

Investor Presentation

Credit Suisse India Consumer Virtual Days

TATA CONSUMER PRODUCTS

11th August 21

FOR BETTER

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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. These forward-looking statements are based on various assumptions, expectations and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, competitive intensity, pricing environment in the market, economic conditions affecting demand and supply, change in input costs, ability to maintain and manage key customer relationships and supply chain sources, new or changed priorities of trade, significant changes in political stability in India and globally, government regulations and taxation, climatic conditions, natural calamity, commodity price fluctuations, currency rate fluctuations, litigation among others over which the Company does not have any direct control. These factors may affect our ability to successfully implement our business strategy. The company cannot, therefore, guarantee that the 'forward-looking' statements made herein shall be realized. The Company, 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.

Agenda

01

**June Quarter
Summary**

02

Performance overview

03

**Progress against strategic
priorities**

June quarter recap

- During the quarter, Consolidated Revenue grew 11% YoY despite a challenging operating environment and a high base.
- Despite a severe second wave of COVID, India business performed well while International markets saw a decline owing to pantry loading in the base quarter.
- Overall, India business¹ grew 25% led by
 - India Beverages² business growth of 28%, with 3% volume growth
 - India Foods business growth of 20%, with 17% volume growth
- International business declined 13%, with an underlying (constant currency) decline of 16%³, cycling an elevated base driven by pantry loading.
- EBITDA margin for the quarter was 13.4%, up 300 bps QoQ, but down 452bps YoY, driven by higher A&P investments in the India business in the current quarter and low-cost tea inventory that benefitted the base quarter.
- Group net profit declined 42% YoY, however, adjusted for exceptional items, it declined 27%.
- We continued to invest behind our brands to drive long term growth and we gained market share in both the core categories of tea and salt in India.
- We now have a harmonized Pan-India distribution system and have substantially completed the integration of Soulfull.
- We continue streamline operations & driving synergies, including network optimization in India & simplification of International business.

¹ Includes India beverages & India Foods business, including NourishCo.

² Including NourishCo, but volume doesn't include Nourishco volumes

³ Like to like, adjusted for the impact of exit from International Foodservice business, the decline was 9% (12% in constant currency terms)

02

Performance Overview

Key Businesses snapshot – Q1FY22



International Beverages

In ₹ Cr
(unless specified)

	India Beverages	India Foods	US Coffee	International Tea	Tata Coffee (incl. Vietnam)	Consolidated [#]
Revenue	1,267	705	296	472	241	3,008
Revenue Growth	28%	20%	-18%	-3%	5%	11%
<i>Constant currency growth</i>			-15%	-10%	6%	10%
Volume Growth	3%	17%	-16%	-9%	-6%	

Key Brands



Note:

- a) India Beverages revenue includes India Packaged Beverages + NourishCo (subsidiary effective May'2020), but volume doesn't include Nourishco volumes
- b) International tea business includes UK, Canada, USA, Australia, Europe and Middle East (Middle East has been regrouped from India Beverages in FY21 to International tea from FY22).
- c) Tata Coffee incl. Vietnam and excl. USCoffee (EOC)
- d) Consolidated revenue includes other non-branded business and Inter-segment eliminations
- e) # We exited Foodservice (International) business, adjusted for that, Consolidated Revenue grew 12% on a like-to-like basis (11% constant currency)

Group Performance at a glance – Q1FY22



₹ 3,008 Cr.



₹ 403 Cr.



₹ 340 Cr.



₹ 200 Cr.



₹ 203 Cr.



~₹ 2,169 Cr.

	Revenue	EBITDA	PBT (bei)^	Group Net Profit	Group Net Profit (bei)^	Net Cash\$
Growth (Y-on-Y)	11%	-17%	-22%	-42%	-27%	
Margin%		13.4%	11.3%	6.7%	6.8%	
Margin expansion (Y-on-Y)		-452 bps	-476 bps	-608 bps	-345 bps	
EPS				2.01 (EPS)		
EPS Growth (Y-on-Y)				- 43% (EPS)		

^ before exceptional items

\$ Cash and Cash equivalents (net of total borrowings) as at Jun 30, 2021

Key Businesses snapshot – FY21



International Beverages

In ₹ Cr
(unless specified)

	India Beverages	India Foods	US Coffee	International Tea	Foodservice (International)	Tata Coffee (incl. Vietnam)	Consolidated
Revenue	4,601	2,441	1,293	1,983	193	964	11,602
Revenue Growth <i>Constant currency growth</i>	36%	18%	15% 9%	10% 3%	-35% -39%	15% 14%	20% 18%
Volume Growth	12%	11%	7%	1%	-31%	9%	

Key Brands



Note:

- a) India Beverages includes Middle East and NourishCo (subsidiary effective May'20)
- b) India Foods includes Soufull (subsidiary effective Feb'21) but the impact is not significant.
- c) International tea business includes UK, Canada, US, Aus and Europe.
- d) Tata Coffee incl. Vietnam and excludes USCoffee (EOC)
- e) Consolidated revenue includes other non-branded business and Inter-segment eliminations
- f) Foodservice (International) was divested w.e.f. 1 Apr'21.

Group Performance at a glance – FY21



₹ 11,602 Cr.



₹ 1,569 Cr.



₹ 1,342 Cr.



₹ 930 Cr.



~₹ 2,421 Cr.

	Revenue	EBITDA	PBT (bei)^	Group Net Profit	Net Cash\$
Growth (Y-on-Y)	20%	20%	24%	102%	
Margin%		13.5%	11.6%	8.0%	
Margin expansion (Y-on-Y)		-10 bps	+40 bps	+320 bps	
EPS				9.30 (EPS)	
EPS Growth (Y-on-Y)				+86% (EPS)	

^ PBT before exceptional items

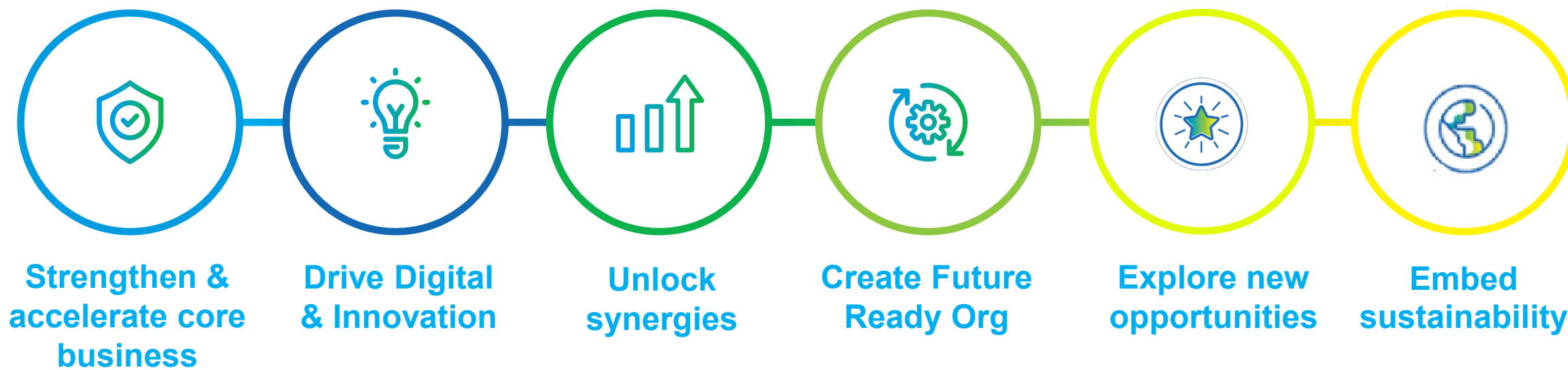
\$ Cash and Cash equivalents (net of total borrowings) as at Mar 31, 2021



03

Progress against Strategic Priorities

Strategic Priorities





Fuelling our brands



Ongoing hyperlocal campaigns across all core markets for Tata Tea Premium.

Tata Tea Chakra Gold Care Driving awareness & trials of value added variant, Chakra Gold Care in TN



Scale up and expansion in southern markets of AP, Telangana and Karnataka.

India business¹ A&P
Q1FY22



+53% YoY

Market share



Tea +170 bps¹



Salt + 370 bps¹



Tata Sampann Spices #SpiceUpYourHealth in priority markets – with multimedia extensions in OOH / Print .



Tata Sampann Continues to be contextual on social media with participation in relevant occasions



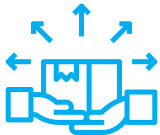
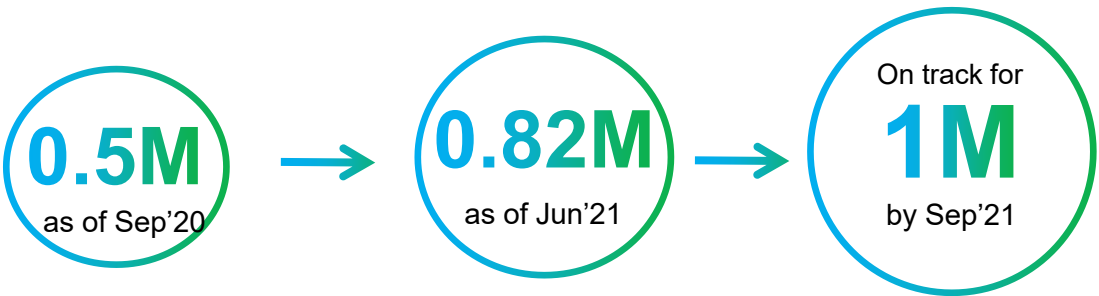
¹ Standalone Financials

² Source: Nielsen – Value share, JQ'21 vs JQ'20



Making consistent gains on reach & premiumization

Direct coverage



+3,000
Rural distributors¹

Pan-India Harmonized Distribution System

Value growth in premium salts portfolio



Ecommerce **+153% YoY**
7.3% of Sales²



Institutional channel
+144% YoY

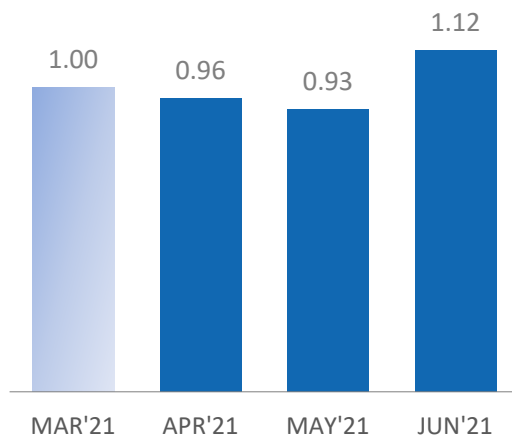
¹ total number of rural distributions as of June'21.

² % of India business (excl Nourishco) in Q1FY22



Strong momentum post second wave of COVID

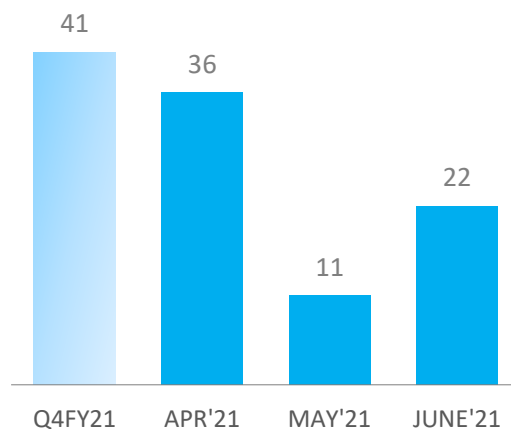
Urban direct outlets billed



Indexed to Mar'21 levels

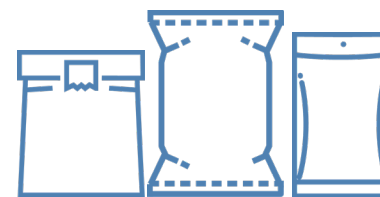
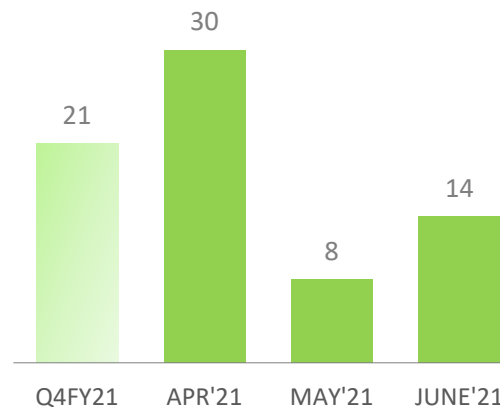


India F&B revenue growth (%)

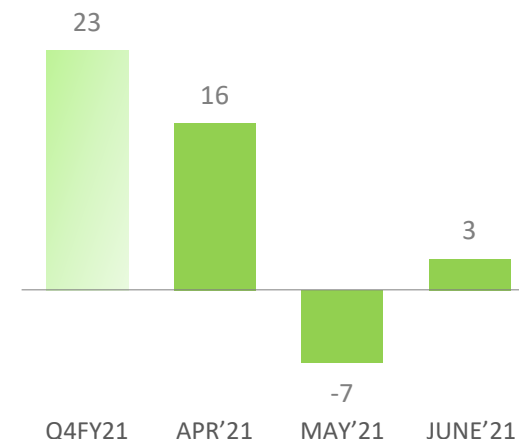


India F&B Volume growth (%)

India Foods

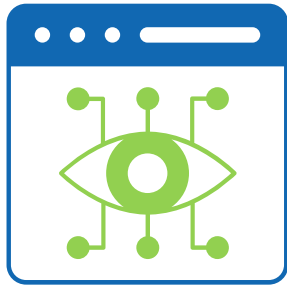


India Packaged Beverages





Embedding Digital across the value chain



**Digital strategy
and vision**



**Enterprise data platform
set-up initiated**



**Continued focus on
key business initiatives**



Continuing the momentum on innovation - India

Tata Salt Super Lite



India's 1st and only salt with 30% low sodium than regular iodized salt

Tata Tea Chakra Gold Care



New dust blend that packs the traditionally known benefits of 5 natural ingredients

Eight O'Clock



A range of Premium International Coffee offerings; with its Single origin and flavored Roast & Ground coffees

Tata Sampann Dal Tadka Masala



Range of Dal Tadka Masalas to enhance the taste of everyday dals



Continuing the momentum on innovation – Intl.

Himalayan - UK



Himalayan Natural Water –
Launch of our premium
mineral water in the UK.

Teapigs Kombucha UK



Launch of 3 variants of Teapigs
kombucha in cans

Teapigs Cold Brew UK



Launch of 6 variants of Teapigs
cold brew in the UK.
These all-natural infusions
have been specially made to
brew easily in cold water

Good Energy - UK



Organic Natural Energy Drink
with natural caffeine from
Guayusa leaf.
2 variants launched in UK -
Blood Orange and Tangerine,
and Raspberry and
Blueberry

Good Earth - Australia

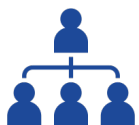


Good Earth launched in
Australia in 4 flavors –
Hibiscus, Rose & Sweet
Berries, Tropical Mangos,
Rooibos Chai and Ginger,
Turmeric & Lemon.



Soulfull integration update

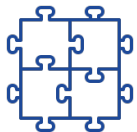
Key Highlights



Organization structure and policies harmonized



Ensured billing through TCPL within ~45 days of deal closure; 3x GT outlet expansion achieved



Completed critical process integration across 10 functions within 90 days of deal closure



Completed Sales IT and related integration



Preserved agility & entrepreneurial culture while integrating back-end into the TCPL India platform, including the innovation process



Recent changes in the Leadership team



Mr. Prashant Parameswaran
Managing Director & CEO
Tata Consumer Soulfull Pvt. Ltd.



Mr. Puneet Das
President – Packaged
Beverages (India and South Asia)



Ms. Deepika Bhan
President – Packaged
Foods (India)



Mr. T.V. Swaminathan
Global Chief Digital Officer



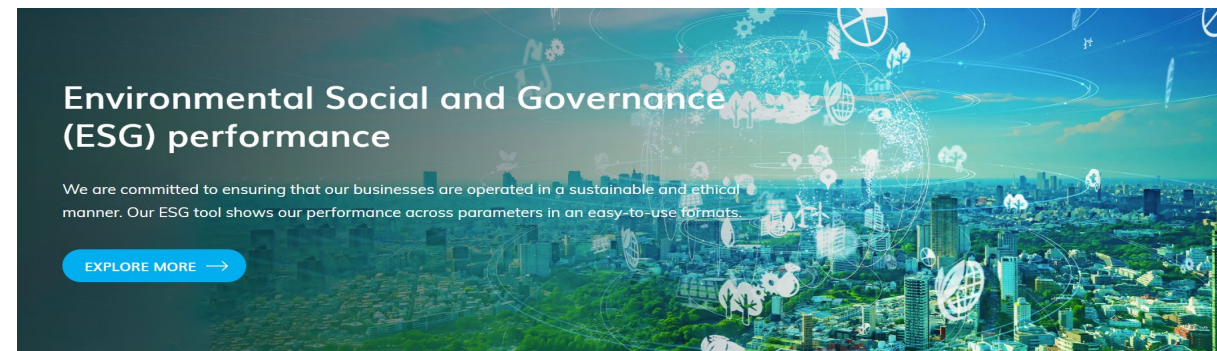
Mr. Punit Gupta
Senior Vice President – Strategy and M&A



Enhancing ESG disclosures



Introduction of an interactive tool on our website to enhance disclosures, reporting and ease of access.



TATA CONSUMER PRODUCTS **ESG WORLD**

--All Categories-- --All Sub Factors-- --All Keywords-- --ESG World Framework --All Frameworks-- --TimeStamp--

Last Updated: **12 Jul 2021** Public Views: **202** Provide Feedback Last 30 Day's Refresh

Search:

Sub Factor	Keywords	Frameworks	Link\$	Metric	Highlights
Company Overview					
Scope of the ESG Profile	Overview	GRI 102: GD Reporting Practice SASB: Leadership and Governance SDG 16: Peace Justice and Strong Institutions WEF Governance: Risk and Opportunity Oversight			Scope of this ESG Profile covers the Environmental and Social parameters included here pertain to all Branded Food & Beverage business of Tata Consumer Products Limited in India and Internationally (excludes Nourischo & Soulfull (100% subsidiaries) – recent acquisitions by Tata Consumer, Tata coffee & Associate companies). Governance parameters pertain to the listed entity - Tata Consumer Products Limited
ESG a Core Pillar of Strategy	Strategy	GRI 102: GD Strategy SASB: Leadership and Governance SDG 17: Partnerships to achieve the Goal WEF Governance: Risk and Opportunity Oversight			TCPL ESG strategy focuses on sustainable practices that attract more customers, allows better access to resources, lowers energy and water consumption, and therefore also can reduce operational costs. We value sustainable practices that lead to greater social credibility, attract talent, boost employee morale, and build stronger community relations. We are proud of our position in the

Thank You

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Last 10-year financials are available on [Historical financial data](#)



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