Disclaimer

Certain statements made in this presentation relating to the Company’s objectives, projections, outlook, expectations, estimates, among others may constitute ‘forward-looking statements’ within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether express or implied. Several factors could make a significant difference to the Company’s operations. These include climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamity, currency rate changes, among others over which the Company does not have any direct control.
Agenda

1. Executive Summary
2. Strategic Pillars
3. Business Profile
4. Performance at a Glance
5. Business Performance
6. Quarterly Financial Performance
7. M&A Update
8. Recognition
9. Sustainability Initiatives
Executive Summary

1. Consolidated Group Revenue of Rs. 1897 cr for quarter ended June 2019 grew by 5%

2. EBITDA of Rs. 268cr for quarter ended June 2019 grew by 7% while Profit before Tax grew by 3%

3. India Branded Business grew 7% by value and 8% by volume for the quarter

4. US Coffee grew 4% while other International Business grew 3% by volume

5. TGBL and TCL (Consumer Products Business) merger as per schedule

6. Definitive agreements related to acquisition of Consumer Business of Dhunseri Tea being signed. Transaction to close shortly
Operationalized freeze-dried coffee plant in Vietnam

Expansion of Tata Cha and Starbucks

Merger of TCL Consumer Products Business with TGBL

Acquisition of Dhunseri Tea Consumer Business

Non-black tea innovations including Supers tea 2.0 in Canada

Tetley Cold Infusions variants in UK

EOC Barista and Flavours of America in US

Investing for Growth

Operational Efficiency

Structure Simplification

S&D Transformation

Product Innovation

New tea packaging unit underway at Odisha

Supply chain network optimization

Improve operating efficiency across plant operations

Redefined matrix architecture

Simplified global management structure

Outsourcing of non-core activities to TCS

Increasing domestic reach

Digitization to optimize the value chain

Profitable Growth
40+ Countries | Consolidated Revenue: INR 1897 Cr | Branded Business: INR 1656 Cr

**CANADA**
- Tetley, Tata Tea

**EUROPE**
- Tetley, Teapigs, Jemca, Vitax

**US**
- Tetley, Teapigs, Tata Tea, Good Earth
- Eight O’Clock

**INDIA**
- Tata Tea, Tetley
  - Himalayan, Fruski, Tata Cha

**54%**

**Non-Branded Business INR 243 Cr: Tata Coffee (82% ) and Others (18%)**

*Does not include inter-segmental eliminations*
FMCG growth in India*

- FMCG growth is India slowing down owing to weakening rural demand
- India’s GDP growth in Q1FY20 slowed down to 5.8% (5-year low)
- Household spending growth rate was lower in Q4FY19 (8.1%) compared to Q3FY19 (8.4%)

Source: *Nielsen & tradingeconomics.com

Exchange rates

- In Q1, Rupee has appreciated against GBP by 2% (average) whereas depreciated against USD by 5% (average)
- TGB Group revenue’s increased 0.6% on account of exchange fluctuation (+1.1% for USD denominated and -0.2% for GBP denominated businesses)
- Uncertainty around a deal or a no-deal Brexit continues to drive the market. GBP weakness continuing.
### Market Context

#### Commodity Costs#

<table>
<thead>
<tr>
<th></th>
<th>Rs/kg</th>
<th>$c/lb</th>
<th>$c/kg</th>
<th>$/MT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>North India Tea</strong></td>
<td>146</td>
<td>131</td>
<td>278</td>
<td>2037</td>
</tr>
<tr>
<td><strong>South India Tea</strong></td>
<td>157</td>
<td>119</td>
<td>247</td>
<td>1742</td>
</tr>
<tr>
<td><strong>Arabica Coffee</strong></td>
<td>152</td>
<td>96</td>
<td>206</td>
<td>1408</td>
</tr>
</tbody>
</table>

**Market Growth Trends (MAT value basis)**

<table>
<thead>
<tr>
<th></th>
<th>US</th>
<th>UK</th>
<th>Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regular Black</strong></td>
<td>-7%</td>
<td>-3%</td>
<td>-1%</td>
</tr>
<tr>
<td><strong>US Speciality</strong></td>
<td>4%</td>
<td>2%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>UK Fruit &amp; Herbals</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Canada Speciality</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Regular Black tea category is declining across key international markets where growth is being led by Non-Black teas
- While in India both categories continue to grow

### Market Growth Trends

- Benign tea prices in India as against declining Kenyan tea
- Coffee prices continue to be low

#Source: North India and South India tea auction (Tea Board of India) | Mombasa tea auction (EATTA) | International Coffee Exchange

Source: *Nielsen
# Performance at a Glance

<table>
<thead>
<tr>
<th>In INR Cr</th>
<th>INDIA</th>
<th>US Coffee</th>
<th>Other International (UK, Canada and Others)</th>
<th>Tata Coffee (incl. Vietnam)</th>
<th>CONSOLIDATED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>969</td>
<td>261</td>
<td>493</td>
<td>204</td>
<td>1,897</td>
</tr>
<tr>
<td>Revenue Growth [Underlying Growth]</td>
<td>7% [-5%]</td>
<td>-1% [-3%]</td>
<td></td>
<td>30%</td>
<td>5% [4%]</td>
</tr>
<tr>
<td>Volume Growth [Branded]</td>
<td>8%</td>
<td>4%</td>
<td>3%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Key Brands

*Does not include inter-segmental eliminations*
Business Performance

QUARTER ENDED JUNE 2019
New Monsoon food menu launched in Tata Cha stores was well received in India.

**GROWTH DRIVERS**

- Overall Tea sales grew 7% by value for the quarter
- Tata Tea Premium and Agni revenues grew in double digits
- Recent launch Spice Mix revenue grew aggressively (>50%+) compared to last year

**OTHER UPDATES**

- Chakra sales witnessed marginal de-growth due to market slowdown in Tamil Nadu due to acute water crisis
- Increased competitive intensity among National players
- Profitability impacted due to higher investments behind brands and higher tea costs

**Recent Chakra Gold TVC in AP has led to improvement in market share**

**New Monsoon food menu launched in Tata Cha stores was well received**

**Fruski reach expanded with launch in major MT and e-commerce stores**

**Revenue Growth**

+7%

**Volume Growth (Branded)**

+8%

**EBITDA Margin**

15.3%
US Coffee

GROWTH DRIVERS

- EOC’s Barista and Flavors of America both continue to gain distribution
- EOC bags volume grew while the revenue declined owing to higher promotion spends and increased competitive intensity

OTHER UPDATES

- K-cups volumes declined

-1% Revenue Growth

-5% Underlying Revenue Growth

+4% Volume Growth

EOC exhibit strong performance in E-commerce

EOC new launch ‘Early Riser’ set up on Amazon

New launches Barista and FOA gaining traction
**GROWTH DRIVERS**

- Tetley growth driven by good performance in Discounters in UK
- Tetley Cold Infusions market share is now >20%* of the category in UK
- Margins improved

**OTHER UPDATES**

- In UK, Tetley’s green tea value share declined owing to category decline and intense competitive intensity
- Increased competitive intensity in terms of brands spends and range rationalization by retailers

Scaling up Tetley Cold Infusions with high impact advertisement in UK

Tea pigs cold brew stocked in premium retailers in UK

Tetley Decaf Sleep easy speciality tea launched

Source: *Nielsen*
Other International - Canada

GROWTH DRIVERS

• Revenue growth driven by Speciality teas (Category grew +8%* by value and by volume in the quarter)
• Tetley speciality gained 1%* value market share in this quarter
• Tetley Supers value share has achieved 1.6%* of Specialty tea segment and continues to grow

OTHER UPDATES

• Tetley Regular tea facing headwinds
• Plans to increase in store-display and social media support for Tetley Regular

Revenue Growth

Volume Growth

Tetley Supers 2.0 to start shipping in Canada- Building upon the success of Supers 1.0

Tetley Regular continues to dominates the black tea category

Tetley Iced tea Limited Edition display launched in May 2019

Source: *Nielsen
Tata Coffee (incl. Vietnam)

GROWTH DRIVERS

- Robust growth registered in both Instant Coffee and Robusta Plantation businesses. Coffee Trading sales at 2.5x of last year
- Higher Instant coffee volumes with strong performances in South East Asia and Europe
- Coffee plantations records strong volume growth
- Vietnam plant operational - first orders shipped in Q1

OTHER UPDATES

- Instant coffee prices softening globally
- Tea production impacted due to dry weather conditions

+30% Revenue Growth

+18% Volume growth

8.5% EBIT Margin
**JV - Tata Starbucks**

**GROWTH DRIVERS**
- 5 new stores opened this quarter.
- ‘Starbucks delivery’ revenue continues to grow.
- Awarded as ET’s “India’s 100 Best Companies to Work For 2019”

**OTHER UPDATES**
- Strong focus on social media to drive consumer engagement and sales with campaigns like #ComedywithStarbucks.
- Limited time offer ‘Summer 1’- a special drinks menu was successful.

**23%**
Revenue Growth

**151**
Stores

**8**
Cities in India

‘Food 3.0’ initiative- a new food menu launched was an instant success.

India’s largest “Coffee-forward” store in Bengaluru

Awarded as India’s 100 Best Companies to Work For 2019
**GROWTH DRIVERS**

- Tata Gluco Plus had a strong momentum in AP and Telangana aided by a hot summer and media investment
- Tata water Plus PET displayed robust growth benefiting from distribution expansion
- The ‘Conde Nast Traveler – Himalayan Sparkling Top Restaurant Awards’ builds ‘Raw & Fine’ credentials for the brand

**OTHER UPDATES**

- GTM transition for Himalayan from PepsiCo network to VBL franchise

**Revenue Growth**

+8%

**Volume Growth**

+1%

Himalayan SKU launched for “on-the-go” consumption at price of Rs. 20

Top Restaurant Awards sponsored by Himalayan sparkling water

Tata Gluco Plus expanding distribution in existing and new markets
Associate Companies- APPL & KDHP

**APPL**

- Good revenue growth of +8% achieved with improved average price realization over LY owing to a buoyant Orthodox tea market
- Operating profit negatively impacted due to provision made for expected wage increase
- Although Orthodox tea prices are buoyant, the risk of volatility remains owing to political scenario in Iran

**KDHP**

- Revenue grew by +3% due to higher average price realization
- Crop production impacted by dry weather conditions
- Profitability impacted by unexpected interim wage increase
Quarterly Financial Performance

QUARTER ENDED JUNE 2019
Highlights

REVENUE FROM OPERATIONS

In INR Cr

<table>
<thead>
<tr>
<th></th>
<th>Standalone</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Q1FY19</strong></td>
<td>909</td>
<td>1803</td>
</tr>
<tr>
<td><strong>Q1FY20</strong></td>
<td>969</td>
<td>1897</td>
</tr>
</tbody>
</table>

*+5% growth at constant currency basis

**REVENUE:**
- **India Business** grows (Vol +8%; Value +7%)
- **International Business** degrows - mainly US coffee (-5%), partly offset by improvement in UK (+4%) in constant currency terms

**Tata Coffee** incl. Vietnam +30% – higher volumes in instant coffee, coffee plantations and coffee trading

**EBITDA:**
- **India Business** – profitability impacted by higher tea costs and spend behind brands
- **International Business** profitability improves - mainly in UK and US

Favorable impact of change in accounting of lease
## Financials

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>STANDALONE</th>
<th>CONSOLIDATED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1FY19</td>
<td>Q1FY20</td>
</tr>
<tr>
<td>REVENUE FROM OPERATIONS</td>
<td>909</td>
<td>969</td>
</tr>
<tr>
<td>EBITDA</td>
<td>167</td>
<td>148</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>18.4%</td>
<td>15.3%</td>
</tr>
<tr>
<td>PBT (Before Exceptional Items)</td>
<td>216</td>
<td>166</td>
</tr>
<tr>
<td>PBT (Before Exceptional Items) %</td>
<td>23.7%</td>
<td>17.1%</td>
</tr>
<tr>
<td>PBT</td>
<td>216</td>
<td>158</td>
</tr>
<tr>
<td>PAT</td>
<td>148</td>
<td>106</td>
</tr>
<tr>
<td>PAT %</td>
<td>16.3%</td>
<td>10.9%</td>
</tr>
<tr>
<td>CONSOLIDATED NET PROFIT (incl. JVs and Associates)</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

**GROUP CONSOLIDATED NET PROFITS:**

Higher by 11% mainly due to –

- Lower Exceptional Items
- Lower tax charge
## Segment-wise performance

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>REVENUE</th>
<th>RESULTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>INR Cr</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Q1FY19</td>
<td>Q1FY20</td>
</tr>
<tr>
<td>Branded Business</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tea</td>
<td>1,314</td>
<td>1,373</td>
</tr>
<tr>
<td>Coffee</td>
<td>292</td>
<td>283</td>
</tr>
<tr>
<td>Others</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>Total Branded Business</td>
<td>1,616</td>
<td>1,662</td>
</tr>
<tr>
<td>Non Branded Business</td>
<td>193</td>
<td>243</td>
</tr>
<tr>
<td>Less: Inter-segment</td>
<td>(6)</td>
<td>(7)</td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unallocated expense</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(net)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,803</td>
<td>1,897</td>
</tr>
</tbody>
</table>

### BRANDED BUSINESS REVENUE
- 53% of revenue comes from India Tea
- 16% of revenue comes from UK Tea
- 15% of revenue comes from Other Markets-Tea
- 15% of revenue comes from US Coffee
- 1% of revenue comes from Other Markets-Coffee

### BRANDED BUSINESS RESULTS
- 80% of results are from Tea
- 20% of results are from Coffee
M&A Update

Tata Chemicals Limited - Consumer Products Business

- Merger process is on track as per the scheduled timeline
- The Scheme application is currently under review with SEBI and the Observation Letter, if any, from SEBI is awaited
- Post approval from SEBI, TGB would file its application with National Company Law Tribunal (NCLT)

Dhunseri Tea & Industries Limited (DTIL) - Consumer Business

- Due diligence for the acquisition completed
- Definitive agreements agreed to be signed between parties
- Transaction expected be completed soon (subject to CPs being complied)
Indore Packeting Centre won the prestigious ‘Golden Peacock National Quality Award 2018-19’

Tata Starbucks awarded as the winners of ‘India’s 100 Best Companies to Work For 2019’

Tata Coffee awarded ET’s ‘Best Green Business Award’ for sustainable and green practices at its plantations

Tetley UK won four Great Taste Awards 2018

DARE School recognised as one of the Best Special Educational Schools in Brainfeed School Excellence Awards 2018

Tata Tea “Jaago Re” received 4 EMVIES from The Advertising Club Bombay
Sustainability Initiatives

TGBL joined UK Plastics Pact with commitment to 100% reusable, recyclable, compostable plastic packaging by 2025

Himalayan water exported to USA is certified CarbonNeutral® by Natural Capital Partners

100% Tetley tea in International Business is Rainforest Alliance certified. Tata Tea brands 57% trustea certified

Project Jalodari installed water recharge structures in production units and water security for hill communities

Improving Lives program of UNICEF and ETP will reach 250,000 members of Assam’s tea communities

CDP - 12% of total energy consumption from renewable sources. GHG emissions decreased by 30% in 2010-2019
For more Information

Visit our website: http://www.tataglobalbeverages.com

Contact Us:

Rakesh Sony
rakesh.sony@tgbl.com
+91 22 6121 8400

Ibrahim Lodhger
ibrahim.lodhger@tgbl.com
+91 80 6717 1200

Satya Muniasamy
satya.muniasamy@tgbl.com
+91 80 6717 1200

Write to us at:
investor.relations@tgbl.com