

TATA CONSUMER PRODUCTS



Genesis and journey so far

June 2022

FOR BETTER

Agenda

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**Strategic pillars & progress
in FY22**

06

Financial Performance



01

About us

We are Tata Consumer Products



Largest Salt brand in India



2nd largest tea brand in India



4th largest tea brand in UK & largest tea brand in Canada



4th largest R&G Coffee brand in USA



National brand in pulses, spices and mixes



#1 Natural Mineral Water brand in India

* As of 31st March 2022

In a Nutshell



Integrated F&B company with rich heritage of Tata, aspiring for a larger share of the FMCG World



#2 branded Tea player globally



₹12.4 K crore consolidated revenue in FY22 and current market cap of ~₹72k* Cr.



Reach north of 200 mn households in India and distribute to ~2.6mn retail outlets



Among the top 10 F&B companies in India

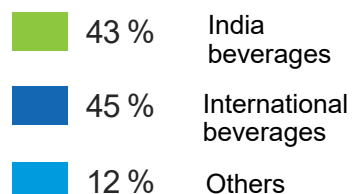
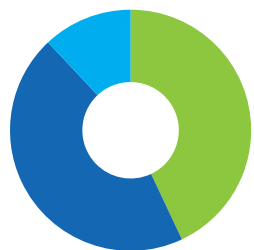


~3000 employees worldwide

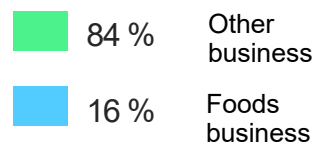
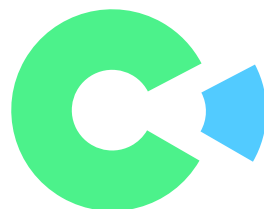
Creation of Tata Consumer Products

Merger of the consumer products business of TCL with TGBL led to the creation of Tata Consumer Products Limited (TCPL)

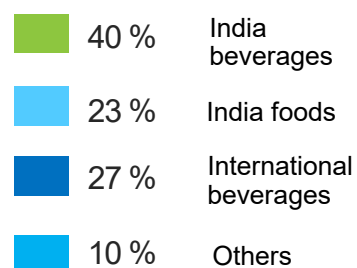
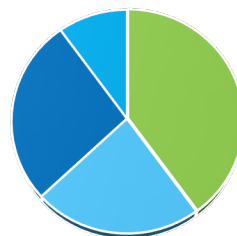
Tata Global Beverages Limited (TGBL)



Tata Chemicals Limited (TCL)



Tata Consumer Products Limited (TCPL)



Rationale for the Merger

- Create a consolidated platform for Tata Group's consumer products ambitions & better leverage the Tata brand.
- Diversify into the large and fast-growing Indian consumer sector - into foods, beverages, and other products.
- Unlock synergies across distribution, marketing, innovation, and supply chain.
- Further capitalize on a unique portfolio of market-leading brands and accelerate high-growth brands.
- Sustain market leadership position in key international markets including the UK, US & Canada.

TCPL revenue breakup is for FY22

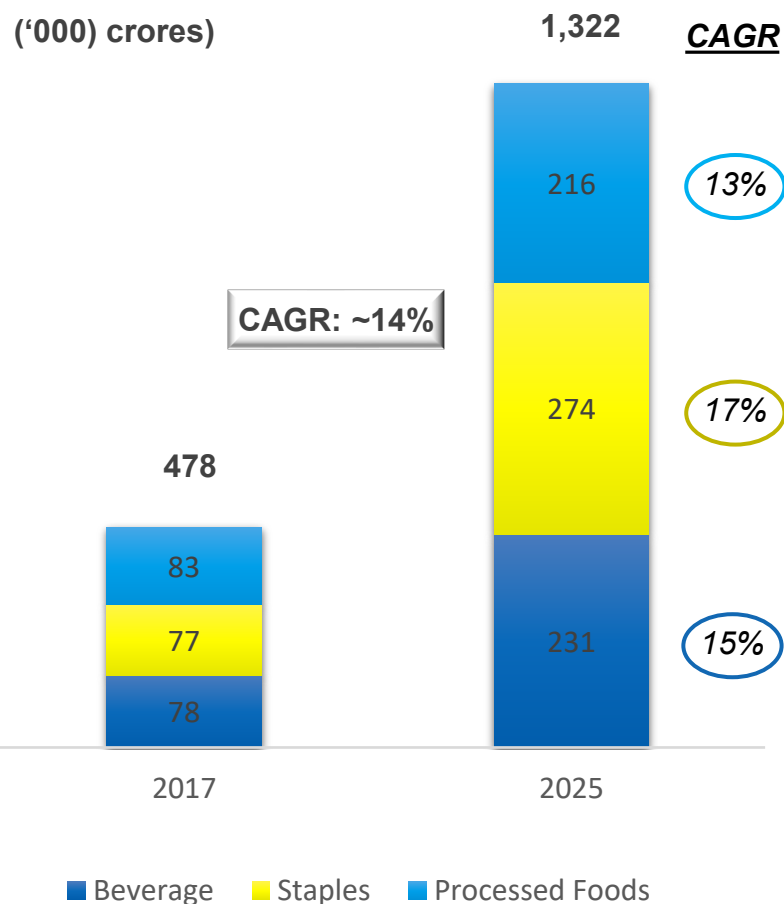


02

Market Opportunity

Large Addressable Market - India

Strong growth in consumption



Growth drivers



Rising disposable incomes—
1.4x by 2025



Urbanization- 49% by 2030



Premiumization
1-3% shift p.a.



Shift to organized sector



Health & Wellness
accelerated by COVID-19



Growth in E-commerce and
digital adoption



03

Business Overview – India & International

India - Tea



Quick Facts - Tata Tea



Legacy of over 35 years



India's 2nd largest tea brand with 1 in every 3 Indian households consuming a Tata Tea brand



Recognized as one of the 'Most Purposeful Brands' in India in the Kantar Report 2021 and topped the FMCG category



Established itself as an iconic brand in India and brought in a wave of social awakening through its landmark 'Jaago Re' campaign

Quick Facts - Tetley



India's 2nd largest Green Tea brand



Aims to promote a good lifestyle with innovative offerings such as the Green Tea Immune Range with a Naturally Sweet variant as well

India - Coffee



Quick Facts – Sonnets by Tata Coffee



First coffee brand of TCPL offered on a D2C platform in India



Premium range with 9 variants of single origin, microlot roast & ground coffees from our finest estates in Coorg & Chikmagalur

Quick Facts – Instant Coffee brands



Tata Coffee Grand - A first-of-its-kind, innovative instant coffee offering in India with a blend of the finest coffee powder and 'flavor locked decoration crystals'



Tata Coffee Gold - 100% freeze-dried coffee, exquisitely crafted from specially sourced beans. It marks our first foray into the premium instant coffee segment in India



Tata Coffee Quick Filter - offers convenience by providing filter like taste in an instant coffee powder format

Foods - Salt

A wide portfolio range to cater to all consumers

Micronutrient delivery (for mass India seeking affordable salt)



Tata Salt
Vacuum evaporated
iodised



Tat Salt Crystal
Sea crystal iodised



Shuddh
Iodized solar salt
priced reasonably



I-Shakti
A flanker brand launched
at competitive price and
consistent quality

Better for you (for the value conscious consumer seeking healthier alternatives)



Tata Salt Immuno
Category-first
proposition of
added zinc



Tata Salt Lite
15% lower
sodium



Tata Salt Super Lite
India's first salt with
30% lower sodium
than regular iodized
salt

Wellness (for the discerning customer seeking natural salt/absolute wellness)



Rock Salt
Rich in natural
trace minerals



Black Salt
Minerals for better
digestion

Quick Facts



India's first packaged
iodized salt



Vacuum evaporated
and untouched by hand across
the value chain



'Tata Salt' brand has
consistently maintained its
market leadership in the
branded iodized salt
segment



Consistently ranked as #1
Most Trusted Foods Brand



Reaches almost 23 lakh
retailers; and over 201 Mn+
households annually



Tata Salt's tagline - 'Desh Ki
Sehat, Desh Ka Namak,' sums
up the brand's aim of improving
the health of the nation

Foods - Tata Sampann

Pulses



Spices



Ready to Cook Mixes



Dry Fruits



Quick Facts



Launched in 2015 as an umbrella brand for Foods category



Leading national brand in Pulses in India, with a certified organic range of pulses



Scientific Innovation for driving differentiation – Fibre Rich Idly Mix and Fibre Rich Dosa Mix



Offers products ranging from traditional Indian 'staples' and extending to modern Indian plate through 'Convenience' & 'Snacking' formats



Pulses are unpolished – retaining their natural goodness and nutritional value. Spices are wholesome, have their essential oils intact and the masala blends have been crafted by Master Chef Sanjeev Kapoor



Dry Fruits launch marks the extension of the master brand to a new and premium category

Foods - Tata Soulfull

1 Kids portfolio – Nutrition for the kid, guilt free for the mother



2 Muesli portfolio – healthy breakfast cereals for adults



3 New and exciting Health and Wellness focused categories



Key attributes



Plays in the fast-growing categories – breakfast cereals, healthy snacks, mini-meals



Differentiated offerings in the Health & Wellness space with rich expertise in ancient millets like ragi



Offers wide range of products – No Maida Choco, Muesli, Smoothix, Masala Oats



MOU between Tata Consumer and Indian Institute of Millet Research (IIMR) to unlock the full potential of millets as a healthier and more sustainable alternative to traditional grains



The United Nations has announced 2023 as the International Year of Millets to further raise awareness on the health & sustainability benefits of millets

Foods – Tata Q



Key highlights



Commenced operations in 2019 and became #2 player in Ready-to-Eat (RTE) market in India within a short time



Operates with state-of-the-art manufacturing in India which offers a range of innovative and differentiated products manufactured using MATS technology



TCPL to leverage existing distribution network to unlock value in India and International markets



Category is expected to grow at significant pace benefitting from demographic tailwinds and consumers seeking convenience, nutrition, and hygiene in their meals



Portfolio expansion with new innovations focused on consumer needs and preferences



International – Tea



Quick Facts – Tetley



2nd largest tea brand globally, with a heritage of over 180 years



Presence in over 40 countries



#1 in Canada
#4 in the UK



Expanding in high-growth non-black teas, in addition to black tea



Leading in innovation – the first to launch Tetley Blend of Both and Super Teas range in the UK, and ayurvedic teas in Canada



Tetley is the highest awarded UK tea brand at the Great Taste Awards



International - Specialty Teas



Quick Facts - Teapigs



#1 super premium tea brand in the UK



1st tea company to be plastic-free certified



Winner of over 150 Great Taste awards and counting



Sold and served in over 40 countries with a diversified presence across channels



Quick Facts - Good Earth



A wide lineup of on-trend and sensorial blends with associated health benefits.



Premium large leaf teabags for superior appearance and taste.



All cartons (tea boxes) are 100% recyclable and Good Earth sensorial blends teabags are 100% biodegradable



Innovating with new formats – Kombucha and Energy Drink

International (US) – Coffee



Quick Facts



The Eight O'clock story started 150 years ago when the iconic brand launched America's original gourmet whole bean coffee



#4 R&G coffee brand in the US



Eight O' Clock's coffees are served in bags, ground, and whole beans as well as K-Cups



Our award-winning 100% Colombian beans are 100% Rainforest Alliance certified, the Brazilian Breakfast is carefully sourced 100% Brazilian, 100% Arabica coffee from the Cerrado Minas Gerais region



Extended the portfolio with new launches of Barista Blends, Café Arriba, and Early Risers

Liquid beverages (Nourishco)

Natural mineral water

- ✓ #1 Natural Mineral water brand in India
- ✓ First to move into glass bottle and sparkling water in India



Glucose Energy drink

- ✓ TGP - unique & affordable on-the-go energy drink
- ✓ TGP Jelly - unique drinkable jelly energy drink
- ✓ Launched in select markets - expansion underway



Fruit-based beverages

- ✓ Uniquely positioned as a local culture/street inspired beverage
- ✓ Rolled out in Hyderabad & Vizag



Packaged drinking water

- ✓ India's 1st Nutrient water (Copper Fortified Water)
- ✓ Developed in collaboration with International scientists and Indian nutrition experts



Tata Coffee (58% subsidiary)



Freeze-dried coffee plant in Vietnam



Coffee estates



Coffee beans roasting

Coffee Extraction (Instant Coffee)

- Asia's largest integrated coffee company, the second largest exporter of Instant Coffee and foremost producer of Specialty Coffee in India
- Leading player in the B2B Instant Coffee industry
- Operates with two instant coffee manufacturing facilities – India and Vietnam, having a combined capacity of 8400 metric tonnes

Plantations

- Produces some of the finest Indian Origin Green Coffee Bean, Pepper, and Tea
- Coffee and Tea estates span ~10000 HA in the south Indian states of Karnataka, Kerala, and Tamil Nadu.
- 18 Coffee & Pepper estates and 6 Tea estates with 1 Tea & Coffee estate combined
- Tata Coffee won four awards at OHHSAI HSE Excellence & Sustainability Awards 2021 for its continuous initiatives to make units and processes more environment friendly and sustainable



04

JV and Associates

Tata Starbucks (50:50 JV)



Largest coffee forward Starbucks store in Bangalore (Vittal Mallya Road)



Launched first ever Nitro Cold Brew store in India, operated solely by woman baristas



- 50:50 JV between TCPL and Starbucks Coffee International Inc.
- Operates at 268 stores in 26 cities*, with multiple store formats – High street, Malls, Airports, Offices, Hospitals, Highways and Store-in-Store.
- Starbucks recognized as Top #100 Workplaces for Women in India 2021 by 'Great Place To Work' and 'Avtar and Working Mother' (5th consecutive year).
- Starbucks App provides a personalized experience with options for pre-ordering, digital payments and managing reward points

*As on end of Mar '22

Associate Companies

APPL (Amalgamated Plantations)



- Based in Assam & West Bengal (East/North East India)
- Second largest tea plantation company in India
- Spread over 24,500 Ha - 25 Tea Estates
- Annual Production capacity of ~ 42 mn kg of tea
- Partnership with 100 thousand small tea growers

KDHP (Kanan Devan Hills Plantation Company)



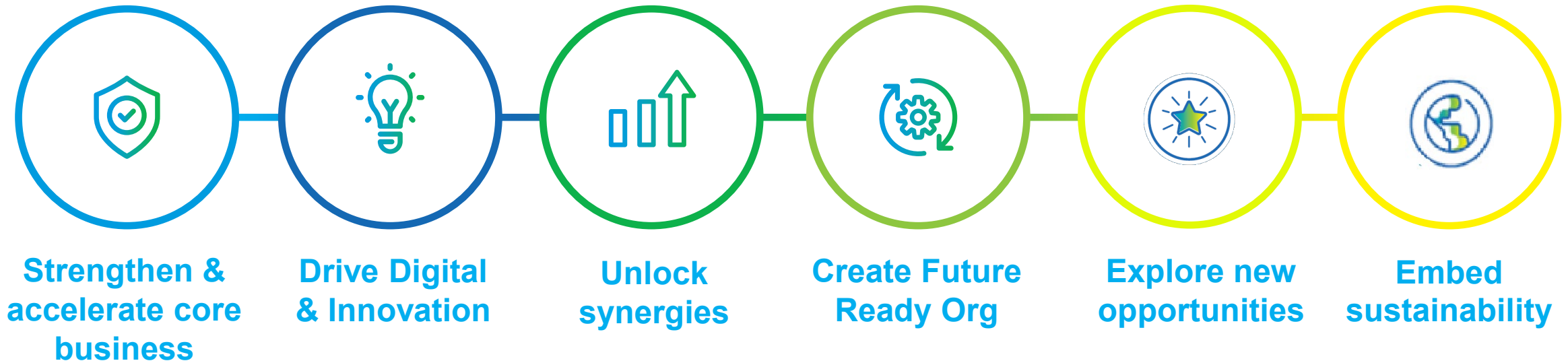
- Based in Kerala (South India)
- Spread over 22,000 Ha - 7 Tea Estates
- 16 factories
- Annual Production of ~ 25 million kg of tea



05

Strategic pillars & progress in FY22

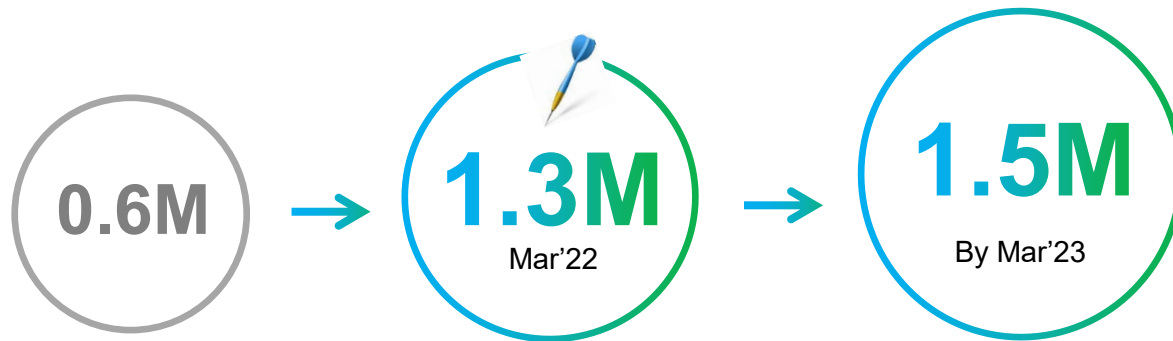
Strategic Pillars



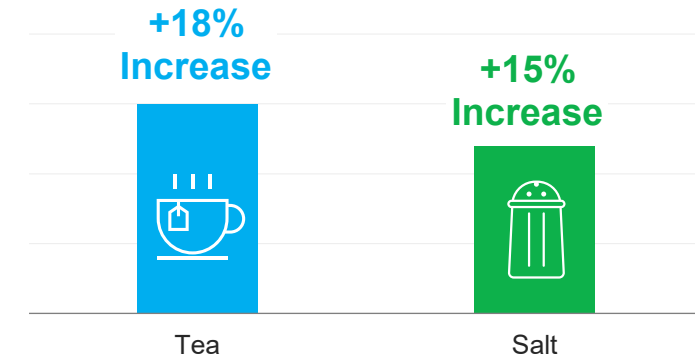


New milestones in S&D transformation

Direct reach



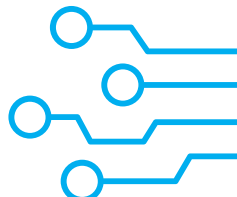
Total Numeric reach¹



Digital transformation



DMS



DMS Lite



SSFA

Distributors



2000+

Rural/Semi-Urban distributors



8,000+

All numbers are for FY22 vs FY21 unless specified otherwise

¹ Increase in average number of dealers in FY22 vs FY21 (AC Nielsen)



Winning in alternate channels – MT & E-commerce

A fit for purpose assortment

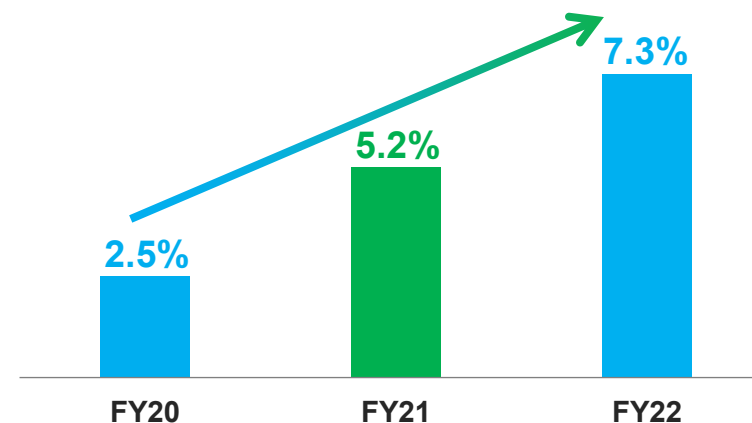


Modern trade business crosses 1000 cr. MT up 30% y-o-y



E-commerce market share for Tea at 41.9% way ahead of competition

E-commerce channel (% of sales)



All numbers are for FY22 vs FY21, unless specified otherwise.



Powering our brands



Tata Tea Premium continued its hyperlocal campaign by celebrating the unique diversity of our nation with the 'Desh ki Jhanki' initiative on the occasion of 73rd Republic Day



Tata Coffee Grand activated the festival of Pongal in the state of TN with a TVC led campaign which celebrated the sounds of festival in line with the sound of our coffee proposition.

India business¹ A&P
FY22



+29% YoY



Chakra Gold concluded its association with Big Boss in TN with Pongal special episodes and integrations.



Tata Tea Premium adopted a unique approach to connect with consumers by making its debut in the metaverse world and hosting a first of its kind Holi party

Market share



Tea ~100bps²

¹ Standalone Financials – includes India Packaged Beverages and India Foods

² Source: Nielsen – Value share, MAT basis, Mar'22 vs Mar'21



Powering our brands



The new Tata Salt Lite and Superlite TVC addresses a relevant consumer tension to reduce their salt intake by pivoting to an alternative option of low sodium salt



Guaranteed quality, authentic taste, hygienically packed; **Shuddh by Tata Salt** is an iodized salt that is sourced from the sea. Specially crafted for South India markets to strengthen the portfolio. The TVC went live to communicate this message.

Market share



Salt + 400 bps²



Tata Soulfull No Maida Chocos TVC went live, which highlights the goodness and crunchiness coming from 7 grains and no junk – making it a wholesome snack, loved by kids and approved by moms



The imitator and look alike brands are so identical to **Tata Salt** that consumers mistakenly pick them up instead. The new 360- degree marketing campaign for UP is an intervention – to educate trade and consumers to choose the real Tata Salt

¹ Standalone Financials – includes India Packaged Beverages and India Foods

² Source: Nielsen – Value share, MAT basis, Mar'22 vs Mar'21

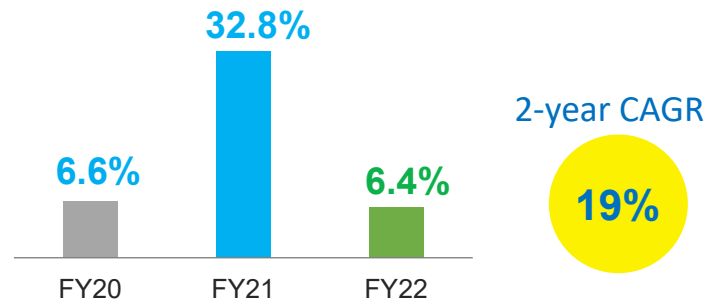


Growth across key metrics



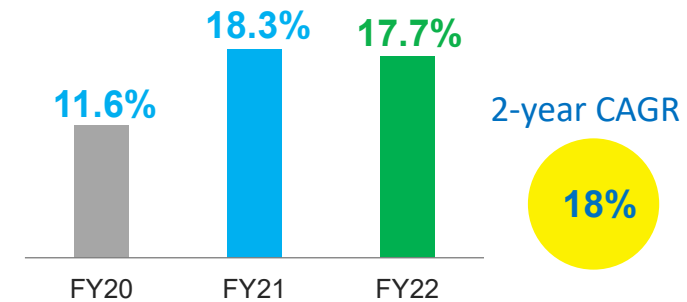
India Packaged Beverages

Revenue growth



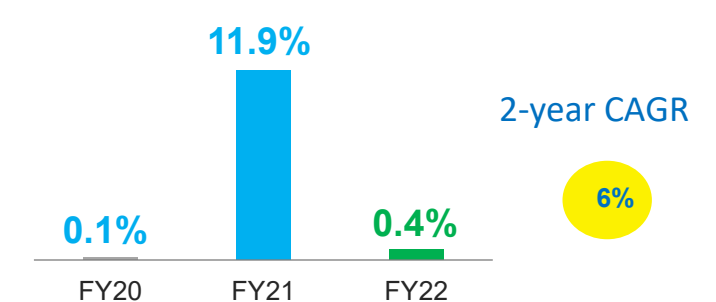
India Foods

Revenue growth



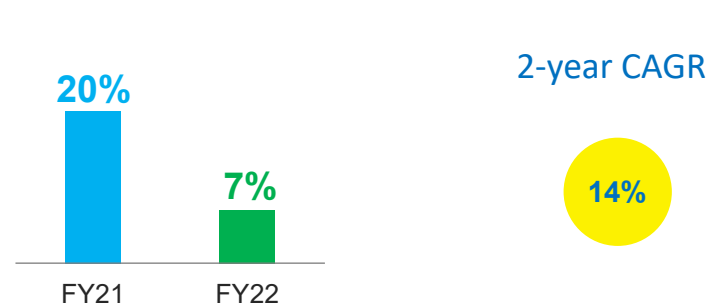
International Beverages

Revenue growth (like for like, net of exits)

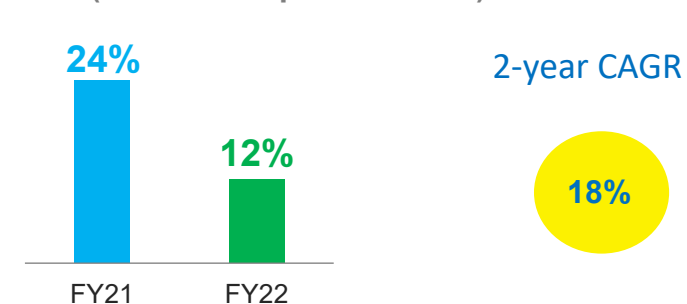


Tata Consumer Products Consolidated performance

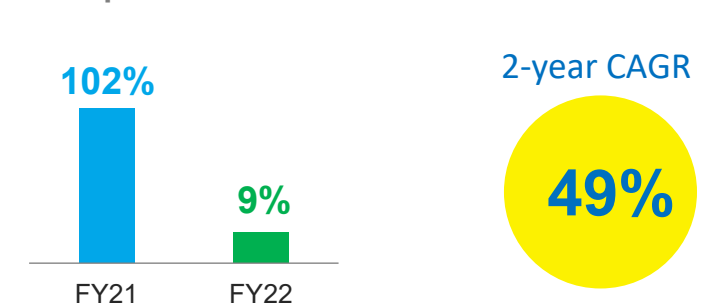
Consolidated Revenue



PBT (before exceptional items)



Group Net Profit



Corresponding Consolidated Revenue growth, PBT (bei) growth, and GNP growth for FY20 is not available as the foods business was not in the base in FY19



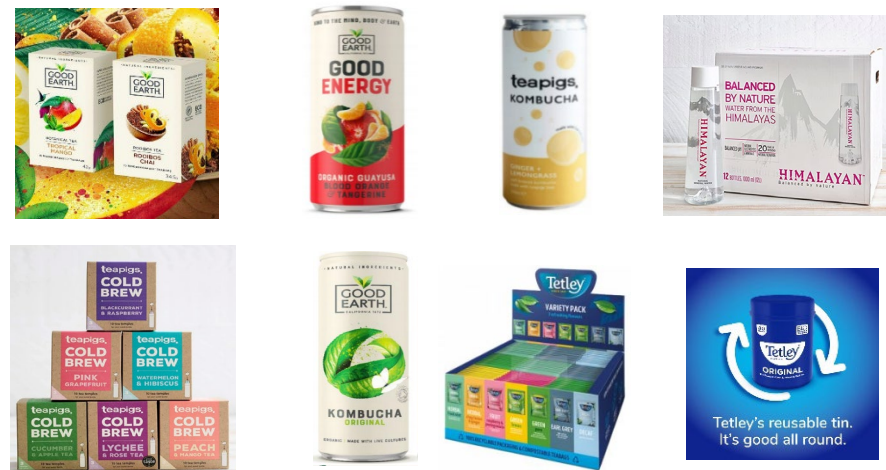
Continuing the momentum on innovation – FY22



Innovation to sales contribution

~2X

FY22 vs FY21





Global Simplification Plan announced...

Proposed Transactions

Consolidation of minority interest from Tata Coffee & TCP UK Group to TCPL

#1

TCL combines with TCPL /WOS of TCPL, through a composite scheme of demerger and merger

#2

Purchase of minority interest in UK business from Tata Enterprise Overseas (TEO) through preferential allotment by TCPL

Further reorganization initiatives* in international business to be undertaken in future to...



SIMPLIFY



ALIGN



SYNERGIZE

** Further re-organization initiatives proposed to be undertaken, will be subject to the requisite approvals/ processes*



...to unlock synergies and value for shareholders

01

**Operational efficiencies
for management, legal &
administrative costs**

- ▶ Align corporate structure with management & administrative structures
- ▶ Significant reduction in # of entities

02

**Faster decision making
and execution**

- ▶ Converge the minority interests of subsidiaries at TCPL level
- ▶ Single listed entity capturing the full value of TCPL group
- ▶ Stepping-stone for further consolidation and simplification in the international business

03

**Creation of focused
business verticals**

- ▶ Combination of extraction businesses
- ▶ Creation of a dedicated plantation vertical

04

**Unlocking potential
synergies**

- ▶ Material revenue, cost and other synergies expected over medium to long term*
- ▶ Single holding company for International branded business

** Post execution of the current and future reorganization initiatives following receipt of the requisite approvals and processes*



New engines of growth



Revenue growth – FY22

↑ 52%



Images are for illustration purpose



Embedding sustainability



Sustainable Sourcing

Sustainably Sourced tea ~100% internationally and ~60% in India



Water Management

Water, sanitation and hygiene for 25,000 members in Assam and Himachal



Climate Change

Reduced GHG EMISSIONS by 26%*; Improved renewable energy to 24%**



Waste Management

0 waste at all beverages factories; 80% **recyclable Salt packaging; 100% Extended Producer Responsibility in India



Community Development

Sustainable livelihoods, affordable healthcare to 800,000+ community members

* From 2010 to 2021

**Exit March 2022



Recognition of our sustainability efforts



Rated "A" by MSCI ESG ratings



Sustainalytics **upgraded** TCPL's ESG risk rating from **Severe** to **Medium** in their last update.



TPCL is amongst the top scoring FMCG companies in CRISIL India's ESG Report which factors best in class Environmental, Social & Governance performance of 225 companies in India.



06

Financial Performance

Key Businesses snapshot – FY22



International Beverages

In ₹ Cr
(unless specified)

	India Beverages	India Foods	US Coffee	International Tea	Tata Coffee (incl. Vietnam)	Consolidated [#]
Revenue	5,001	2,913	1,295	2,040	1,070	12,425
Revenue Growth <i>Constant currency growth</i>	10%	19%	0% 0%	1% -3%	11% 11%	7%[9%] 6% [8%]
Volume Growth	3%	8%	-4%	-3%	3%	

Key Brands



Note:

- a) India Beverages revenue includes India Packaged Beverages + NourishCo (subsidiary effective May'2020), but volume doesn't include Nourishco volumes.
- b) India Foods revenue includes Tata Soulfull (subsidiary effective Feb'21) and Tata Q (subsidiary effective Nov'21).
- c) 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). It doesn't include International foodservice business
- d) Tata Coffee incl. Vietnam and excl. USCoffee (EOC)
- e) Consolidated revenue includes other non-branded business and Inter-segment eliminations
- f) # Reported growth, [like for like growth, adjusted for International Food service business exits] .

Group Performance at a glance – FY22



₹ 12,425 Cr.



₹ 1,749 Cr.



₹ 1,508 Cr.



₹ 1015 Cr.



₹ 1056 Cr.



~₹ 2,486 Cr.

	Revenue	EBITDA	PBT (bei)^	Group Net Profit	Group Net Profit (bei)^	Net Cash\$
Growth (Y-on-Y)	7%[9%]^#	11%	12%	9%	12%	
Margin%		14.1%	12.1%	8.2%	8.5%	
Margin expansion (Y-on-Y)		+50 bps	+60 bps	+20 bps	+40 bps	
EPS				10.15 (EPS)		
EPS Growth (Y-on-Y)				9% (EPS)		

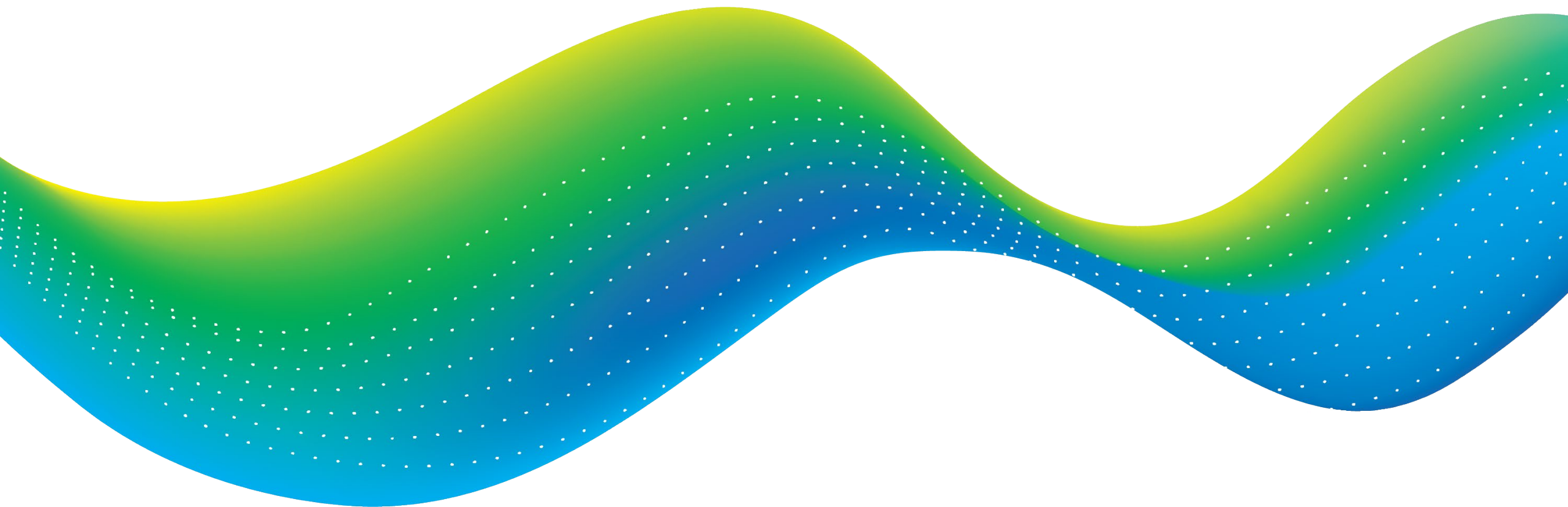
[like for like growth net of International food service business exits]

^ before exceptional items

\$ Cash and Cash equivalents (net of total borrowings) as at March 31, 2022

Thank You

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TATA CONSUMER PRODUCTS

