Investor Presentation

For the quarter ended December 2022

TATA CONSUMER PRODUCTS

2nd February 2023
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. 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 Executive summary
02 Performance overview
03 Progress against strategic priorities
04 Macro environment
05 Business performance – India
06 Business performance – International
07 Financial performance
08 Concluding remarks
09 Other
We are Tata Consumer Products

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

₹ 12.4K crore consolidated revenue in FY22 with current market cap of ~₹71k Cr

#2 branded tea player globally

Reach north of 200mn households in India and distribute to ~3.5mm retail outlets

Among the top 10 FMCG companies in India

~3000 employees worldwide

Largest salt brand in India

2nd Largest tea brand in India

4th largest R&G coffee brand in USA

National brand in pulses, spices and mixes

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

#1 natural mineral water brand in India

* As of 31st Dec 2022
Executive Summary

- During the quarter, Consolidated Revenue grew 8% YoY, bringing the YTD growth to 10%. On a 3-year CAGR basis, this translates to ~12% revenue growth.

- Consolidated EBITDA for the quarter declined 2% YoY, bringing YTD growth to 5%. On a 3-year CAGR basis, the consolidated EBITDA grew 12%.

- During the quarter, India business\(^1\) grew 8% driven by
  - India Beverages\(^2\) business decline of 5%, with a 5% volume decline, on a 3-year CAGR basis, the business grew revenues at 12% p.a.
  - India Foods\(^3\) business growth of 29%, with 4% volume growth, on a 3-year CAGR basis, the business grew revenues at 21% p.a.

- International business revenue was up 4% during the quarter, bringing YTD revenue growth to 7%.\(^4\)

- EBITDA for the India business grew 13% YoY however inflationary pressures, currency weakness, and lag in pricing in the International business dragged down the Consolidated EBITDA. Margins in the International business improved QoQ.

- Continued stress in rural & delayed winter, in some of our salient markets led to market share softness in tea. We continued to gain market share in salt.

- Growth businesses continued their strong trajectory, growing 53% YoY during the quarter – these now account for 13% of our India branded business.

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\(^1\) Includes India beverages & India Foods business, including NourishCo.
\(^2\) Including NourishCo revenue, but volume doesn’t include NourishCo volumes
\(^3\) Including Tata Soulfull, Tata Q revenues. Volume doesn’t include Soulfull/Tata Q volumes
\(^4\) Q3FY23 constant currency growth of 2%, 9MFY23 constant currency growth of 5%.
Performance Overview
### Key Businesses Snapshot – Q3FY23

<table>
<thead>
<tr>
<th>In ₹ Cr (unless specified)</th>
<th>India Beverages</th>
<th>India Foods</th>
<th>US Coffee</th>
<th>International Tea</th>
<th>Tata Coffee (incl. Vietnam)</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>1,218</td>
<td>947</td>
<td>380</td>
<td>549</td>
<td>364</td>
<td>3,475</td>
</tr>
<tr>
<td><strong>Revenue growth</strong></td>
<td>-5%</td>
<td>29%</td>
<td>11%</td>
<td>-1%</td>
<td>28%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Constant currency growth</strong></td>
<td>1%</td>
<td>2%</td>
<td>25%</td>
<td></td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td><strong>Volume growth</strong></td>
<td>-5%</td>
<td>4%</td>
<td>-17%</td>
<td>0%</td>
<td>-9%</td>
<td></td>
</tr>
</tbody>
</table>

### Key Brands

- Tata Tea
- Tata Soulfull
- Tata Gluco
- Himalayan Grand
- Eight O’clock
- Tetley
- Teapigs
- Good Earth

**Notes:**

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)

d) Tata Coffee incl. Vietnam and excl. USCoffee (EOC)

e) Consolidated revenue includes other non-branded business and Inter-segment eliminations
### Key Businesses Snapshot – 9MFY23

<table>
<thead>
<tr>
<th></th>
<th>India Beverages</th>
<th>India Foods</th>
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<th>International Tea</th>
<th>Tata Coffee (incl. Vietnam)</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>3,765</td>
<td>2,706</td>
<td>1,112</td>
<td>1,493</td>
<td>1,008</td>
<td>10,164</td>
</tr>
<tr>
<td><strong>Revenue growth</strong></td>
<td>-1%</td>
<td>26%</td>
<td>18%</td>
<td>-1%</td>
<td>31%</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Constant currency growth</strong></td>
<td></td>
<td></td>
<td>10%</td>
<td>2%</td>
<td>29%</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Volume growth</strong></td>
<td>-2%</td>
<td>0%</td>
<td>-7%</td>
<td>-2%</td>
<td>-1%</td>
<td></td>
</tr>
</tbody>
</table>

### Key Brands

[Images of various brands]

### Notes:

a) India Beverages revenue includes India Packaged Beverages + NourishCo (subsidiary effective May’2020), but volume doesn’t include NourishCo volumes.

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## Summary of Group Performance – Q3FY23

<table>
<thead>
<tr>
<th></th>
<th>Revenue</th>
<th>EBITDA</th>
<th>PBT (bei)^</th>
<th>Group Net Profit</th>
<th>Group Net Profit (bei)^</th>
<th>Net Cash$</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Growth (YoY)</strong></td>
<td>8% [7%]</td>
<td>-2%</td>
<td>1%</td>
<td>26%</td>
<td></td>
<td>-5%</td>
</tr>
<tr>
<td><strong>Margin</strong></td>
<td>13.2%</td>
<td>11.6%</td>
<td>10.5%</td>
<td>8.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Margin expansion (YoY)</strong></td>
<td>-140 bps</td>
<td>-90 bps</td>
<td>+150 bps</td>
<td>-120 bps</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td></td>
<td></td>
<td></td>
<td>3.79</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EPS growth (YoY)</strong></td>
<td></td>
<td></td>
<td></td>
<td>32%¹</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[ ] Constant currency growth.

¹ before exceptional items.

$ Cash and cash equivalents (net of total borrowings) as of December 31, 2022.

¹ Group Net Profit and EPS growth rates differ owing to acquisition of residual minority stake in Tata Consumer Products UK Group Limited from Tata Enterprises (Overseas) AG (TEO) thereby making it a wholly owned subsidiary. Please refer to note 3 in the financials for the exact details.
## Summary of Group Performance – 9MFY23

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<th>Revenue</th>
<th>EBITDA</th>
<th>PBT (bei)(^\wedge)</th>
<th>Group Net Profit</th>
<th>Group Net Profit (bei)(^\wedge)</th>
<th>Net Cash(^$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth (YoY)</td>
<td>10% [9%]</td>
<td>5%</td>
<td>7%</td>
<td>33%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Margin</td>
<td></td>
<td>13.3%</td>
<td>11.6%</td>
<td>10.1%</td>
<td>8.7%</td>
<td></td>
</tr>
<tr>
<td>Margin expansion (YoY)</td>
<td></td>
<td>-60 bps</td>
<td>-40 bps</td>
<td>+170 bps</td>
<td>+0 bps</td>
<td></td>
</tr>
<tr>
<td>EPS</td>
<td></td>
<td></td>
<td></td>
<td>10.12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EPS growth (YoY)</td>
<td></td>
<td></td>
<td></td>
<td>30%(^1)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[ ] Constant currency growth.

\(^\wedge\) before exceptional items.

\(^\$\) Cash and cash equivalents (net of total borrowings) as of December 31, 2022.

\(^1\) Group Net Profit and EPS growth rates differ owing to acquisition of residual minority stake in Tata Consumer Products UK Group Limited from Tata Enterprises (Overseas) AG (TEO) thereby making it a wholly owned subsidiary. Please refer to note 3 in the financials for the exact details.
Strategic Priorities

- Strengthen & accelerate core business
- Drive Digital & Innovation
- Unlock synergies
- Create Future Ready Org
- Explore new opportunities
- Embed sustainability
Making consistent progress on reach

Significant progress made on reach, now moving to Split routes to drive assortment, increase depth and focus on growth drivers in all 10 Lac Plus towns

Increasing direct distributors to improve execution in semi-urban areas

Sub-distributors → Distributors

Alternate channels continue to fuel growth and innovation agenda

Ecommerce

- 8.8% of Sales
- Revenue +34%
- NPD contribution ~11%

Modern Trade

- 14.8% of Sales
- Revenue +17%
- New SKUs on shelf in Q3FY23 30

All numbers above are for Q3FY23, and growth is for Q3FY23 vs Q3FY22
Packaged Beverages – continued focus on execution

**Tata Tea Chakra Gold** celebrated Deepavali in TN with the launch of a limited-edition festive pack paying an ode to the festival of lights.

**Tata Coffee Grand Premium**, a 100% coffee blend with flavor-locked decoction crystals was launched to cater to non-south region consumer tastes and preferences. This was supported by a unique ASMR campaign.

Launched **Tetley Green Tea Immune Tulsi**. This new launch has the goodness of antioxidants with added Vitamin C, now in the flavor of Tulsi.

Market share – Tea

Volume -46 bps\(^1\)
Value -113 bps\(^1\)

\(^1\) Source: Nielsen –MAT basis, Dec22 vs Dec’21
India Foods – portfolio approach to salt and focus on Sampann

**Shuddh by Tata Salt** was re-launched with a renewed marketing mix establishing product superiority over key competition, with a South first aspirational pack to unlock gains in the mid-tier salt segment.

**Functiona**l campaign launched for **Tata Salt Immuno** to create awareness about the benefits of zinc fortification. Zinc is known to support a healthy immune system.

**Tata Salt’s #HarSawaalUthega campaign** is an attempt to amplify the sound of India’s youth by encouraging them to ask the right questions for a better India.

**Tata Sampann Spices’** foray into Karnataka expanded its total addressable market and this was supported by an ad campaign featuring superstar Priyamani.

*Market share

Salt 90bps¹

¹ Source: Nielsen – Value Share, MAT basis, Dec’22 vs Dec’21
Continuing the momentum on innovation (1/2)

**Tata Tea Premium Street Chai Range**
Unique range recreating the taste of popular street chais (teas)

**Tata Coffee Café Specials**
Upgrading the in-home coffee consumption experience to a café style hot coffee

**Tata Fruski Juice Jelly**
Launched a disruptive format of drinkable jelly in three delicious home-grown flavors

**Tata Sampann Chef Style Masala**
Launch of tastemakers in three variants
Continuing the momentum on innovation (2/2)

Tata Raasa
Range of RTE & RTC developed for specific International markets

Tata Soulfull Ragi Bites Fills
Enhanced cream version of our popular Ragi Bites in three variants

Tata Sampann range of South Spices
Flavorful spices made the authentic way catering to regional consumers

Tata Salt Rock Salt and Pink Salt
Launch of premium and popular variants of rock salt with natural minerals

Tata Salt+ Vitamin Shakti
Tata Salt fortified with Vitamin D + Calcium
Creating a strong foundation to fuel future innovation

We have revamped our R&D facilities with state-of-the-art infrastructure to accelerate the pace of innovation and to future-proof and embed innovation across the organization – Vikas Gupta, Global Head, R&D

Bengaluru
World class ‘R&D Centre of Excellence’

Sri City
Process Excellence Centre

Mumbai
R&D Foods Innocentre
Momentum continues in the new Engines of Growth

Combined YoY revenue growth Q3FY23

Growth Businesses as a % of India Branded Business

The rapid scale-up of our growth businesses has seen them consistently increase their contribution to TCP’s revenue

Growth businesses include Tata Sampann, NourishCo, Tata Soulfull, and the RTE/RTC business (Tata Smartfooz).
Tata Soulfull & Tata SmartFoodZ became subsidiaries effective Feb’21 & Nov’21, respectively.
Striving towards a sustainable future

Food loss management: We have partnered with Wastelink and together collected and recycled 1,592 MT of waste into animal feed.

Tata Consumer received the Gold Award in Category 2 – Climate Change of ICAI International Sustainability Reporting Awards 2021-22.

The Damdim Packaging Centre received the First Prize in the Consumer Goods category at the National Energy Conservation Awards 2022 (NECA 2022).
For the love of Products, Planet, and People #ForBetter

Through its first Sustainability Report, Tetley takes you on a journey through its business from tea bush to final sip Read the report here.

The first-ever impact report of teapigs explores Teapigs’ journey to becoming a B-Corp, sourcing & carbon footprint, etc. Read the report here.
Key Commodities’ movement

**Tea**
- **North India tea** prices continued to come off sequentially as we moved to the end of the plucking season.
- **South India tea** on the other hand, saw an uptick coming in higher sequentially as well as YoY.
- **Kenyan tea** saw a slight increase from the previous quarter but was flat YoY in $ terms.

**Coffee**
- **Arabica** prices saw a sharp correction during the quarter and were significantly lower YoY owing to favorable weather in Brazil and rising global stocks.
- **Robusta** followed a similar trend, down sequentially as well as a YoY.

Source: North India and South India tea auction (Tea Board of India) Mombasa tea auction (EATTA) | International Coffee Exchange
### Market context – category growth rates

<table>
<thead>
<tr>
<th>Country</th>
<th>Category</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>Regular Black Tea</td>
<td>+11.1%</td>
</tr>
<tr>
<td></td>
<td>Bags Coffee</td>
<td>+10.4%</td>
</tr>
<tr>
<td></td>
<td>K-cup Coffee</td>
<td>+8.0%</td>
</tr>
<tr>
<td>UK</td>
<td>Regular Black Tea</td>
<td>10.5%</td>
</tr>
<tr>
<td></td>
<td>Fruit &amp; Herbals</td>
<td>+5.2%</td>
</tr>
<tr>
<td></td>
<td>Tea</td>
<td>+5.6%</td>
</tr>
<tr>
<td>Canada</td>
<td>Regular Black Tea</td>
<td>+5.2%</td>
</tr>
<tr>
<td></td>
<td>Specialty Tea</td>
<td>+5.6%</td>
</tr>
<tr>
<td>India</td>
<td>Branded Tea</td>
<td>2.4%</td>
</tr>
</tbody>
</table>

- **US markets** saw category growth in Coffee (both Bags and K-cups) and Tea on account of price increases. In volume terms, the category saw a decline.

- **UK** – The tea category in both regular and F&H saw growth led by pricing.

- **Canada** – Both regular black tea and specialty tea grew, led by pricing. In volume terms, the category saw a decline.

- **India branded tea category** continued to see muted growth, lower than its long-term trend rate.

Source: Nielsen: 12 weeks (Value) – Dec ’22

![Graph showing growth rates](image-url)
05 Business performance – India
India Packaged Beverages

Performance commentary

- Revenue for the quarter declined 9% led by pricing corrections and volume decline, owing to demand slowdown in some of our key markets.
- Coffee revenue grew 34% YTD.
- On a 3-year CAGR basis, the business delivered 9% revenue growth.

-9%
Revenue Growth

-5%
Volume Growth

-113bps
Market Share gain

Other updates

- Tata Tea Gold Care, Chakra Gold Care and Tata Tea Gold Darjeeling continue to perform in line with our premiumization agenda.
- Tata Tea Premium TeaVeda continues to accelerate its growth trajectory with growth increasing sequentially.

In line with our hyperlocal strategy, Tata Tea Lal Ghoda was restaged including new pack graphics as well as a new TVC celebrating the unique taste of Rajasthani hospitality and the warmth of relationships.

Tata Tea Agni Leaf celebrated the festival of Chatt with the launch of four special packs commemorating each day of the festival and was backed by a 360-degree impactful campaign in Bihar & Jharkhand.

1 Tea volume growth
2 Source: Nielsen – Value share, Moving Annual Total (MAT) basis Dec’22 vs Dec’21
India Foods

• Driving premiumization in Tata Salt with 1) Vitamin Shakti fortified with Vitamin D & Calcium 2) Pink Salt to accelerate upgradation from base iodized salt.

• Tata Salt Immuno saw a good initial response to its rollout in Punjab, Haryana, and HP.

• Momentum continues on South spices backed by media support for South Pures and the launch of blends in Karnataka.

• Rock salt continued its strong trajectory with revenue growth of 97% during the quarter.

• Tata Sampann portfolio delivered strong growth of 37%, with broad-based performance across staples and dry fruits.

• Tata Soulfull continued its strong growth trajectory.

Tata Sampann creates large packs for pantry staples exclusively for the e-commerce channel.

Performance commentary

+29% Revenue Growth

+4% Volume Growth

+90bps Market share gain¹

Other updates

• Driving premiumization in Tata Salt with 1) Vitamin Shakti fortified with Vitamin D & Calcium 2) Pink Salt to accelerate upgradation from base iodized salt.

• Tata Salt Immuno saw a good initial response to its rollout in Punjab, Haryana, and HP.

• Soulfull Masala Oats+ tracking ahead of target metrics post its launch.

¹ Source: Nielsen – Value share, Moving Annual Total (MAT) basis Dec’22 vs Dec’21

Tata Sampann creates large packs for pantry staples exclusively for the e-commerce channel.

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¹ Source: Nielsen – Value share, Moving Annual Total (MAT) basis Dec’22 vs Dec’21
NourishCo (100% Subsidiary)

Performance commentary

- Delivered yet another strong quarter with a robust revenue growth of 66% YoY.
- Operating leverage and continued cost-saving initiatives across the P&L helped drive margin improvement over the previous year.
- NourishCo achieved yet another milestone with its revenue for 9MFY23 crossing Rs 400 cr.

Other updates

- GTM expansion and capacity expansion initiatives continue.
- The business now reaches nearly 600k outlets.
- Delivered yet another strong quarter with a robust revenue growth of 66% YoY.

119Cr
Revenue

+66%
Revenue growth

2.1x
Tata Copper+#

Launched a disruptive format of drinkable jelly in select markets

Himalayan Spreads and Honey roped in celebrities and top chefs for an influencer-led campaign

*113% revenue growth YoY
TCPL proposed a merger with Tata Coffee Limited (TCL) in March 2022 with the objective of unlocking synergies and creating a simpler organizational structure. TCPL shareholders approved the merger on 12th November 2022.

The process of obtaining TCL shareholders’ approval along with other regulatory steps (including requisite NCLT approvals) is underway.

**Performance commentary**

- **Revenue Growth**
  - Plantations: -14% Revenue Growth
  - Extractions: +25% Revenue Growth

- **Extractions**
  - Overall extractions business grew by 33% driven by both the domestic and the Vietnam business.
  - Vietnam sales grew 33% in constant currency terms (46% reported).

- **Other updates**
  - Theni Instant Coffee plant now uses 100% renewable energy.

# Tata Coffee including Vietnam in constant currency terms. Does not include EOC.
Tata Starbucks (JV)

Launched the first Starbucks Reserve store at its Flagship Mumbai location

Performance commentary

- Revenue for the quarter grew 42% YoY, led by a revival in out-of-home consumption and strong store addition.
- The business continued to remain EBIT-positive for the quarter.
- Opened 15 new stores during the quarter* and entered 2 new cities.
- Opened a total of 47 new stores (gross) and entered 12 new cities in 9MFY23.

Other updates

- The ‘My Starbucks Rewards’ loyalty program crossed 2 million customers.
- Tier-2 expansion continues with store launches in Vijaywada and Lonavala.
- Tata Starbucks now has 20 ‘All Women Stores’. Women representation at Tata Starbucks is 38.4%.

11
Net new stores opened during the quarter*

311
Total stores

38
Cities present

Celebrating Coffee – Launched Christmas and Diwali special blends

* Opened 15 stores; closed 4
UK

Performance commentary

- Revenue for the quarter grew 1% (constant currency), reversing the decline seen in the previous quarter.

- Teapigs declined, with growth in offline channels being more than offset by post-COVID decline in the online channel.

- Tetley held share in everyday black segment.*

- Inflation and GBP depreciation vs USD (tea costs are in USD) impacted profitability during the quarter. Some of this will be mitigated through pricing. Price hikes have been announced across all brands.

Other updates

- Morrisons, the UK’s fifth largest supermarket chain listed 12 new Tetley lines across 230 stores.

* Constant currency including teapigs
^ Constant currency
* Source: Nielsen – Value share, Moving Annual Total (MAT) basis – Dec’22
Tata Raasa launched in the US during the quarter within select Ethnic channels.

Performance commentary

• **Coffee**: Revenue for the quarter grew 1% (constant currency) driven by pricing. The 3-year revenue CAGR for coffee stood at 9%.

• **EOC K Cups** grew 2x the category during the quarter, led by focused execution.

• While the margin has come down YoY due to the escalation in coffee costs, the new pack/price initiatives have helped improve profitability sequentially.

• **Tea**: Revenue declined 8% (constant currency) led by a decline in Tetley Black Iced tea.

• **Teapigs** continues to be the fastest-growing brand in Specialty tea, growing 4X the category during the quarter.

Other updates

- **Tea**: Revenue declined 8% (constant currency) led by a decline in Tetley Black Iced tea.

Tata Raasa RTE range launched within select Ethnic grocery stores during the quarter.

* Constant Currency
Source: *Nielsen – Value share, Moving Annual Total (MAT) basis – Dec’22
Revenue for the quarter grew 5% (constant currency). The 3-year revenue CAGR for the quarter stood at 12%.

We gained significant volume and value share during the quarter.

Tetley outperformed both regular tea and specialty tea segments during the quarter.

Tetley continued to support vitamin-fortified Super Teas with social media content and sampling activities including roadshows and direct-to-consumer sampling.

Tetley celebrated its 21st year of support for breast cancer research by launching a limited-edition Anniversary Pink Pack design to raise funds for the cause.

Showcased Tata Tea and Tata Sampann to retail customers at Canadian Grocery Innovation Show.

Tetley kicked off an integrated campaign featuring the tagline “Live in The Moment” to support the launch of Tetley Live Teas. The communication includes digital/TV, in-store, social and sampling.

Rolled out Tata Sampann and Tata Tea digital video ads on popular South Asian websites during Diwali to drive awareness & trial.

Other updates

Performance commentary

Revenue Growth

Revenue growth in Specialty tea

27.7% *Value Market share in overall tea
07 Financial Performance
Performance Highlights – Q3FY23

Consolidated revenue at Rs 3,475 cr
- India business +8%
- International business +2% (constant currency)
- Non-branded business +22% (constant currency)

EBITDA at Rs 458 cr (-2% YoY) and EBITDA margin at 13.2% (-1.4% over PY)
- India business EBITDA +13%; led by optimization of other expenses even as gross margin remained stable v/s PY.
- International Business EBITDA -34%, owing to input cost inflation, currency weakness, and lag in pricing.
- Non-branded business EBITDA +14%, led by revenue growth and partly offset by input cost inflation.
## Financials: Consolidated

### Quarter ended Dec'22

<table>
<thead>
<tr>
<th></th>
<th>Q3FY23</th>
<th>Q3FY22</th>
<th>Change %</th>
<th>Profit and Loss statement (all nos. in ₹ Crores)</th>
<th>Year to date Dec’22</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>9MFY23</td>
</tr>
<tr>
<td>Revenue from operations</td>
<td>3,475</td>
<td>3,208</td>
<td>8 %</td>
<td></td>
<td>10,164</td>
</tr>
<tr>
<td>EBITDA</td>
<td>458</td>
<td>468</td>
<td>-2 %</td>
<td></td>
<td>1,356</td>
</tr>
<tr>
<td>%</td>
<td>13.2 %</td>
<td>14.6%</td>
<td></td>
<td></td>
<td>13.3 %</td>
</tr>
<tr>
<td>EBIT</td>
<td>383</td>
<td>398</td>
<td>-4 %</td>
<td></td>
<td>1,134</td>
</tr>
<tr>
<td>%</td>
<td>11.0 %</td>
<td>12.4%</td>
<td></td>
<td></td>
<td>11.2 %</td>
</tr>
<tr>
<td>PBT before exceptional items</td>
<td>404</td>
<td>401</td>
<td>1 %</td>
<td></td>
<td>1,178</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>79</td>
<td>(13)</td>
<td></td>
<td></td>
<td>166</td>
</tr>
<tr>
<td>Tax</td>
<td>(113)</td>
<td>(100)</td>
<td></td>
<td></td>
<td>(343)</td>
</tr>
<tr>
<td>PAT</td>
<td>369</td>
<td>288</td>
<td>28 %</td>
<td></td>
<td>1,001</td>
</tr>
<tr>
<td>%</td>
<td>10.6%</td>
<td>9.0%</td>
<td></td>
<td></td>
<td>9.8 %</td>
</tr>
<tr>
<td>Group Net Profit (incl. JVs &amp; Associates)</td>
<td>364</td>
<td>290</td>
<td>26 %</td>
<td></td>
<td>1,031</td>
</tr>
</tbody>
</table>

### Year to date Dec’22

- 9MFY23: 10,164, 9,250
- 9MFY22: 1,356, 1,291
- Change %: 10 %, 5 %

---

**Group Consolidated Net Profits** for the quarter grew 26% YoY on account of following:

- Revenue growth in both Branded and Non-branded business.
- Partly offset by margin decline due to inflation and GBP weakness for UK tea business
- Higher exceptional income on account of conversion of Joekels JV in South Africa into a subsidiary.
## Financials: Standalone

<table>
<thead>
<tr>
<th>Quarter ended Dec’22</th>
<th>Profit and Loss statement (all nos. in ₹ Crores)</th>
<th>Year to date Dec’22</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q3FY23</td>
<td>Q3FY22</td>
</tr>
<tr>
<td>Revenue from operations</td>
<td>2,153</td>
<td>2,030</td>
</tr>
<tr>
<td>EBITDA</td>
<td>328</td>
<td>281</td>
</tr>
<tr>
<td>%</td>
<td>15.2 %</td>
<td>13.8 %</td>
</tr>
<tr>
<td>EBIT</td>
<td>292</td>
<td>245</td>
</tr>
<tr>
<td>%</td>
<td>13.5 %</td>
<td>12.1 %</td>
</tr>
<tr>
<td>PBT before exceptional items</td>
<td>328</td>
<td>261</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>(8)</td>
<td>(9)</td>
</tr>
<tr>
<td>Tax</td>
<td>(82)</td>
<td>(65)</td>
</tr>
<tr>
<td>PAT</td>
<td>237</td>
<td>187</td>
</tr>
<tr>
<td>%</td>
<td>11.0 %</td>
<td>9.2 %</td>
</tr>
</tbody>
</table>

### Profit after tax on a standalone basis

For the quarter grew by 27% on account of the following:

- Revenue growth and margin improvement in India Branded business
- Margin improvement was driven by India Foods.
## Segment-wise Performance Q3FY23

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Segment Revenue</th>
<th>Segment Results</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>₹ Cr</td>
<td>Q3 FY23</td>
</tr>
<tr>
<td>India Business</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>₹ Cr</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,165</td>
<td>2,010</td>
</tr>
<tr>
<td>International Business</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>930</td>
<td>897</td>
</tr>
<tr>
<td>Total Branded Business</td>
<td>3,095</td>
<td>2,907</td>
</tr>
<tr>
<td>Non Branded Business</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>391</td>
<td>312</td>
</tr>
<tr>
<td>Others / Unallocated items</td>
<td>(12)</td>
<td>(11)</td>
</tr>
<tr>
<td>Total</td>
<td>3,475</td>
<td>3,208</td>
</tr>
</tbody>
</table>

**Revenue – Branded business**

- 70% India Business
- 30% International Business

**Segment results – Branded business**

- 77% India Business
- 23% International Business
## Segment-wise Performance 9MFY23

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Segment Revenue</th>
<th>Segment Results</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>₹ Cr  9M FY23 9M FY22 Change 9M FY23 9M FY22 Change</td>
<td></td>
</tr>
<tr>
<td>India Business</td>
<td>6,470 5,960 9%</td>
<td>881 754 17%</td>
</tr>
<tr>
<td>International Business</td>
<td>2,605 2,445 7%</td>
<td>253 350 (28)%</td>
</tr>
<tr>
<td>Total Branded Business</td>
<td>9,076 8,405 8%</td>
<td>1,134 1,104 3%</td>
</tr>
<tr>
<td>Non Branded Business</td>
<td>1,115 870 28%</td>
<td>97 63 52%</td>
</tr>
<tr>
<td>Others / Unallocated items</td>
<td>(26) (25) 28%</td>
<td>113 (96) 52%</td>
</tr>
<tr>
<td>Total</td>
<td>10,164 9,250 10%</td>
<td>1,343 1,071 25%</td>
</tr>
</tbody>
</table>

### Revenue – Branded business

- **India Business**: 71% (98% of total branded revenue)
- **International Business**: 29% (2% of total branded revenue)

### Segment results – Branded business

- **India Business**: 78% (93% of total branded results)
- **International Business**: 22% (7% of total branded results)
Concluding remarks
To conclude

Macros
- Demand impacted by sluggishness in rural and semi-urban markets and a delayed winter in some of our salient markets for tea, however, we continue to remain focused on execution.
- The impact of inflation and monetary tightening on the economies & currencies of our key International markets remains a key monitorable going forward.

Business
- We have been able to deliver double-digit growth while balancing margins in an extremely challenging global macro environment this fiscal.
- While the tea business in India was subdued due to demand headwinds in our key markets, we have put measures in place to address some of the challenges.
- Despite the steep price increase taken to mitigate input cost inflation, we have continued to gain market share in salt, driven by in-market execution. The margin in the business has improved sequentially.
- Our growth businesses have sustained their strong growth trajectory and have increased their salience significantly over the last couple of years.
- Our Out of Home businesses i.e. both NourishCo & Starbucks have delivered yet another strong quarter and we will continue to drive these further.
- In the international business, input cost inflation and adverse currency movement have impacted margins; we have taken further pricing and the margins have improved sequentially vs Q2FY23; we will be looking at structural cost-saving actions going forward.
- Despite the inflationary environment and investments required for some of the new businesses, consolidated EBITDA margin has expanded QoQ. Going forward we will continue to stay focused on driving growth, market share, and margins.
Q&A
Shareholding information

Pattern as on 31st December, 2022

- Promoter and promoter Group: 34%
- Foreign Institutional Investors: 26%
- Insurance Companies/Banks: 8%
- MFs/UTI/AIFs: 6%
- Individual: 20%
- Others: 6%

Stock data

- BSE Ticker: 500800
- NSE Ticker: TATACONSUM
- Market Capitalization (Dec 31, 2022): ₹ 712.7 bn
- Number of Shares Outstanding: 929.0 Mn
Thank You

For more information

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Last 10-year financials are available on Historical financial data