

Hindustan Unilever Limited

SQ'24 Results

23rd October 2024



Hindustan Unilever Limited

TRESemmé
USED BY PROFESSIONALS

NEW

LAMELLAR GLOSS

UP TO 48H
SALON NO SHINE
PROFESSIONAL
SHAMPOO

UP TO 48H
SALON NO SHINE
PROFESSIONAL
SHAMPOO

UP TO 48H
SALON NO SHINE
PROFESSIONAL
SHAMPOO

**Forget Shine
GET 8X GLOSSY
HAIR**

*Based on lab test vs non - conditioning shampoo.

NEW

LUX

**ADVANCED
Clear Glow**

**UNVEIL VISIBLY
CLEAR GLOWING SKIN***

**100% PURE
SANDALWOOD OIL**

VITAMIN C

LUX

*Basis clinical study done by independent clinical research organization, 2024. With regular use.

Vim
ULTRapro

**FLOOR
cleaner**

**FLOOR
CLEANER**

**100%
TOUGH
STAINS**

**100%
TOUGH
STAINS**

**100%
TOUGH
STAINS**

**SPICY K-DRAMA
IN A SOUP BOWL**

Knorr

**International
SPICY
KOREAN KIMCHI
SOUP**

Our Promise

**NEW
LAKMÉ
TINTED LIP OIL**

**RICH IN
COLOUR,
DRENCHED
IN CARE**

LAKMÉ

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



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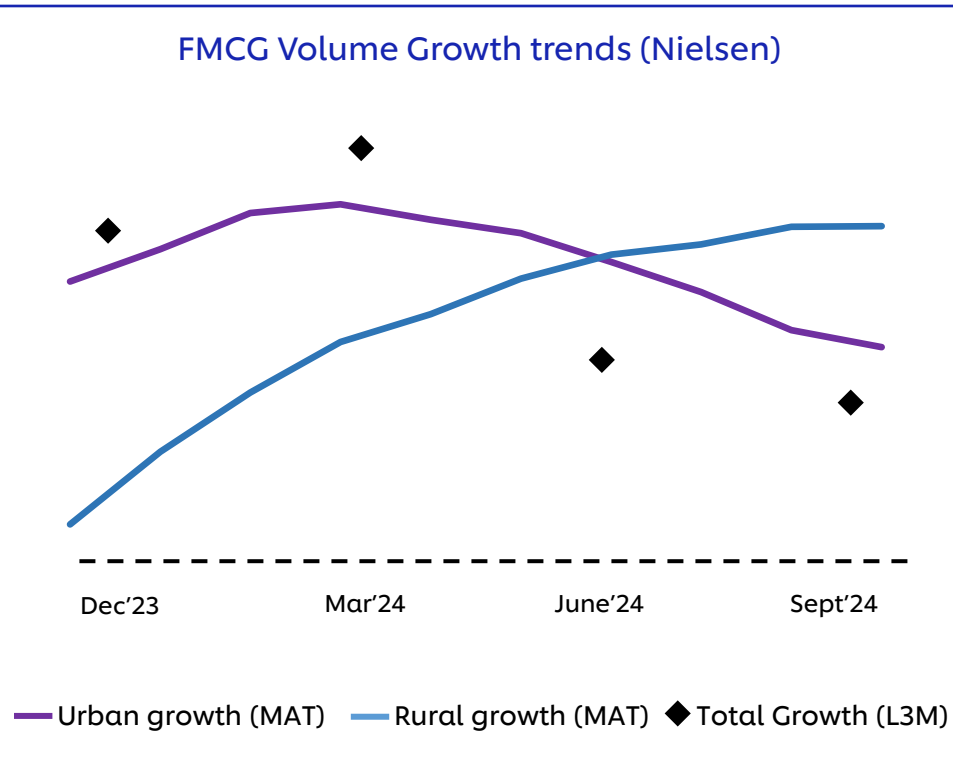
RICH IN COLOUR,
DRENCHED IN CARE

LAKMĒ

Operating environment

Urban growth moderating, Rural recovering gradually

FMCG Volume Growth trends (Nielsen)



Volatile commodity prices, Tea and Crude Palm Oil prices increase

	SQ'24 Inflation	
	<u>vs. SQ'23</u>	<u>vs. JQ'24</u>
Crude Oil (Brent USD/bbl)	-10%	-10%
Soda Ash (INR/ton)	-5%	0%
Palm Oil (BMD CPO USD/MT)	+10%	+5%
Tea (INR/kg)	+25%	+20%
Skimmed Milk Powder (INR/kg)	-10%	0%

Commodity prices- Negative number indicates deflation

SQ'24: Financial Highlights

Growth

₹ 15,319 cr.

Turnover

2% [3%]

Underlying Sales Growth

3% [3%]

Underlying Volume Growth

Margins

23.8%

EBITDA % of TO

-2% [2%]

PAT bei Growth vs SQ'23

Dividend

₹ 19 + ₹ 10

Dividend per share
(Interim + Special)

₹ 6,814 cr.

Total Dividend Payout

Underlying Sales Growth (USG) - increase in turnover for the period, excluding any change resulting from acquisitions and disposal

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

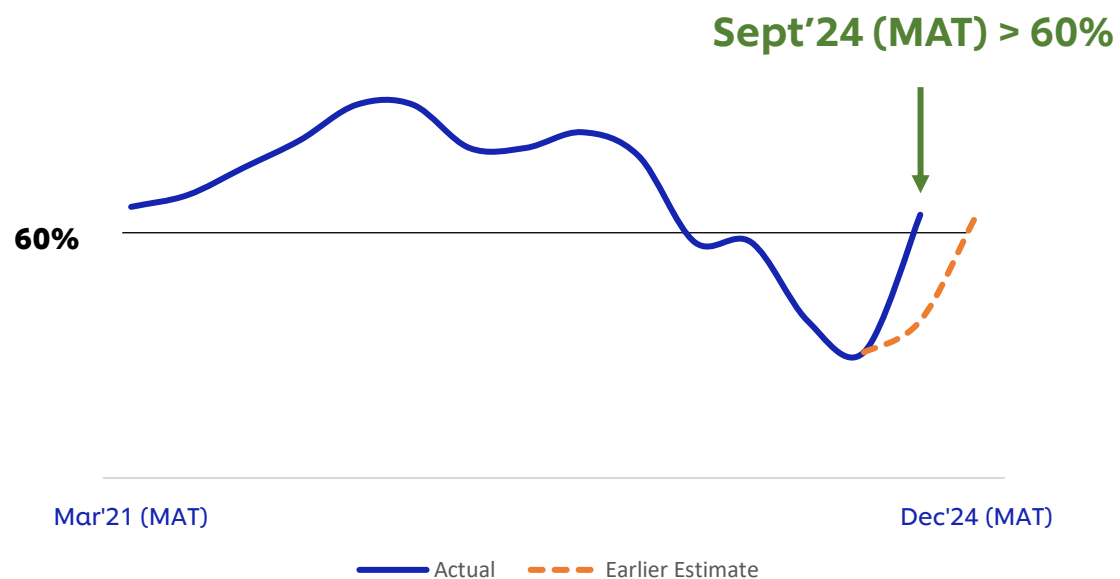
PAT bei - Profit After Tax before exceptional items

Numbers in parentheses represent intrinsic growth, excluding impact of one-off indirect tax benefit in the base

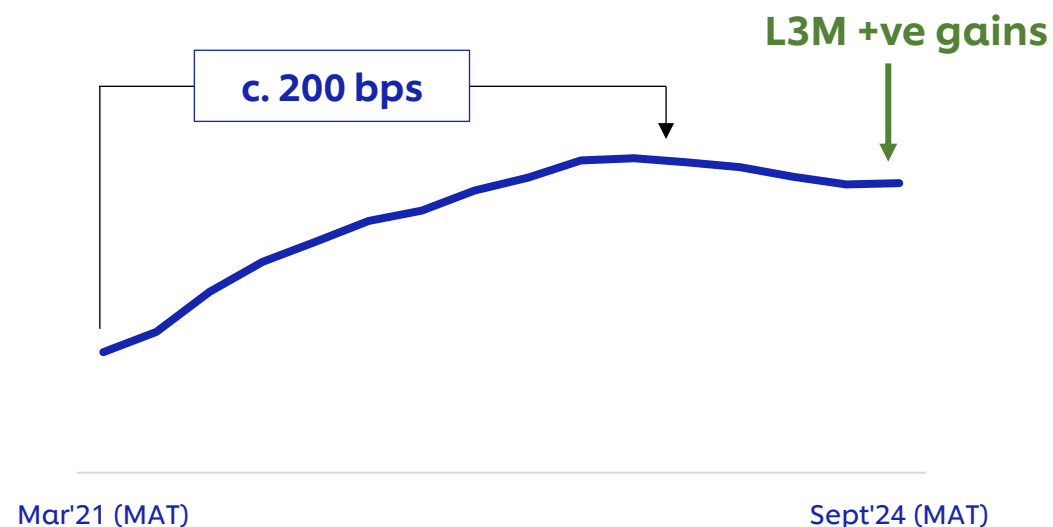
Sensitivity: Public

SQ'24: Competitive performance

Business Winning



Market Share



Gaining competitive momentum backed by strong business fundamentals

Transform to Outperform: Key Thrusts

1 Grow the Core through Unmissable Brand Superiority

2 Drive Premiumisation

3 Reshape Portfolio in High Growth Spaces

4 Lead in Channels of the Future

Enabled by Distinctive Capabilities

Winning in Many Indias

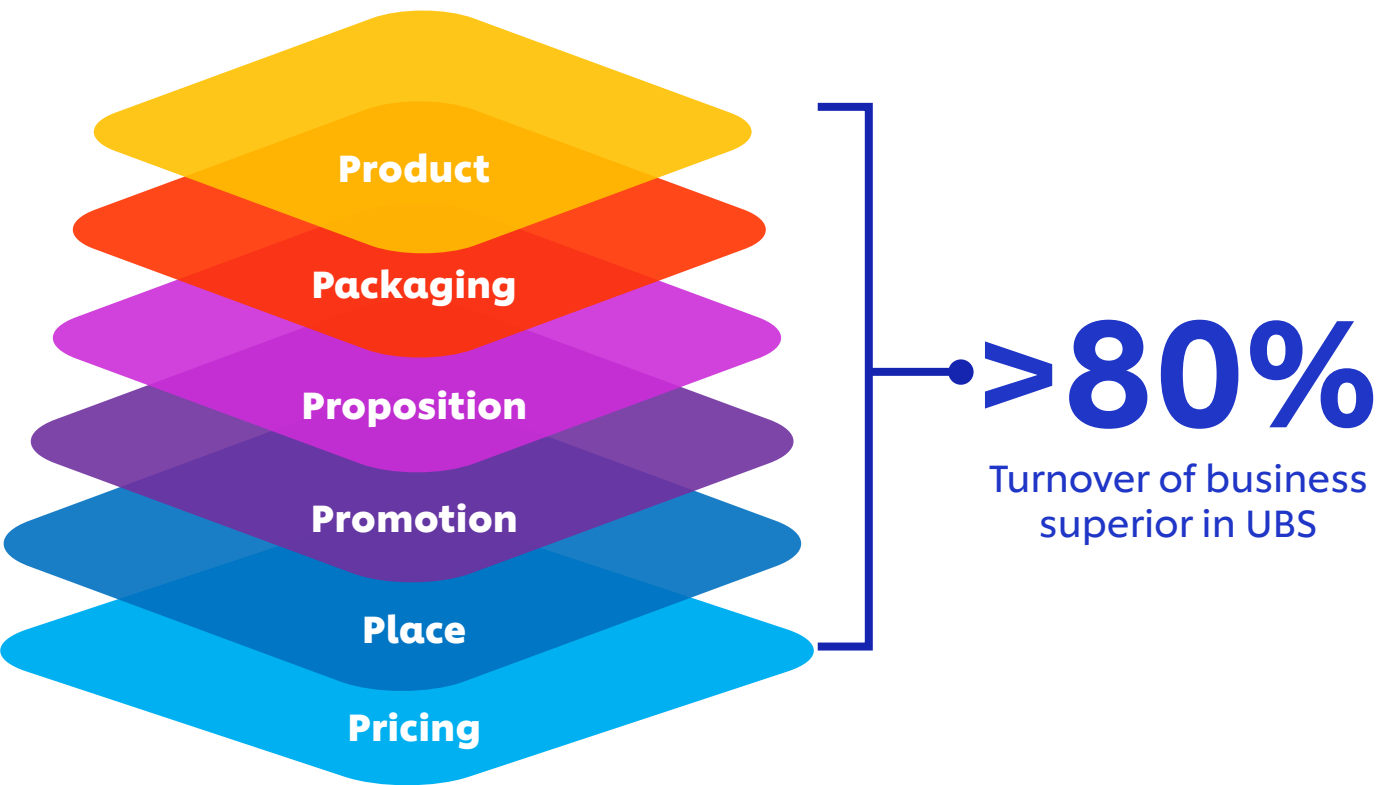
Net Productivity

Digital Transformation

Sustainability

Future Fit Talent & Organisation

1: Grow the Core through Unmissable Brand Superiority



Campaigns designed to drive brand relevance



Social first communication to enhance meaningfulness, a significant driver of Brand Power

2023 UBS score is for 70% of the business where the assessment has been completed

2: Drive Premiumisation

Technology led differentiated products



Introducing Lamellar Gloss range to India

Strengthening our specialist nutrition portfolio



Addressing a specific condition with a superior product

Shaping beauty trends with Lakmé



GMV >₹80 crores in 6 months of launch

3: Reshape Portfolio in High Growth Spaces

Serving the evolving home and hygiene needs



Leveraging proprietary technology for differentiated proposition

Building future formats in beauty and wellbeing



De-seasonalising body care with all year round benefits and sensories

Expanding our condiments and mini-meals business



Portfolio extension with on-trend innovations and distribution expansion

4: Lead in Channels of the Future

Kirana Centric Approach



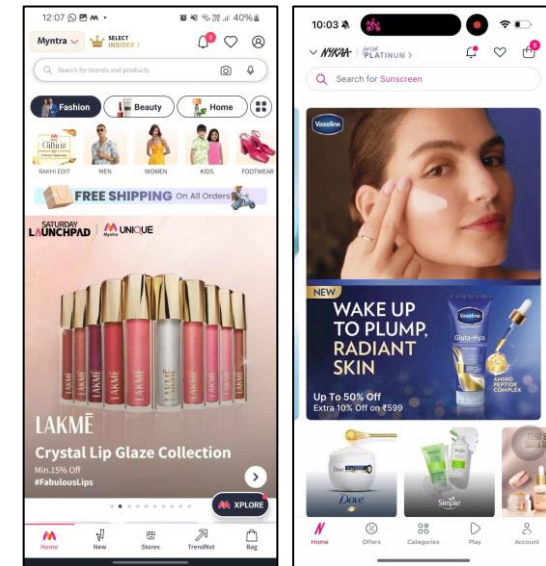
Buy Smarter, Sell More

Leading category growth in MT



Market development, at scale

Designing for Platforms



Driving competitive growth

Ritesh Tiwari

Chief Financial Officer



Hindustan Unilever Limited

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SQ'24 Results

Topline	Gross Margin	EBITDA	PAT (bei)
Underlying Sales Growth	Margin	Margin	INR
2%	50.4%	23.8%	₹ 2,611 cr.
3%	-150 bps	-80 bps	-2%
Underlying Volume Growth	Change YoY	Change YoY	Growth YoY

Underlying Sales Growth (USG) - increase in turnover for the period, excluding any change resulting from acquisitions and disposal

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

PAT (bei) - Profit after tax before exceptional items

Sensitivity: Public

SQ'24 Results summary excluding one-off indirect tax impact in the base

Particulars	SQ'24 (Reported)	SQ'24 (Intrinsic)
Underlying Sales Growth	2%	3%
Underlying Volume Growth	3%	3%
Underlying Price Growth	-1%	Flat
Gross Margin Δ	-150 bps	-100 bps
EBITDA Margin Δ	-80 bps	Flat
PAT before exceptional items Growth	-2%	2%
Net Profit Growth	-4%	Flat

Underlying Sales Growth (USG) - increase in turnover for the period, excluding any change resulting from acquisitions and disposal
Underlying Volume Growth (UVG) - volume growth including the impact of mix of turnover realization of products sold

SQ'24 Segment Results

Revenue
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

Home Care

Strong volume led growth momentum continues

USG : 8%

UVG : High-single digit growth

- ❑ **Fabric Wash:** Volumes grew in high single digit driven by premiumisation and market development actions. Liquids and Fabric care portfolio continue to outperform
- ❑ **Household Care:** High-single digit volume growth led by premium dishwash portfolio
- ❑ Forayed into the floor cleaner market with Vim Pro Floor Cleaner, drove distribution of Rin liquid, launched Comfort beads - a new format innovation in fabric conditioner



Beauty and Wellbeing

7% intrinsic growth driven by volume

USG : 1% [7%]

UVG : Mid-single digit growth

- ❑ **Hair Care** : Maintained momentum with volume led high-single digit growth. Sunsilk, Dove and Tresemme grew double-digit. Formats of the future continue to gain consumer traction
- ❑ **Skin Care and Colour Cosmetics** : Mid-single digit growth fueled by strong performance in Premium skin care. Focus on high growth demand spaces led by 6 big-bets and channels of the future continues to yield results

98%

agree that it removed
100% makeup in one go*



*based on consumer study, 2024

Personal Care

Sequential improvement in turnover led by premium portfolio

USG : -5%

UVG : Low-single digit decline

- ❑ **Skin Cleansing** : Revenue declined primarily on account of pricing actions taken during the year. Premium portfolio grew ahead of the segment, within that Bodywash strengthened its market leadership, delivering high double-digit growth
- ❑ **Oral Care** : High-single digit competitive growth led by Closeup



Foods & Refreshment

Market shares strengthened; revenue declined marginally

USG : -2%

UVG : Low-single digit decline

- ❑ **Beverages:** Tea strengthened value and volume market leadership. Green and Functional Tea continue to deliver strong volume growth. Coffee grew double-digit led by strong performance in organized trade
- ❑ **Nutrition Drinks:** Market share gains continue. Focussed on driving consumption and building a specialist nutrition range.
- ❑ **Foods :** Low-single digit volume growth. Volume growth in Foods Solution, Mayonnaise, International Sauces and Cuisines was strong, aided by portfolio extension and distribution expansion.
- ❑ **Ice Cream:** Volume remained flat vis-à-vis last year

20%
EXTRA~
— at ₹10/- —



Malt Based Food
Refer pack for more details
~As compared to current Rs 5 sachet
*MRP inclusive of all taxes

24g

H1 2024-2025 Results Summary

Particulars	H1'25 (Reported)	H1'25 (Intrinsic)
Underlying Sales Growth	2%	2%
Underlying Volume Growth	3%	3%
Underlying Price Growth	-2%	-1%
Gross Margin Δ	+10 bps	+40 bps
EBITDA Margin Δ	-30 bps	+10 bps
PAT before exceptional items Growth	Flat	3%
Net Profit Growth	-1%	2%

Looking Ahead: Near term

Outlook

- ❑ Demand trends to remain stable
- ❑ Low-single digit price growth, if commodity prices remain where they are
- ❑ EBITDA to be maintained at current healthy levels

Our priorities

- ❑ Focused on driving competitive volume led growth
- ❑ Continued investment behind brands and long-term strategic priorities
- ❑ Maintain cost savings and discipline through Net Productivity Programme

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