Analyst Meet/ Q1’22-23 Results/ Conference Call
4th August, 2022
This presentation may contain statements which reflect Management’s current views and estimates and could be construed as forward-looking statements. The future involves risks and uncertainties that could cause actual results to differ materially from the current views being expressed. Potential risks and uncertainties include factors such as general economic conditions, commodities and currency fluctuations, competitive product and pricing pressures, industrial relations and regulatory developments.
Commodity Inflation at its peak, impacted by Global factors..

Globally, while commodities witnessed steep inflation during Q1, there are signs of inflation cooling down towards end of quarter..

Wheat prices in India remain on the boil on the back of lower crop this year..

Source: RBI PR, CBOT, BMD
We continued to face the heat of commodity inflation

Key commodities, relevant to Bakery, witnessed steep inflation this quarter

Wheat Flour – 20% QoQ
Industrial Fuel – 15% QoQ
Palm Oil – 5% QoQ

Values are Net Material Inflation, post impact of buying efficiencies
In such unprecedented circumstances, we are being vigilant & are taking steps through a mix of Pricing & Cost Optimization to revive profitability.

Necessary Price Increases covering inflation actioned

A good part of this price increase will accrue in Q2’23

Accelerated Cost Efficiency Program across verticals

~3% of revenues to accrue in FY 22-23
Delivered consistent topline growths & market share gains, while Inflation impacted margins in the quarter

- Revenue from Operations: 12-Month Growth% - 9%
- Operating Profits: 12-Month Growth% - -11%

Market share gain in current quarter

Source: Company Financials – Consolidated Results
Strategic Planks for driving a profitable growth

1. Distribution & Marketing
2. Heightened Innovation
3. Adjacent Business
4. Enhancing Competitiveness
5. Sustainability

Drive Profitable growth..
1A. Driving efficiency in Distribution

**Rural drive fuels market share gain**

No of RPDs (Rural Preferred Dealers)

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<tbody>
<tr>
<td>8k</td>
<td>10k</td>
<td>14k</td>
<td>18k</td>
<td>19k</td>
<td>23k</td>
<td>26K</td>
<td>27K</td>
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MS points gained over FY 20-21

<table>
<thead>
<tr>
<th>All India</th>
<th>Rural</th>
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<tr>
<td>1.0x</td>
<td>1.5x</td>
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**Organized trade – Getting future ready**

Organized Trade – Business Saliency

<table>
<thead>
<tr>
<th>JQ’20</th>
<th>JQ’21</th>
<th>JQ’22</th>
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<tr>
<td></td>
<td>+2%</td>
<td>+2%</td>
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E-Commerce: Fastest growing Channel

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<tr>
<th>Q1’20</th>
<th>Q1’21</th>
<th>Q1’22</th>
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<tbody>
<tr>
<td>x</td>
<td>3x</td>
<td>6x</td>
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1B. Marketing activities during the quarter

**End-To-End Marketing Campaigns of New Launches**

- **Biscafe** - #CoffeeKaBetterHalf
- **50-50 Golmaal**
- **Nutri Choice - Seeds & Herbs**
- **Jeera Marie**

**Core - Brand Building & Sustenance**

- **Bourbon**
- **Good Day Chocochip**
- **50-50 Potazos**
- **Good Day Harmony**
- **Milk Bikis (TN)**
- **Bar Cake TVC**
2. Heightened Innovation to fuel next phase of growth..

Biscuits – Expanding Portfolio across categories

- Cracker
- Premium Creams
- Health

Newer Categories – Expanding Reach & Strengthening the Core

- Croissant – National scale-up
- Cheese Wafers
- Cup Cake – Rs 5 variant
- Marble Cake
3. **Growth in Adjacent Businesses demonstrates Brand resilience.**

- **Double-digit Volume & Value growths in Cake**
- **Profitable growth journey in Bread continued**
- **Scaled-up Nationally**
- **Doubled in the markets already present, over LY**
- **Another strong quarter with robust double-digit growth**
- **“Winkin Cow” leverages the season, growing at 140% over LY**
- **Extended leadership in Nepal with another strong quarter**
- **Middle East back to healthy double-digit growths**
4. Cost efficiencies through building competitiveness.

- **Reduction by 4% in Q1** by creating flexible manufacturing capabilities to house multiple products.
- **Reduction by 15% in Q1** enabled by structural process changes.
- **Leveraging technology & focused execution** helped enhance truck utilization factor by 3%.
- Rationalization of DG usage across factories, aided by alternate sources of energy.
- **Reduction in Power cost by 6%**
- Reduction in costs by 30%.

- Constitutes >40% of Power consumption.
5. Strengthening our commitment to Responsible Goodness

We collected, processed, and recycled an estimated **35,000 metric tonnes of plastic waste** in FY 2021-22.

Committed to becoming 100% EPR (Extended Producer Responsibility) compliant and reducing the use of virgin plastic by deploying measures including:

- Redesigning packaging to reduce the quantum of plastic used
- Replacing plastic through innovation
- Accelerating the use of recycled plastics in food packaging including primary packaging, subject to an enabling regulatory environment and technology readiness

On World Environment Day - Achieved **100% Plastic Neutrality!**

Released the Sustainability Report 21-22

Submission completed for DJSI 21-22
Q1’23 Financials
Healthy growth across Businesses helps deliver 9% growth for the quarter...

Consolidated NSV as per published results

Consolidated NSV

FY 20-21 (13%)

Q1: 3,384
Q2: 3,354
Q3: 3,106
Q4: 3,038

FY 21-22 (8%)

Q1: 3,352
Q2: 3,554
Q3: 3,531
Q4: 3,508

FY 22-23

Q1: 3,654

Growth%

Q1: -1%
Q2: 6%
Q3: 14%
Q4: 15%
Q1: 9%

Nos. in the bracket indicate revenue growths
# Key Financial Lines – Consolidated (Reported)

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<th>Particulars</th>
<th>Q1 22-23</th>
<th>12 month Growth%</th>
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<tbody>
<tr>
<td></td>
<td>Rs Crs</td>
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<tr>
<td>Net Sales</td>
<td>3,654</td>
<td>9%</td>
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<tr>
<td>Operating Profit</td>
<td>450</td>
<td>-11%</td>
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<tr>
<td>Profit Before Tax</td>
<td>463</td>
<td>-13%</td>
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<tr>
<td>Profit After Tax (Owner’s share)</td>
<td>337</td>
<td>-13%</td>
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<th>13-14</th>
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<th>20-21</th>
<th>21-22</th>
<th>Q1 22-23</th>
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<tr>
<td>Profit from Operations%</td>
<td>5.7%</td>
<td>8.0%</td>
<td>9.3%</td>
<td>13.2%</td>
<td>12.9%</td>
<td>13.8%</td>
<td>14.3%</td>
<td>14.5%</td>
<td>17.9%</td>
<td>14.3%</td>
<td>12.3%</td>
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<tr>
<td>Profit before Tax%</td>
<td>5.8%</td>
<td>8.3%</td>
<td>12.2%</td>
<td>14.7%</td>
<td>14.5%</td>
<td>15.4%</td>
<td>16.1%</td>
<td>16.1%</td>
<td>19.5%</td>
<td>14.9%</td>
<td>12.7%</td>
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<td>Profit after Tax%</td>
<td>4.2%</td>
<td>5.8%</td>
<td>8.9%</td>
<td>9.9%</td>
<td>9.9%</td>
<td>10.2%</td>
<td>10.6%</td>
<td>12.3%</td>
<td>14.5%</td>
<td>10.9%</td>
<td>9.2%</td>
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Source: Company Financials – Consolidated Results