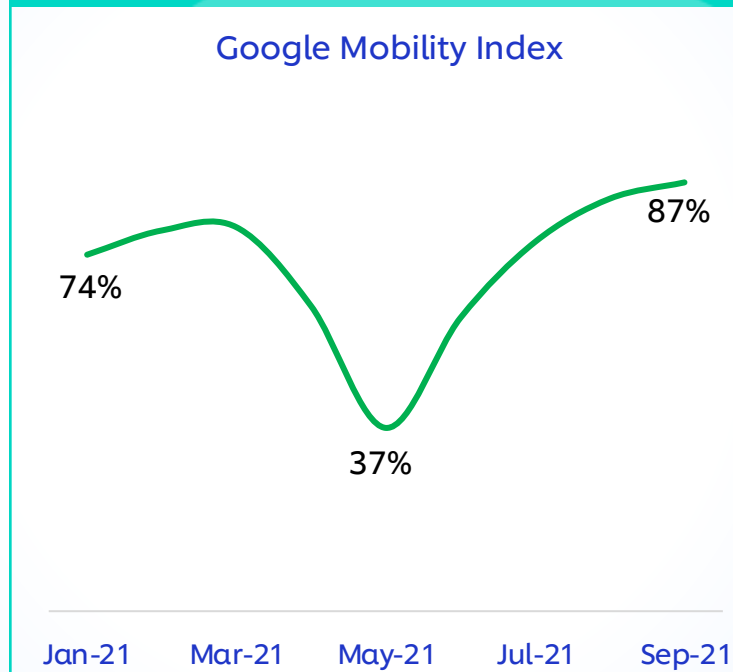
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Operating environment has improved post Wave 2...

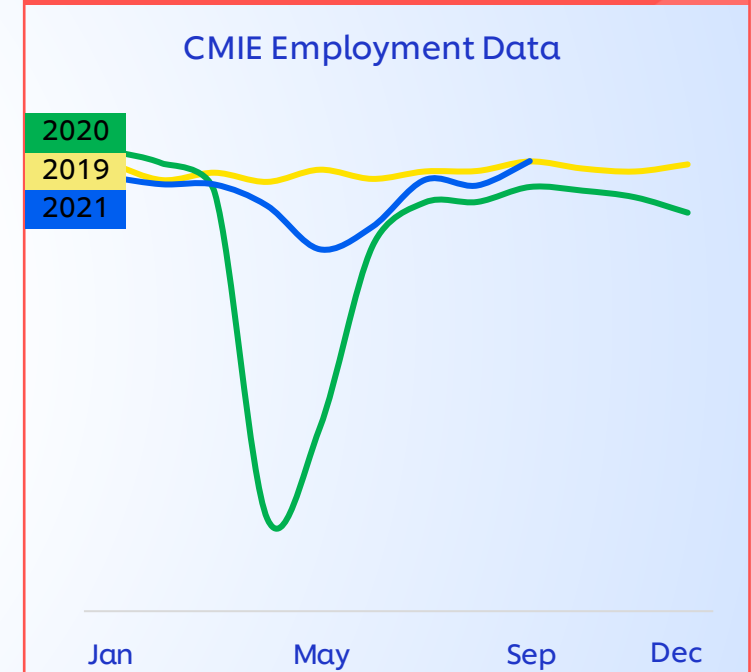
COVID cases receding; Vaccination gathers pace



Mobility improving post COVID Wave 2

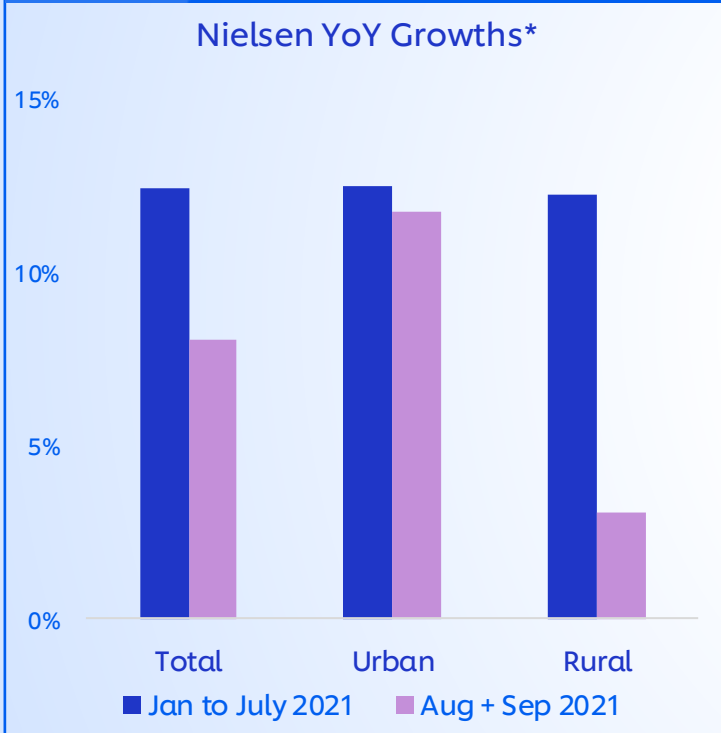


Employment heading towards a recovery



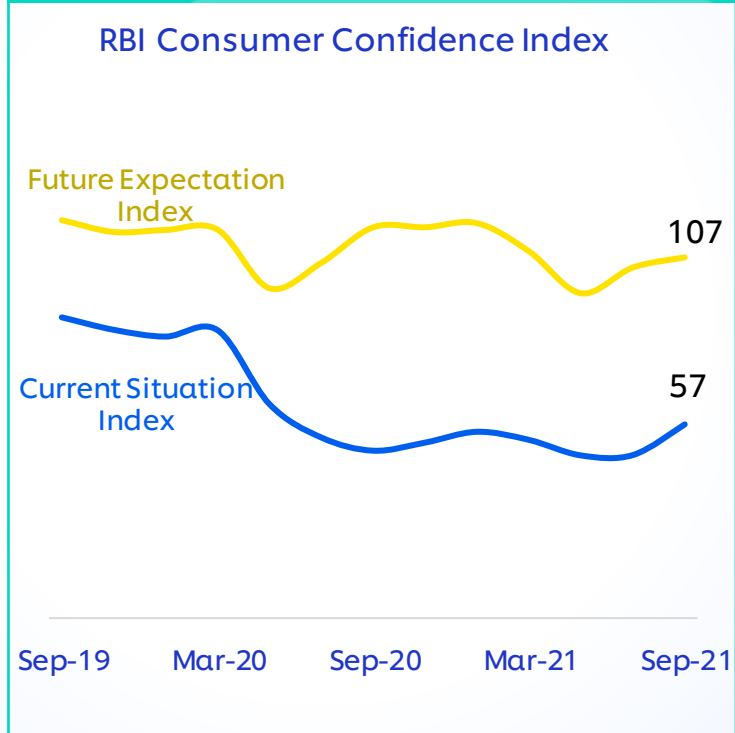
...however, remains challenging

FMCG market growths moderating

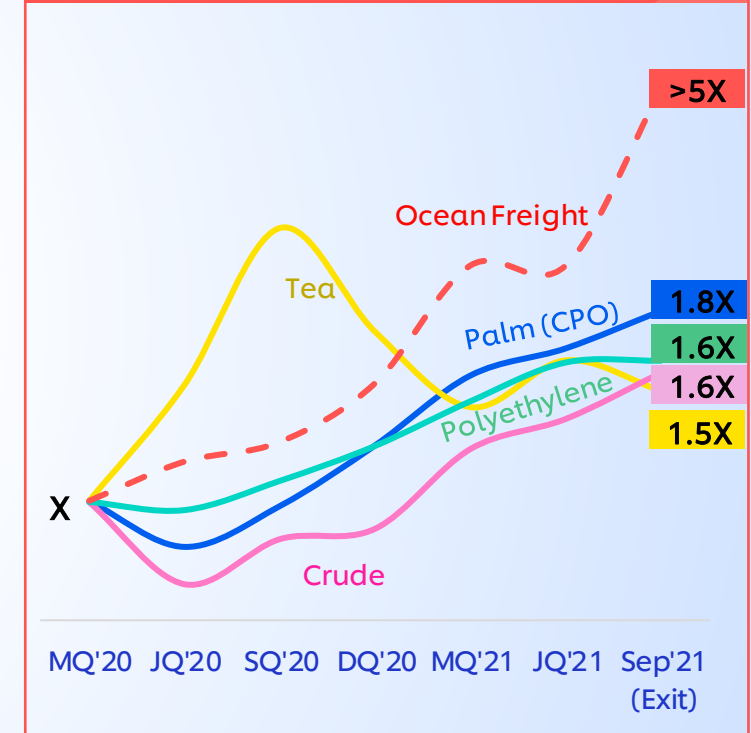


*Nielsen FMCG Market Growths for relevant categories

Consumer sentiment remains subdued



Commodities continue to be at elevated levels

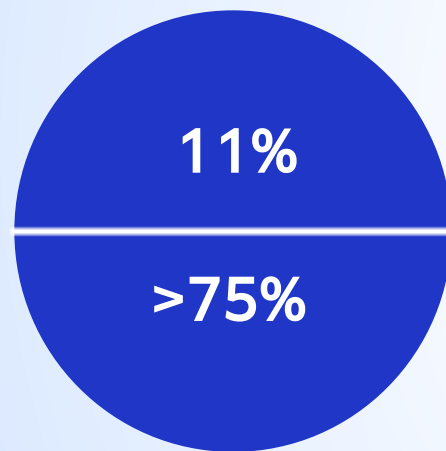


Ocean Freight – Drewry World Container Index (Not to Scale)

SQ'21 : Robust performance in a challenging environment

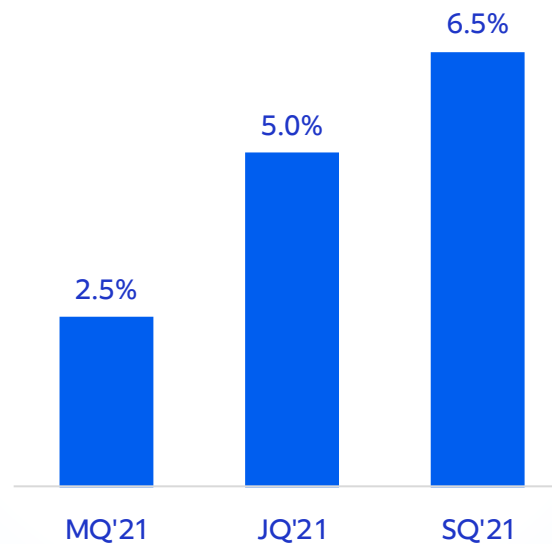
Double-digit growth, ahead of the market

Domestic Consumer Growth



Business Gaining Shares & Penetration

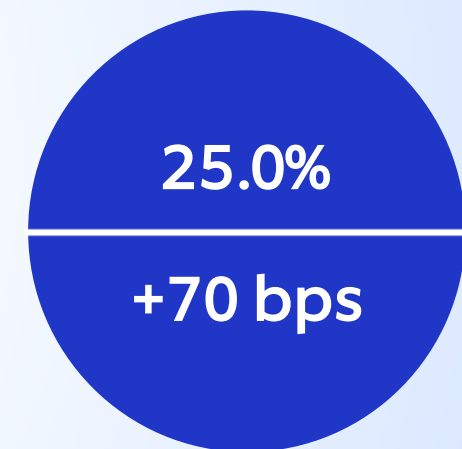
Pricing further stepped-up sequentially



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

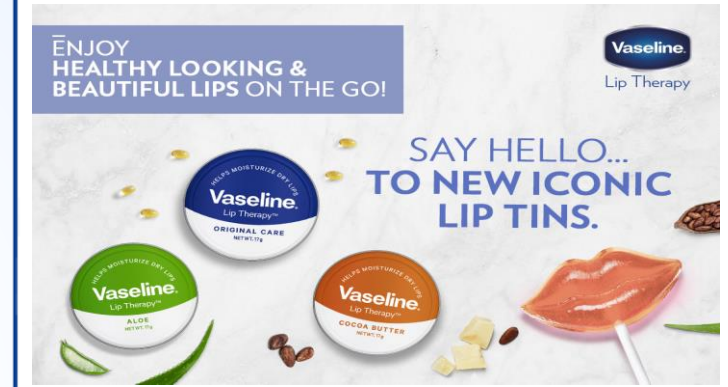
Lakmé limited edition lip colours



Pond's Vitamin C Serum



Vaseline Lip Therapy



Pond's Gold Beauty



Lakmé Lumi Cream for a 3D glow



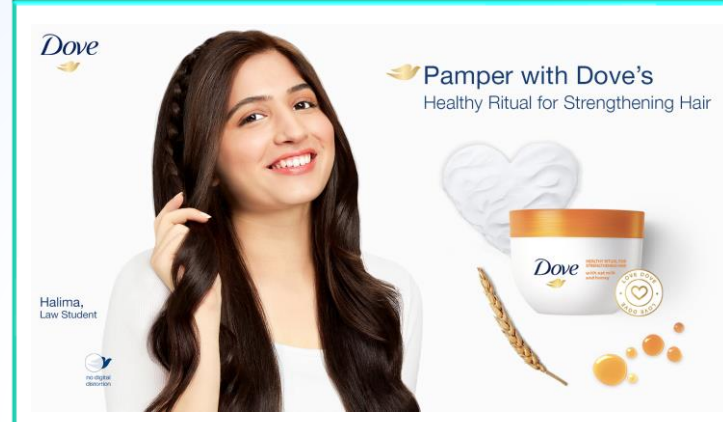
Glow and Lovely : Many Miss Indias



Tresemme Thick & Full



Dove Hair Mask



Pepsodent Relaunch



New Lifebuoy Silver+



Skin Friendly Dove Deodorants

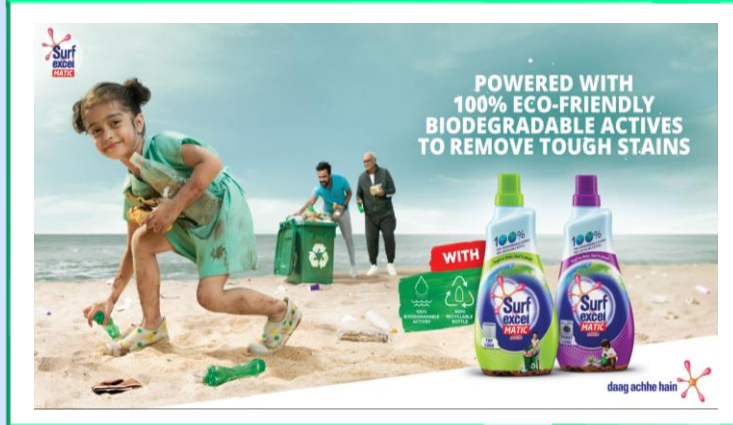


Lux : Our Best Soap for Glow



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

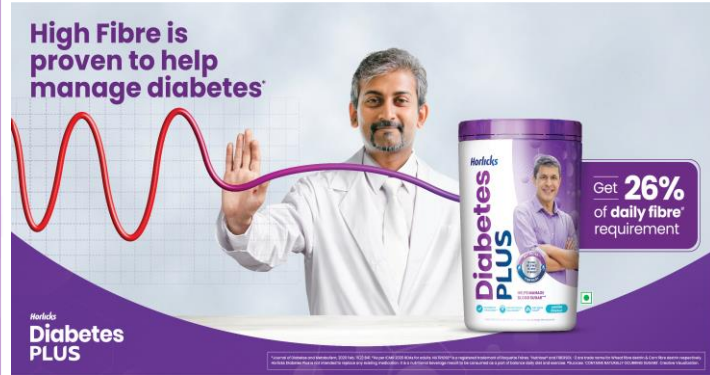


Comfort Fabric Conditioner



F&R : Impactful innovations and activations

Horlicks Diabetes Plus



Knorr : Restaurant like Chinese at home



Kwality Walls : Best company to festive meals



Kissan Crunchy Peanut Butter



Brooke Bond 3 Roses



Boost breaking stereotypes



Nutrition : Market development at scale

Persuasive communication



Consumer connects (>5mln households)



Driving physical reach

GTM
Integration



>85%
complete

Effective
Coverage



1.9X vs
Pre-integration
(GTM)

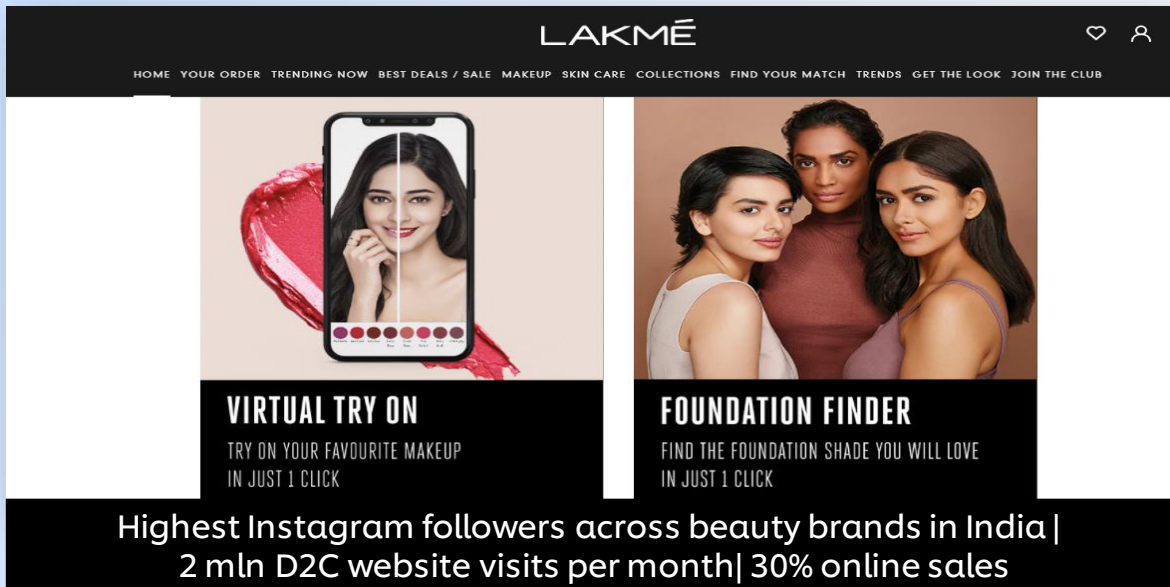
Addressing key Triggers & Barriers for category adoption



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.

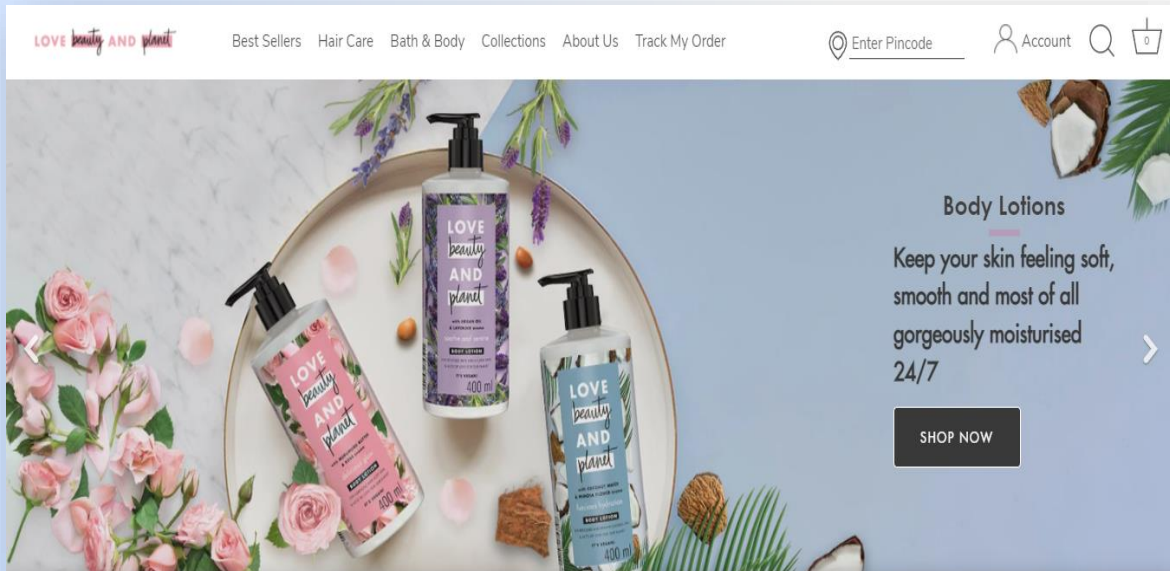
Delivering to (Ex: 400001)

Simple

PRODUCTS SKINCARE TIPS SIMPLE PHILOSOPHY TRACK MY ORDER

choose kindness
choose simple

keep your skincare simple



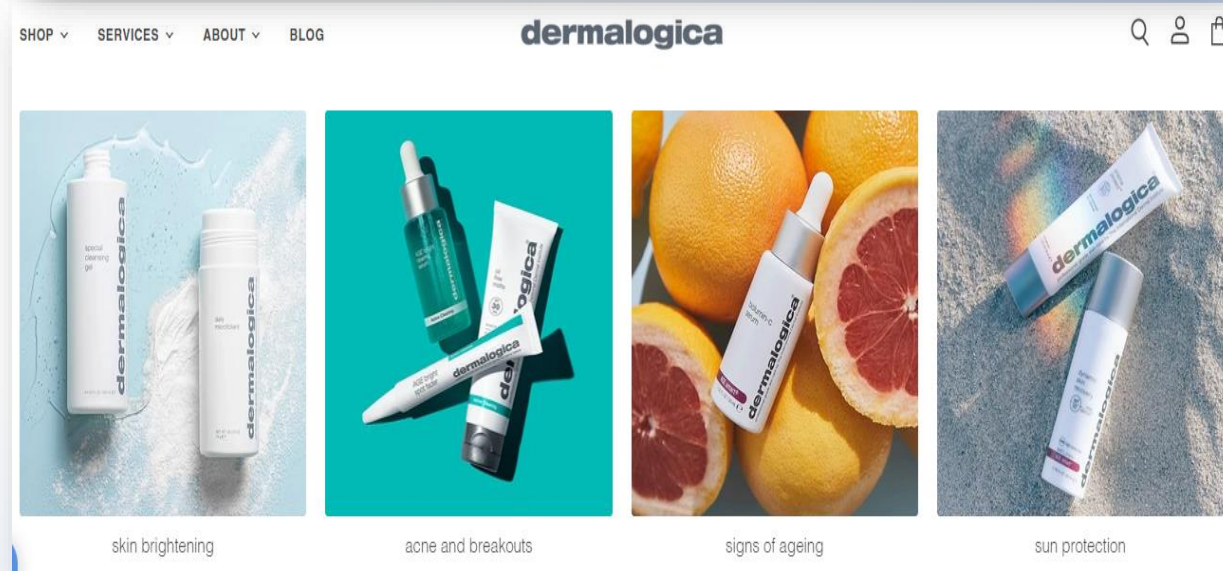
LOVE beauty AND planet

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



dermalogica

SHOP SERVICES ABOUT BLOG

skin brightening

acne and breakouts

signs of ageing

sun protection

Winning in all channels

Design for channel

General Trade



Modern Trade

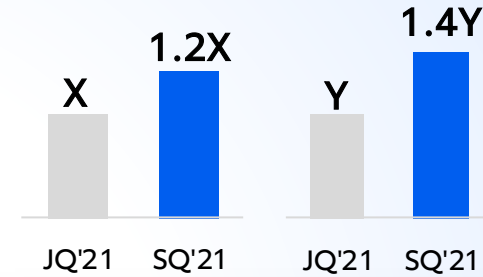


eComm



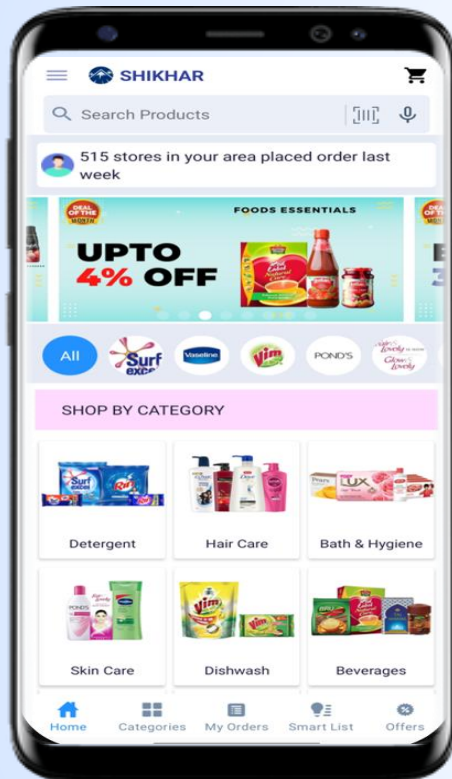
Flawless Execution

Effective Coverage Assortment

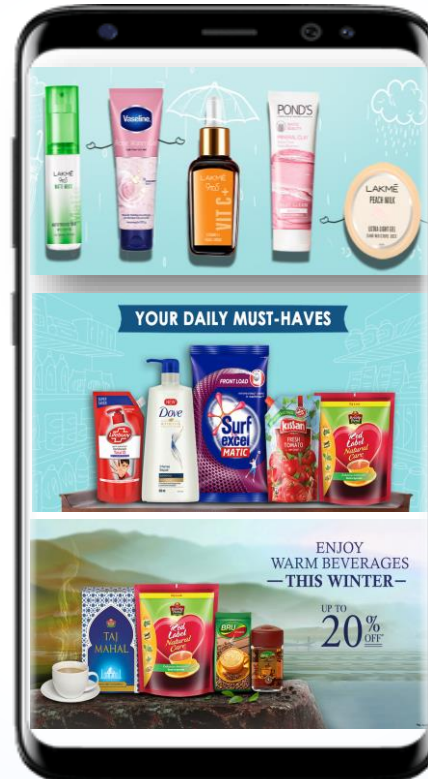


Digitised demand capture >15%

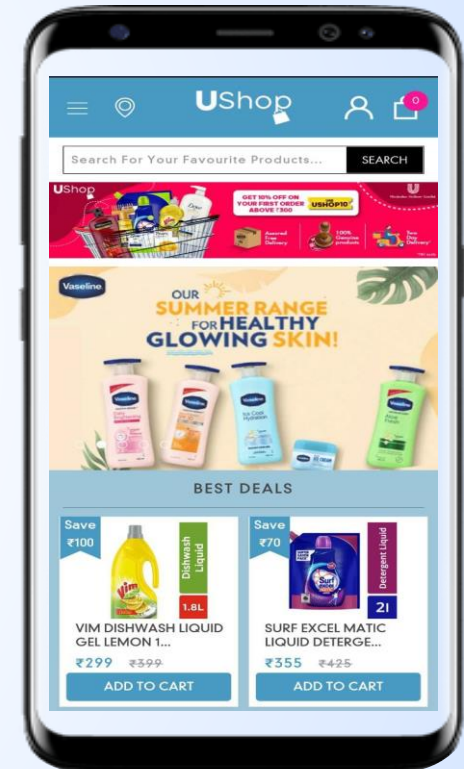
eRTM - Shikhar



Accelerating eCommerce



Direct to Consumer



Purpose drives growth : Key actions in this quarter

Making sustainable living commonplace



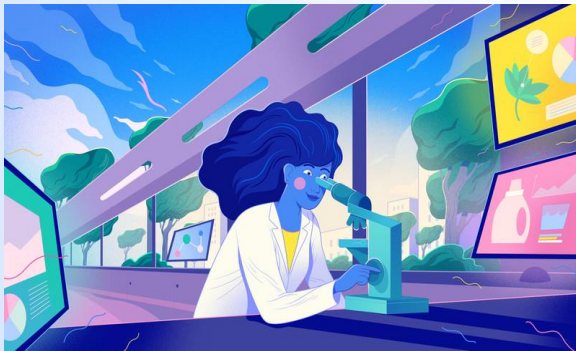
Eliminated coal usage
across our factories



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



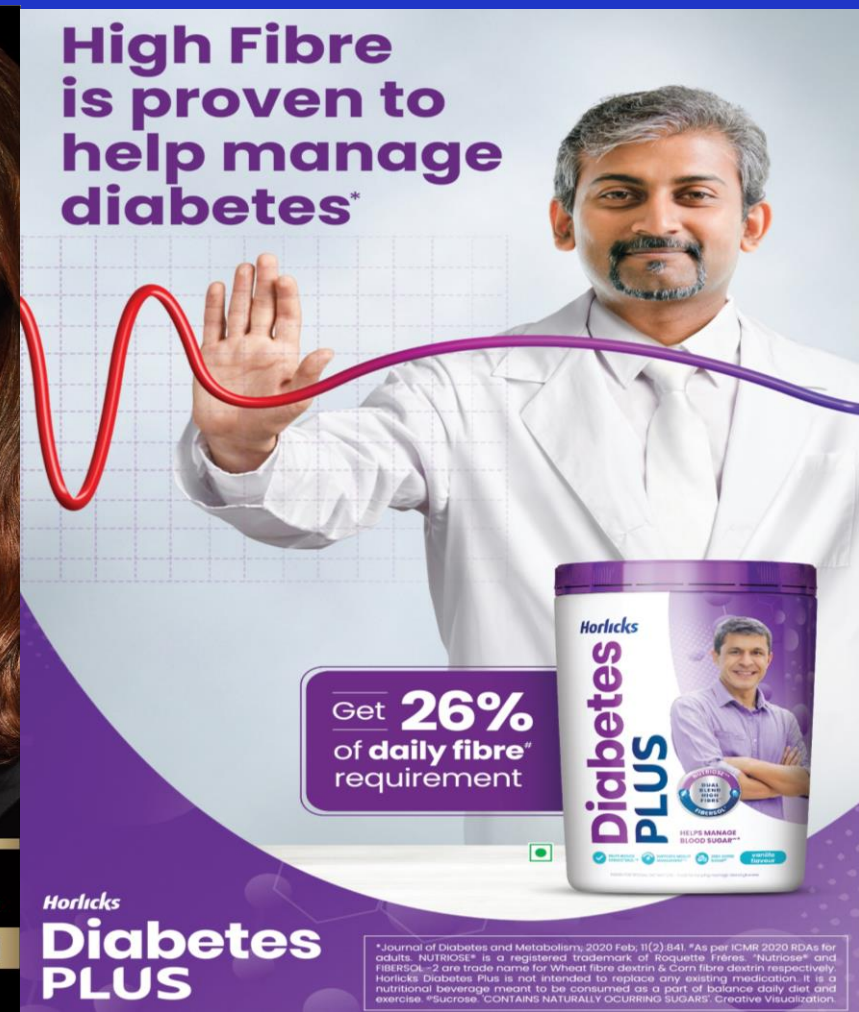
6th Suvidha Centre in
Ghatkopar (Mumbai)



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

Ritesh Tiwari

Chief Financial Officer



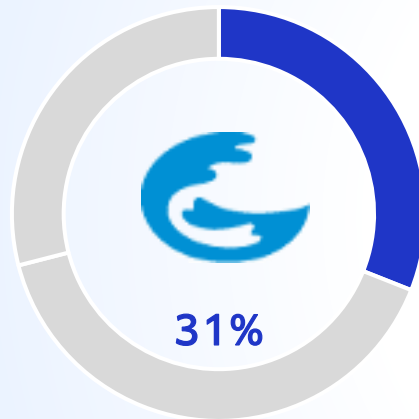
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SQ'21 : Robust performance in a challenging environment



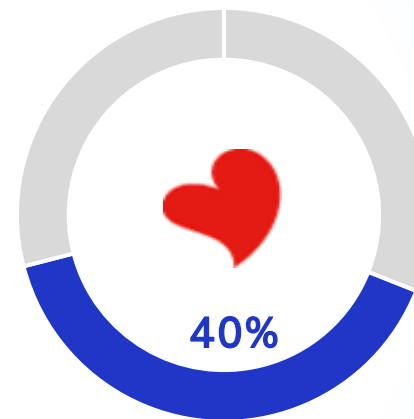
Broad based growth across Divisions

HOME CARE



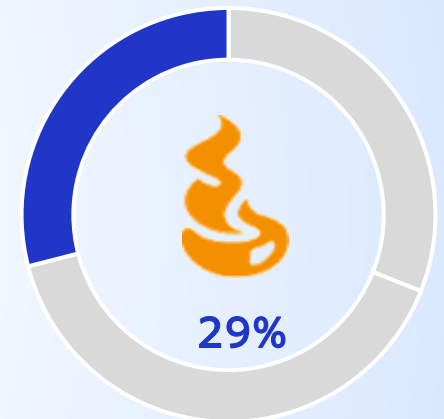
15%

BEAUTY & PERSONAL CARE



10%

FOODS & REFRESHMENT



7%

Sales Growth



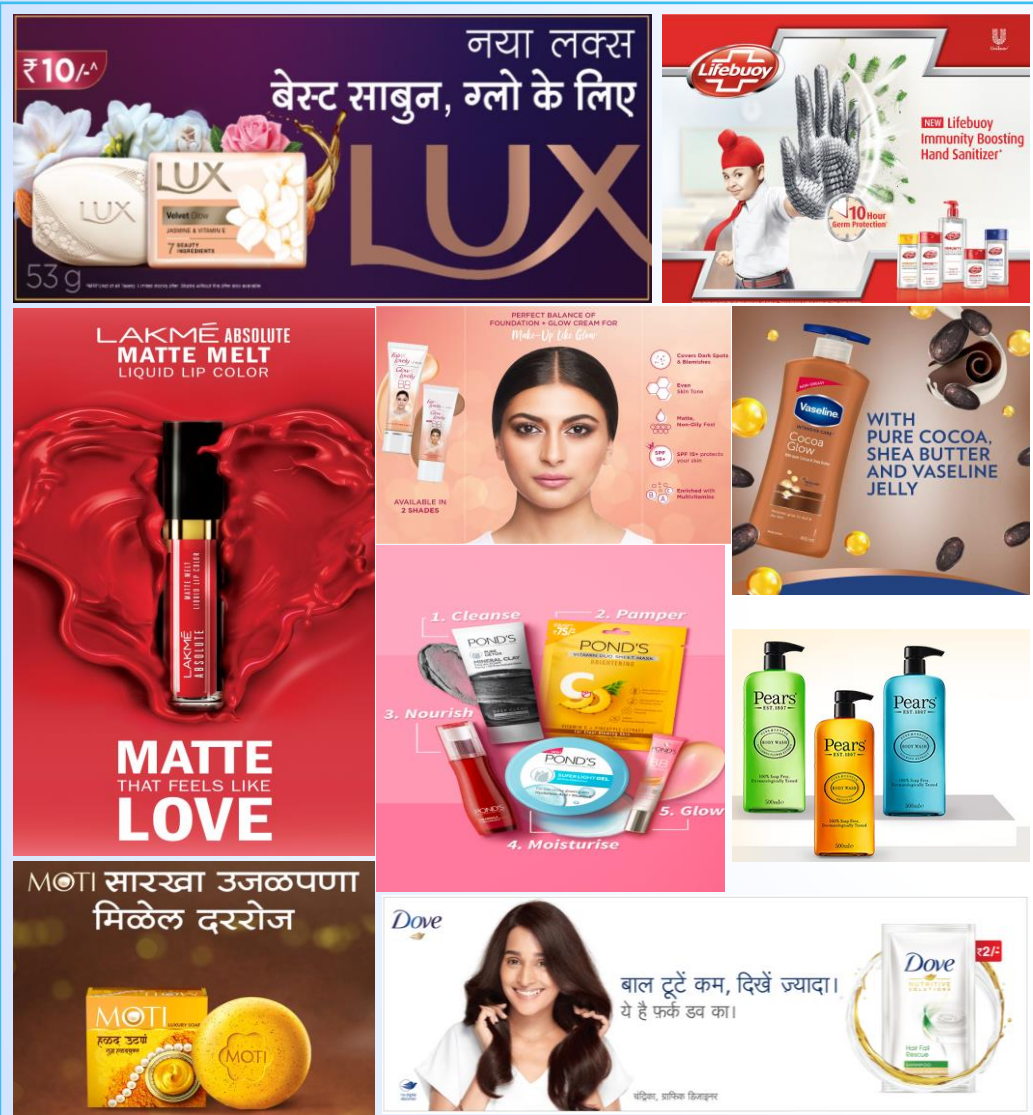
Home Care : Double-digit growth momentum sustained



- ❑ **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

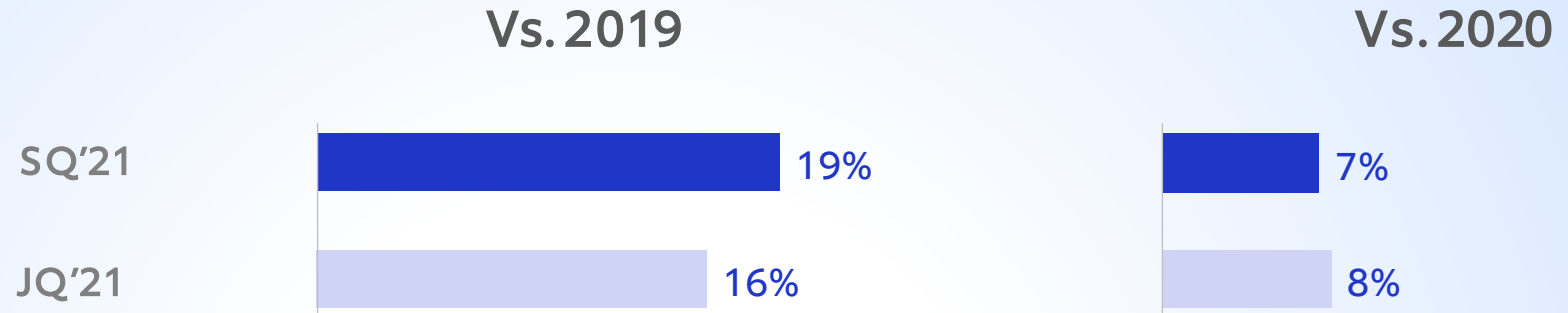
Foods & Refreshment : Strong performance on a high base



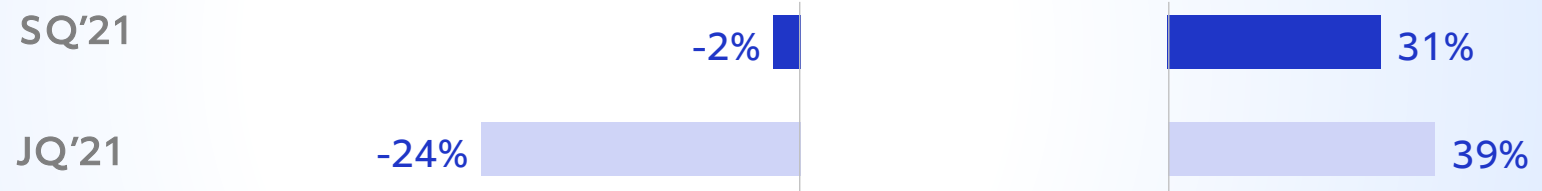
- ❑ **Beverages:** Tea grew on a very strong base and further strengthened its market leadership. Coffee performs well.
 - *Launched 'Horlicks Diabetes Plus'*
- ❑ **Nutrition:** Focus on market development yielding results, Health Food Drinks volumes grew in double-digit. Sequential penetration gains continue.
- ❑ **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

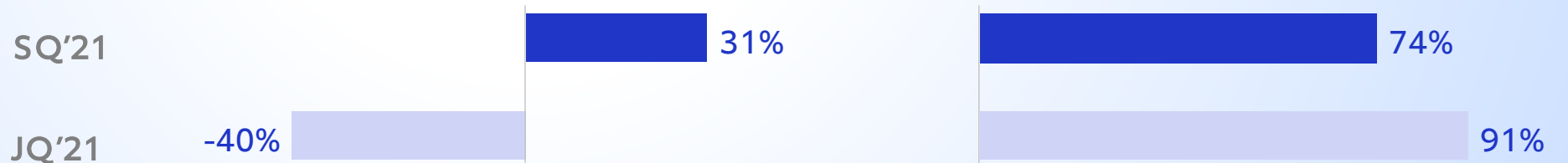
**Health, Hygiene
and Nutrition**
c. 85%



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

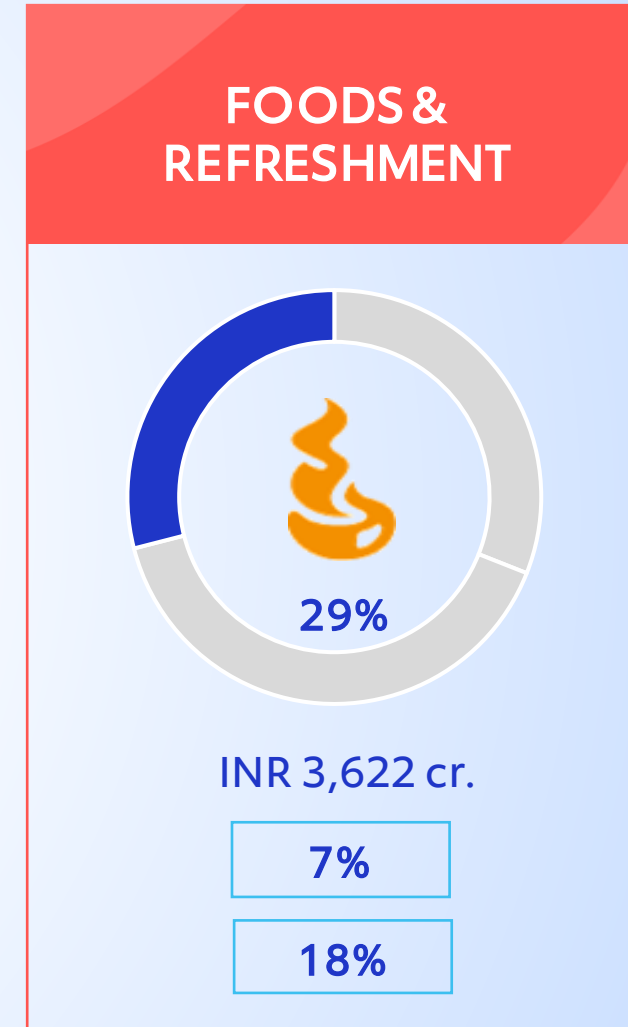
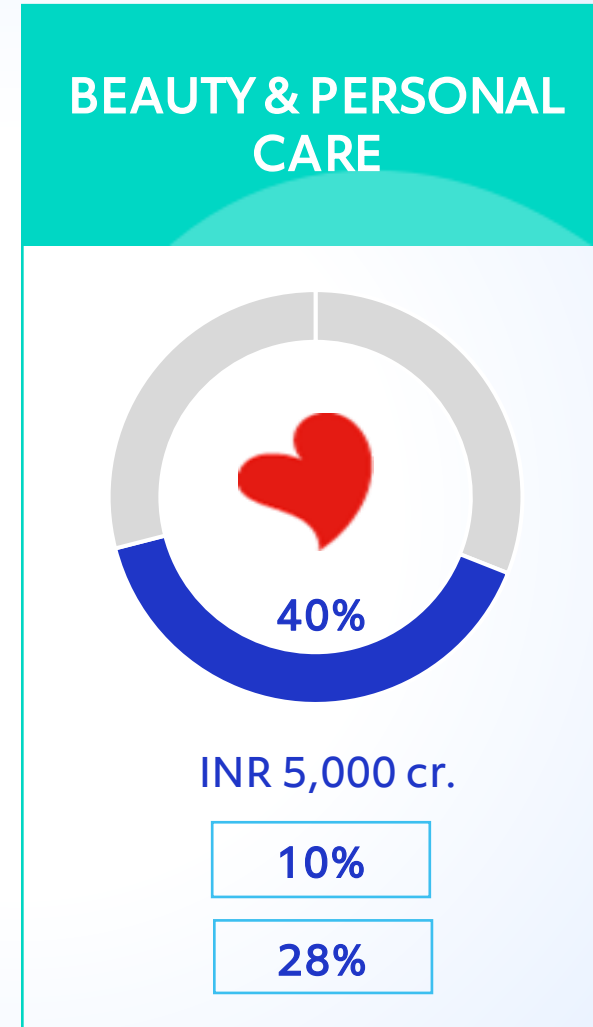
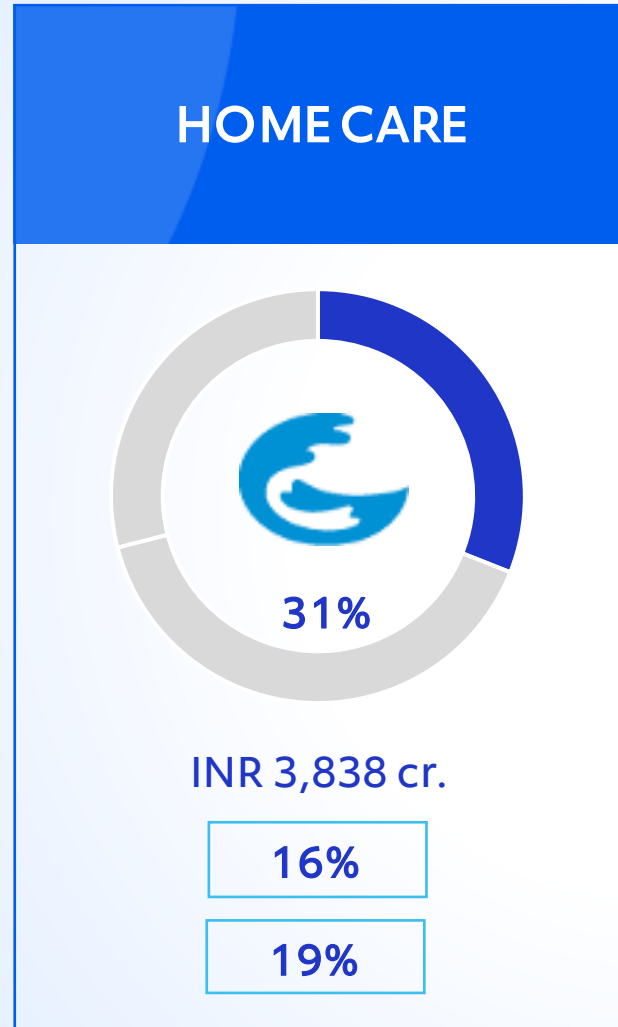
**Savings
Programme**

**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

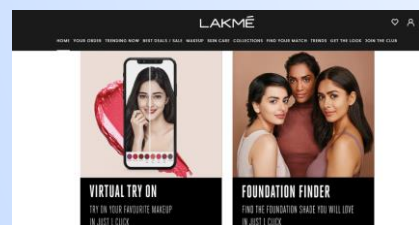
Visit our IR website



Hindustan Unilever Limited
SQ'21 Results : 19th October 2021

The banner features three panels: 1. Surf Excel Matic laundry detergent bottles with text 'TOUGH ON STAINS + ECO-FRIENDLY' and 'WITH 100% BIODEGRADABLE ACTIVE'. 2. TRESemmé hair care products with text 'THICKER FULLER LOOKING HAIR' and 'THICK & FULL with BIOTIN & PROTEIN'. 3. Horlicks Diabetes PLUS product with text 'High Fibre is proven to help manage diabetes' and 'Get 26% of daily fibre requirement'.

Click to visit our D2C platforms



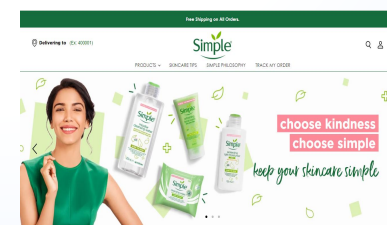
Lakme



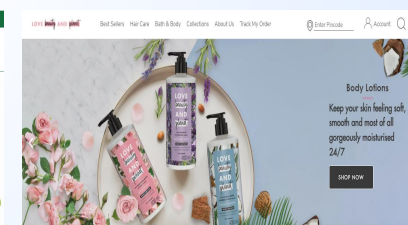
U Shop



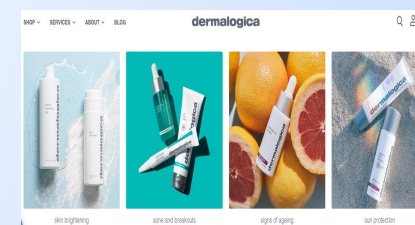
Indulekha



Simple



Love Beauty & Planet



Dermologica