



LT FOODS
NURTURING GOODNESS



Investor Presentation

6M FY22 & Q2 FY22

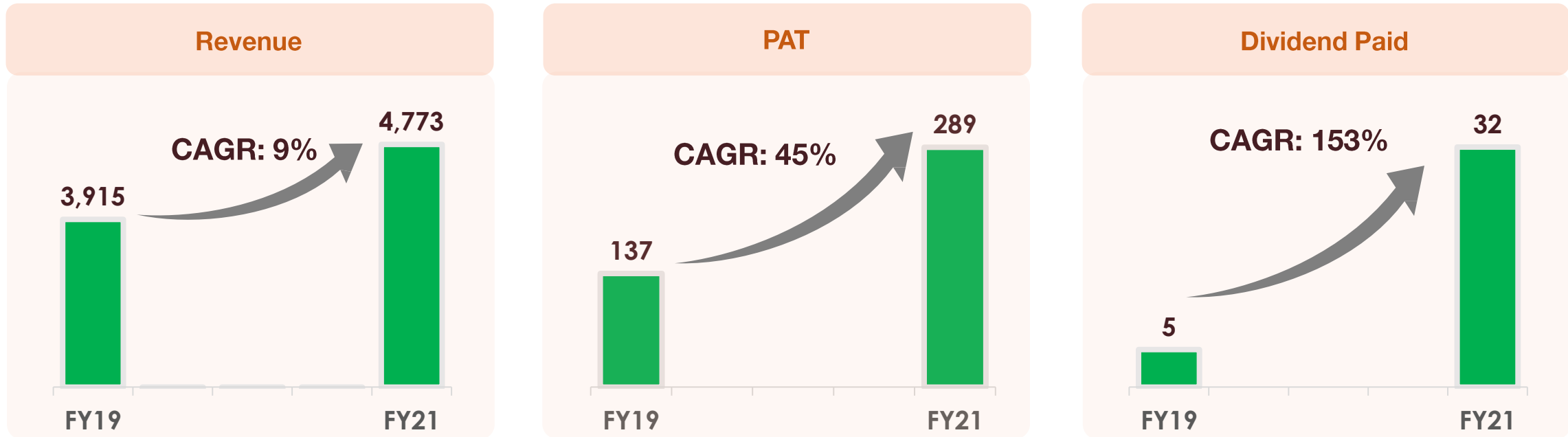
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Maximising Shareholders Wealth by Strategic Focus towards Profitable Growth



Growth in Revenue is being supported by strengthening the brands, widening distribution network across globe and increasing brand penetration across all consumer segments with product portfolio expansion in Organic and Health & Convenience Platform. PAT Margins have expanded aided by growth in EBITDA, reduction in Finance Cost and lower Effective Tax Rate

All Figures in Rs. Crore unless specified
Revenue Number for FY21 have been reclassified

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Right-to-Win Strategy

Financial & Business Segment Update

Capital Allocation Plan

Marketing Initiatives

Strategic Focus

Shareholding Pattern



6M FY22 Key Highlights (YoY)

Total Revenue

↑ 3%

**Basmati & Other
Specialty Segment**

↓ 5%

Gross Profit Margin

↑ 136 bps

Organic Segment

↑ 28%

EBITDA Margin

↓ 101 bps

**Health & Convenience
Segment**

↑ 36%

Finance Cost

↓ 34%

Consumer Business

↑ 9%

Tax Expenses

↓ 4%

6M FY22 Key Highlights (YoY)

Book Value Per Share  **15%**

Debt to Equity Ratio  **0.4x** (from 0.7x)

Debt to EBITDA Ratio  **1.4x** (from 1.8x)

Debt Level  **Rs. 301 crore**





Cash Profit  **1%**





Interest Coverage Ratio  **7.5x** (from 5.4x)

Current Ratio  **2x** (from 1.8x)

Free Cash Flow  **478 crore**
(from Rs. 392 crore)

Q2 FY22 Key Highlights (YoY)

Total Revenue	 7%
Gross Profit Margins	 130 bps
EBITDA Margins	 109 bps
Profit Before Tax	 2%

Profit After Tax	 4%
Finance Cost	 29%
Earning Per Share	 6%
Cash Profit	 5%

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Right-to-Win

Strong Global Brands to Provide Superior Consumer Experience

- Flagship Brands “Daawat” and “Royal” enjoy leadership positions in India and US with market share of 27% and 50% respectively
- Other brands such as Heritage, Devaaya, Gold Seal Indus Valley, 817 Elephant, Rozana also enjoy leadership position in other countries

Distribution & Marketing

- Well entrenched distribution network in 60+ countries with 900+ distributors across globe
- New Route to Market Approach to strengthen Brand Distribution and Availability across geographies to ensure high productivity and coverage expansion
- Holistic Marketing Approach to ensure Brand Visibility and to strengthen connect with the audience by being aggressively available in ATL platforms like TV, YouTube, Radio, Outdoor, etc.

LT Foods has well defined strategies in place for further Growth, Margin Expansion and Strengthening of Financial Metrics

Robust Global Supply Chain

- Complete control on the value chain from “Farm to Fork”
- Global Supply chain hubs and strategically located manufacturing units across India
- Automated state of the art manufacturing units with less dependence on labour

Culture of Excellence

- Resilient implementation of the strategies by LT Group’s Team Members
- Create a culture of entrepreneurship and winning strategies to achieve the goals of the Company

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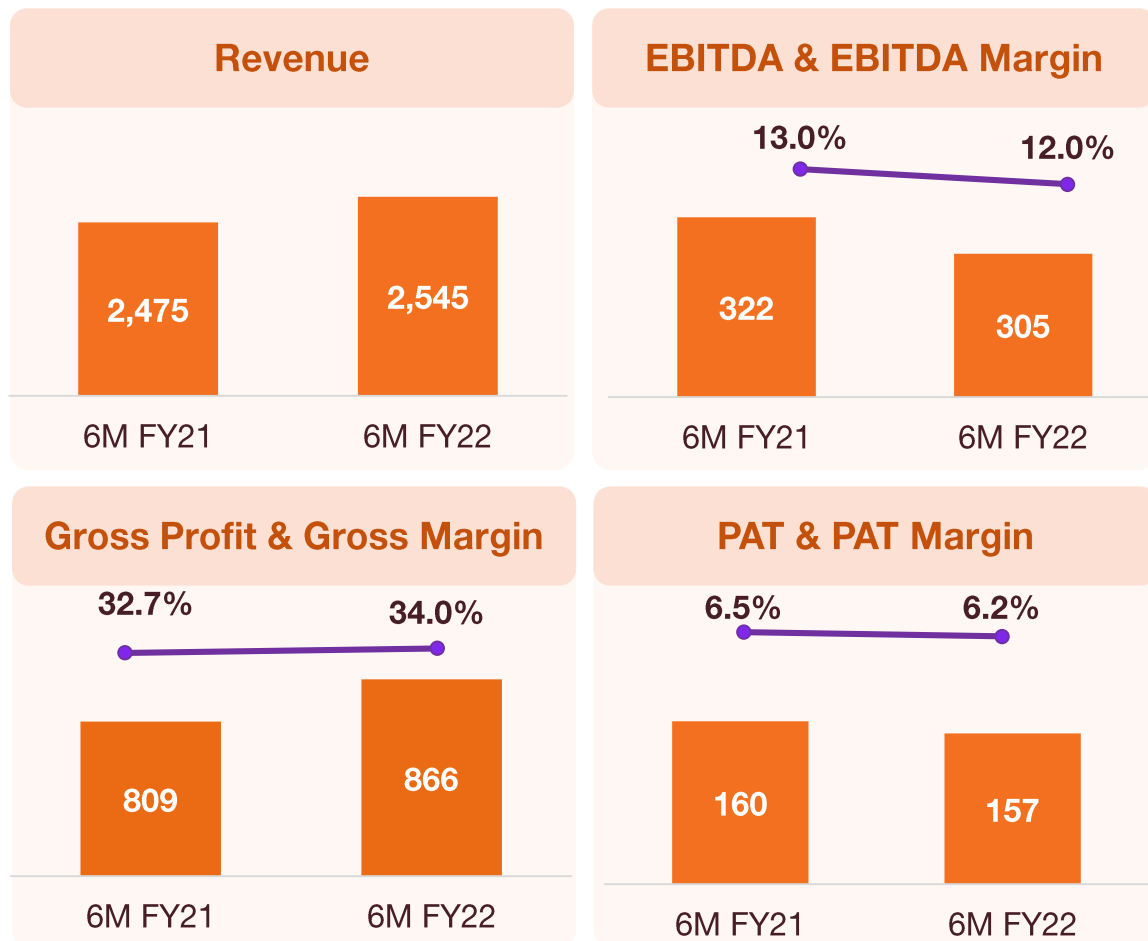
Marketing Initiatives

Strategic Focus

Shareholding Pattern



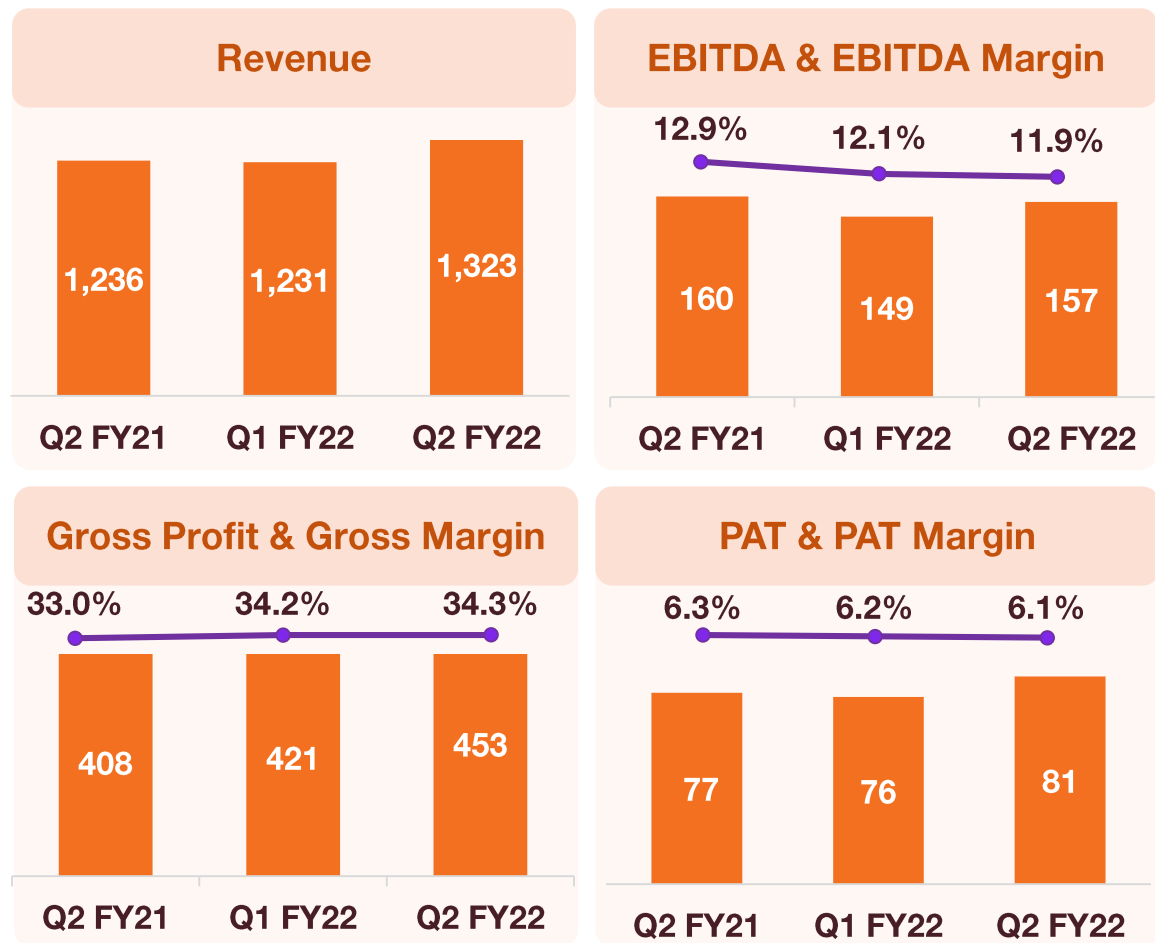
6M FY22 – Financial Update



All Figures in Rs. Crore unless specified

- Revenue up 3% y-o-y basis aided by strong growth in India business backed by recovery in HORECA business and the Organic segment
- Gross Profit Margin improved by 136 basis points y-o-y due to:
 - Change in product mix
 - Partially passed on hike in freight cost to the consumers
- EBITDA declined by 101 bps due to:
 - Additional Investments in brands up by 60 bps
 - Increase in steamer freight expenses up by 170 bps
- Cash Profit increased to Rs. 215 crore

Q2 FY22 – Financial Update



All Figures in Rs. Crore unless specified

- Revenue up 7% y-o-y basis aided by strong growth in India business backed by recovery in HORECA business and the Organic segment
- Gross Profit increased by 11%, Gross Profit Margin improved by 130 basis points
 - Change in product mix
 - Partially passed on hike in freight cost to the consumers
- EBITDA down by 109 bps y-o-y, due to:
 - Additional Investments in brands up by 70 bps
 - Increase in steamer freight expenses up by 180 bps
- PAT increased by 4% y-o-y, aided by 29% saving in Finance Cost
- Cash Profit higher by 5% y-o-y basis at Rs. 110 crore

Business Segments

Basmati & Other Specialty Rice Segment



- ✓ Contributes c.83% to the overall revenue
- ✓ Present in Consumer as well as Strategic Private Label business
- ✓ Present in 60+ countries with Flagship brands Daawat, Royal and other regional brands – Heritage, 817 Elephant, Gold Seal Indus Valley, Rozana, Devaaya
- ✓ Present across all channels such as General Trade, Modern Trade, HORECA, E-Commerce, via 800+ distributors in India and presence across 1,37,000 + retails outlets in India and 100+ distributors in international market
- ✓ Present across all price points from Specialty to Mid-Range to Value-Range in the consumer space, with a current growth rate 9% in the consumer business

Organic Segment



- ✓ Contributes c.13% to the overall revenue
- ✓ Diversified portfolio comprising of organic rice, cereal grains, soya based products, flour, pulses, oil and oil seeds, nuts, spices, herbs, millets, etc.
- ✓ Ground Presence in US & Europe to strengthen local presence in these markets
- ✓ Associated with 64,000+ farmer families and 94,000+ hectares of certified organic land

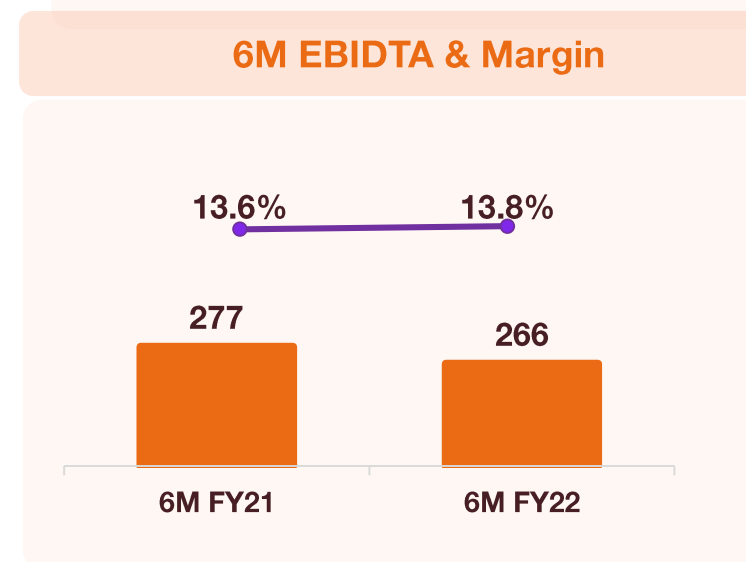
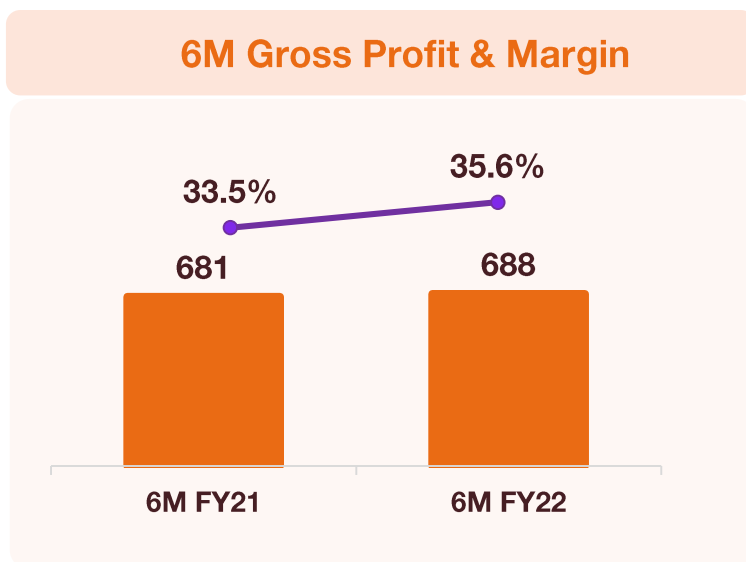
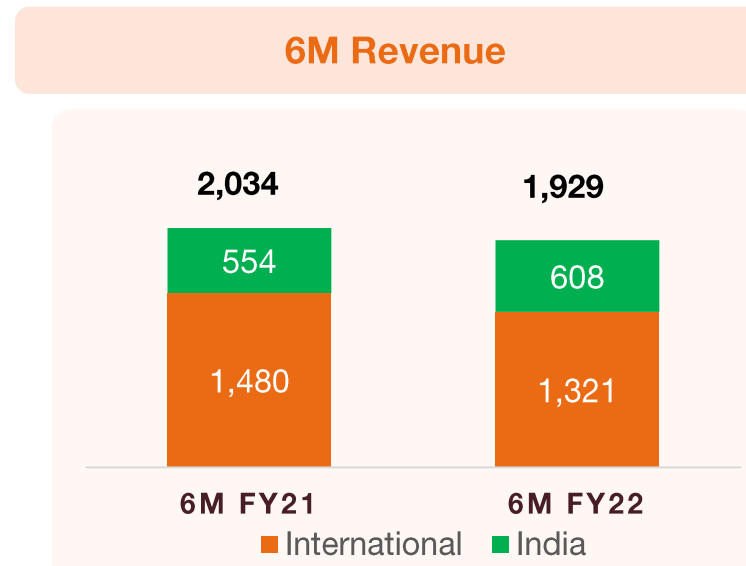
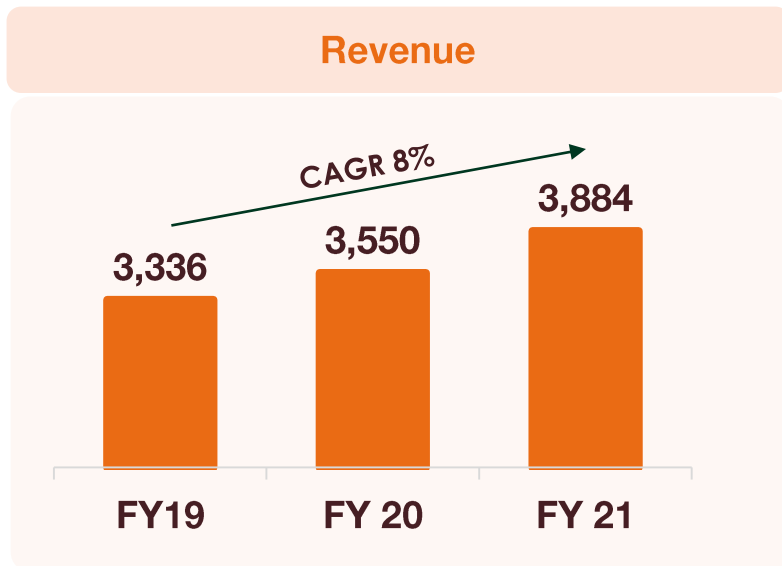
Health & Convenience Segment



- ✓ Contributes c.2% to the overall revenue
- ✓ Keeping a close tap on the changing consumer trends and launched products on the health and convenience platform
- ✓ Launched products on the Health Segment – Daawat Quick Cooking Brown rice, Daawat Sehat and Daawat Sauté Sauces, Daawat Cuppa Rice, Royal Ready-to-Heat, Kari Kari on the convenience platform
- ✓ Leveraging the strong brand equity and distribution network of flagship brands “Daawat” and “Royal”

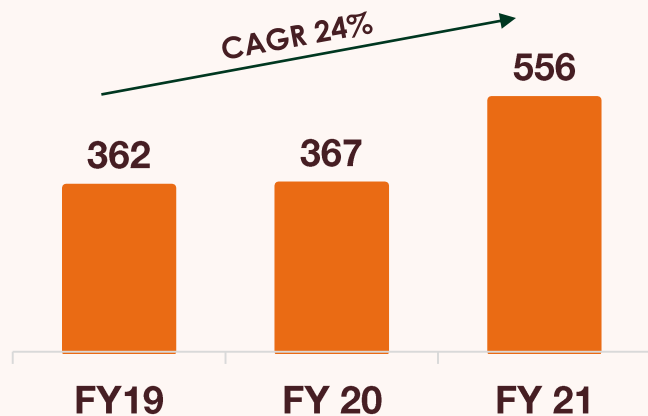


Segment-wise Update – Basmati & Other Specialty Rice

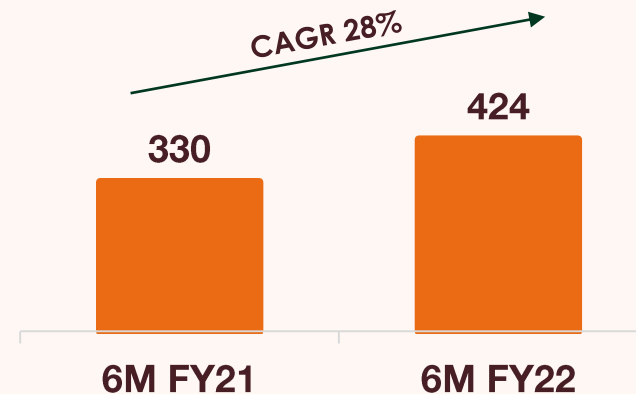


Segment-wise Update – Organic Segment

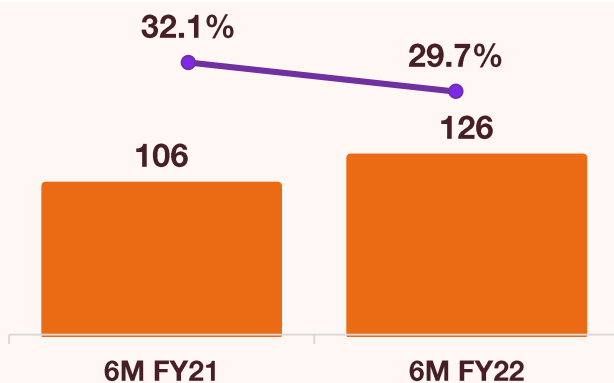
Revenue



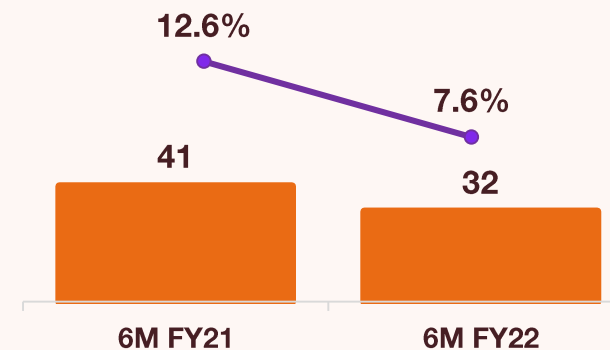
6M Revenue & Growth



6M Gross Profit & Margin



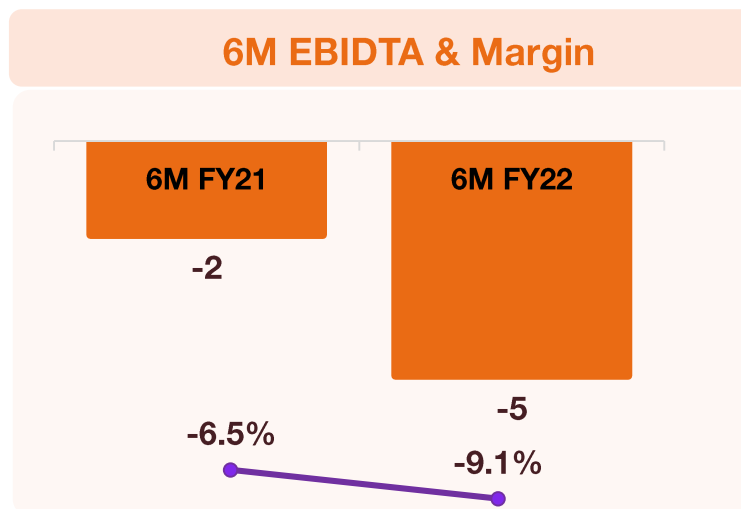
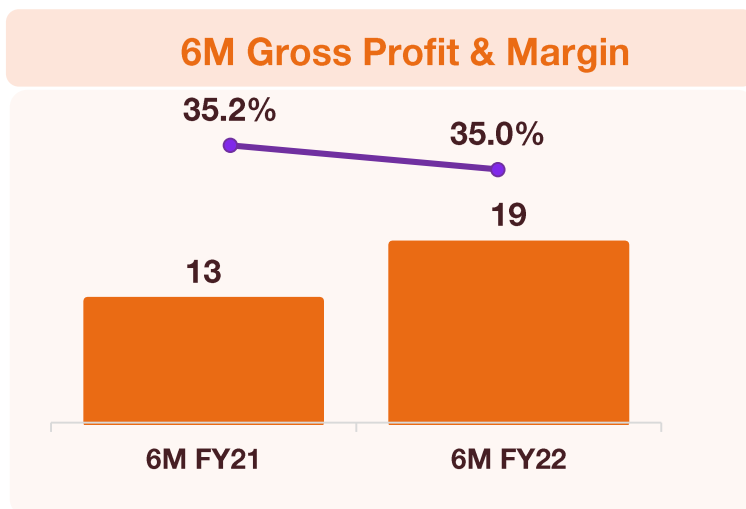
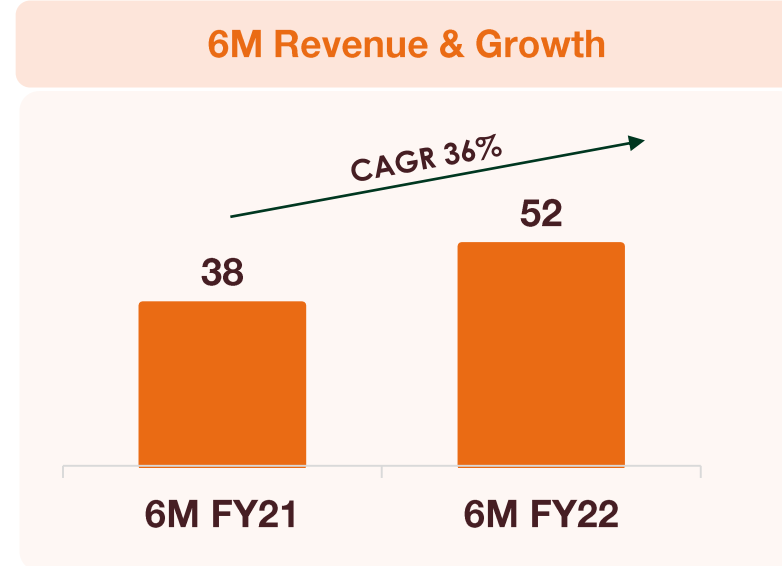
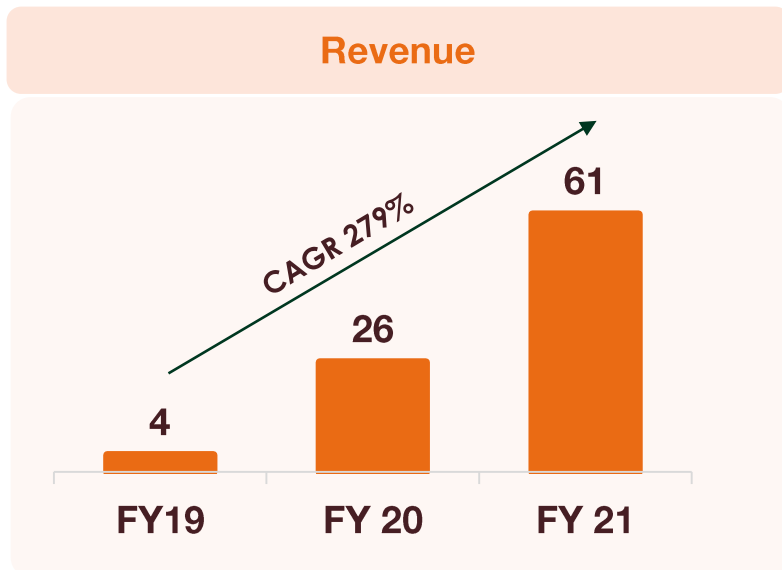
6M EBITDA & Margin



All Figures in Rs. crore unless specified

Decline in EBITDA Margins on account of Exceptional increase in Input Cost and Freight Cost

Segment-wise Update – Health & Convenience Segment

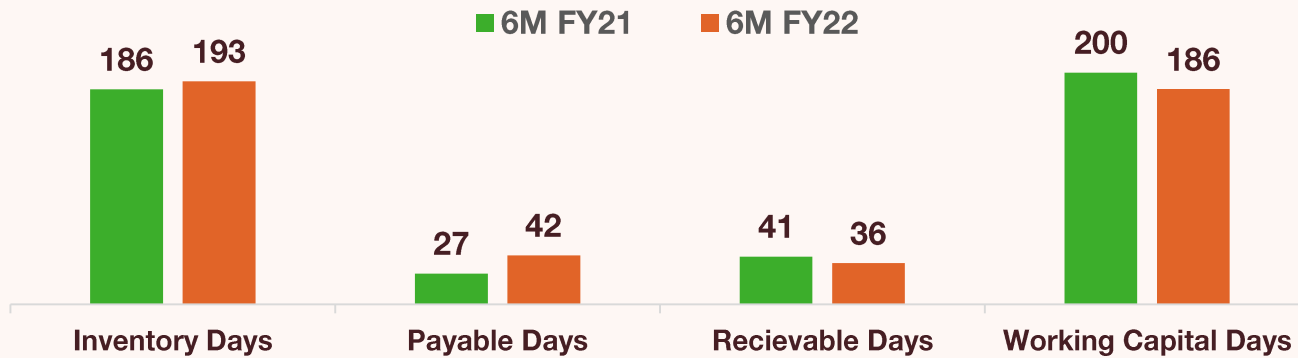


All Figures in Rs. crore unless specified

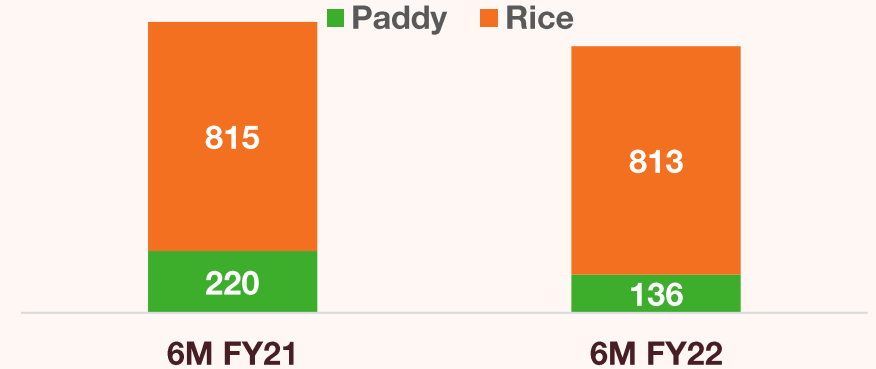
EBIDTA Margins are negative as this segment is in the Investment phase

Inventory and Working Capital

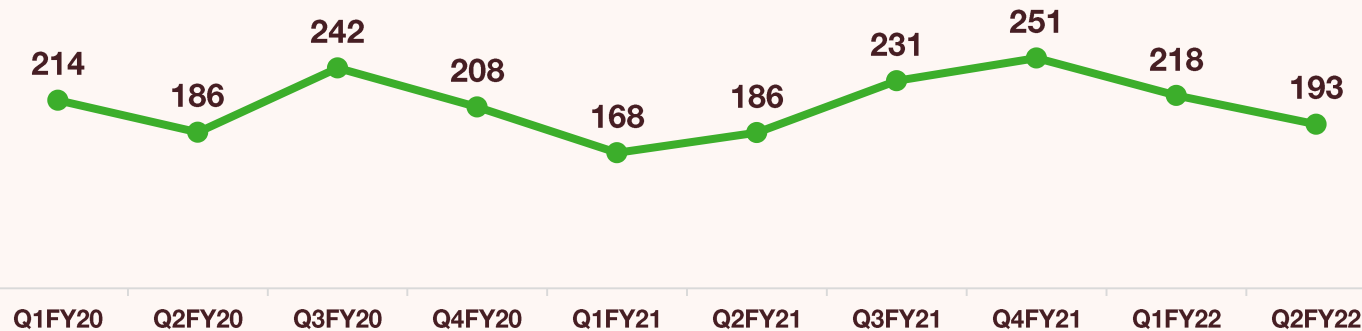
Working Capital Days



Inventory Value (Rs. Cr)



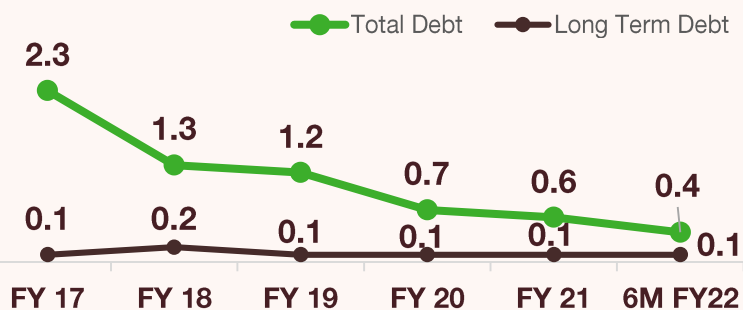
Inventory Days



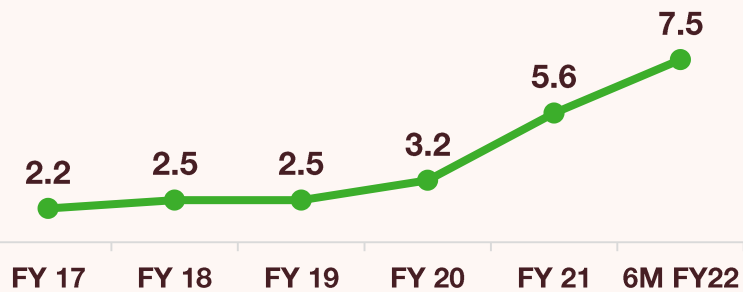
Basmati Rice is aged up to 24 months to enhance & intensify taste, aroma, and cooking characteristics. This requires company to maintain large inventory of paddy & rice

Key Financial Ratios and Other Growth Parameters

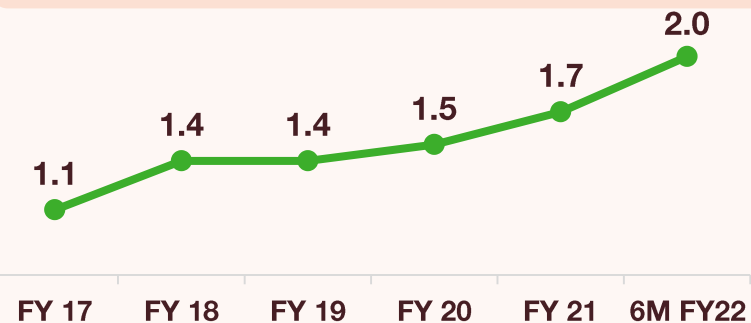
Debt/Equity



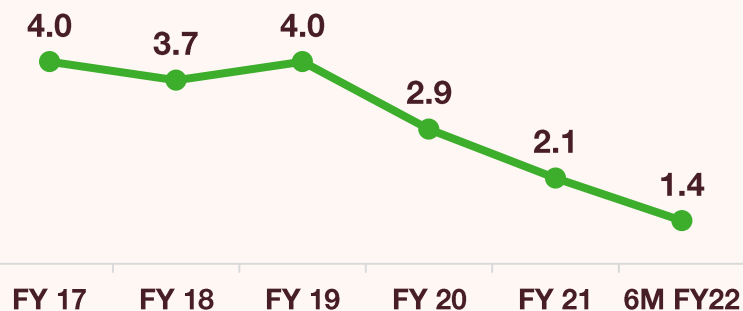
Interest Coverage Ratio



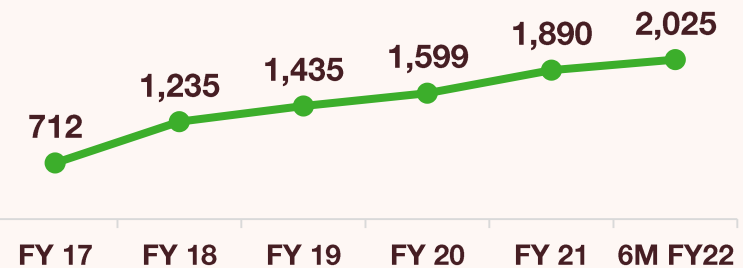
Current Ratio



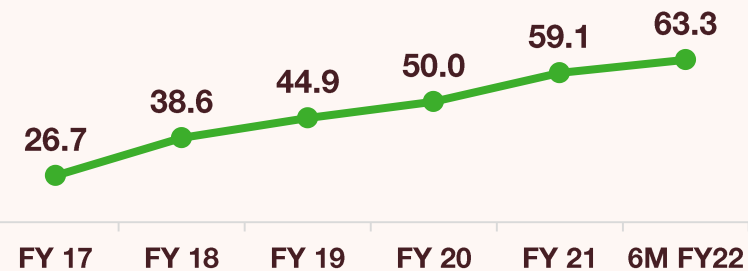
Debt EBITDA Ratio



Net worth (Rs. Cr)



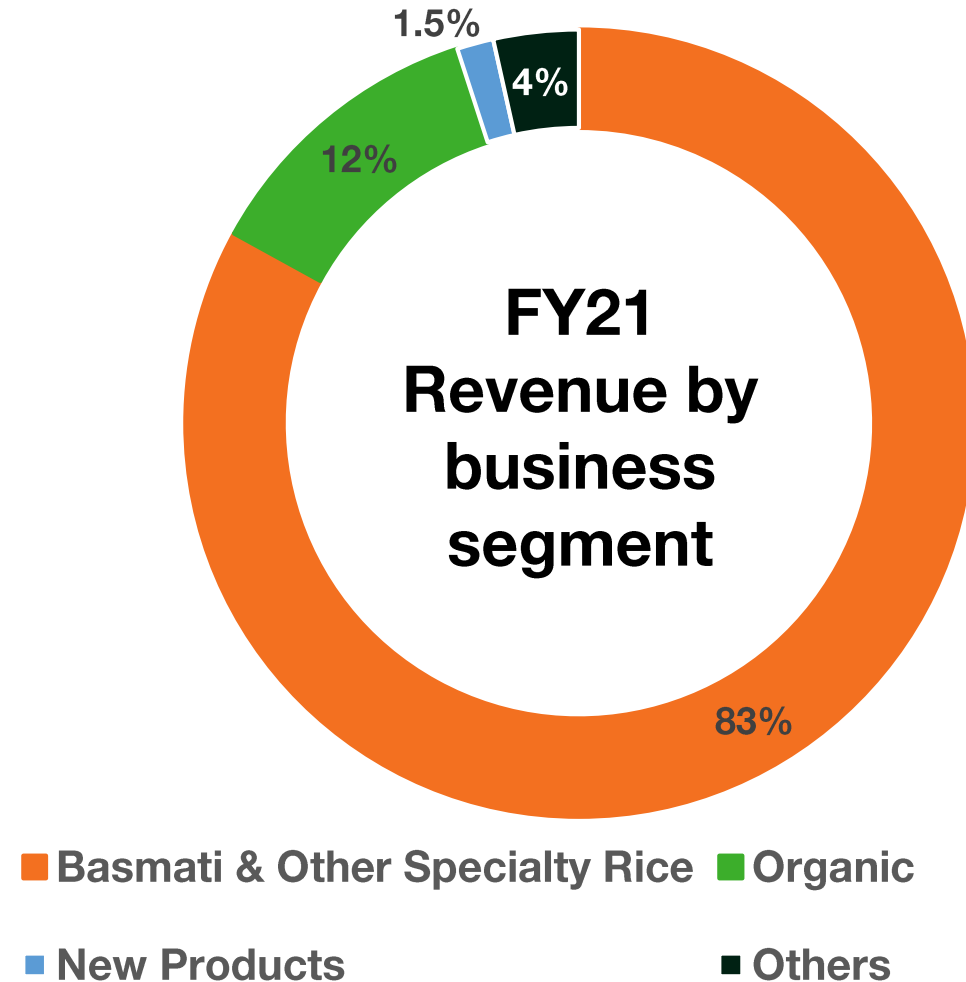
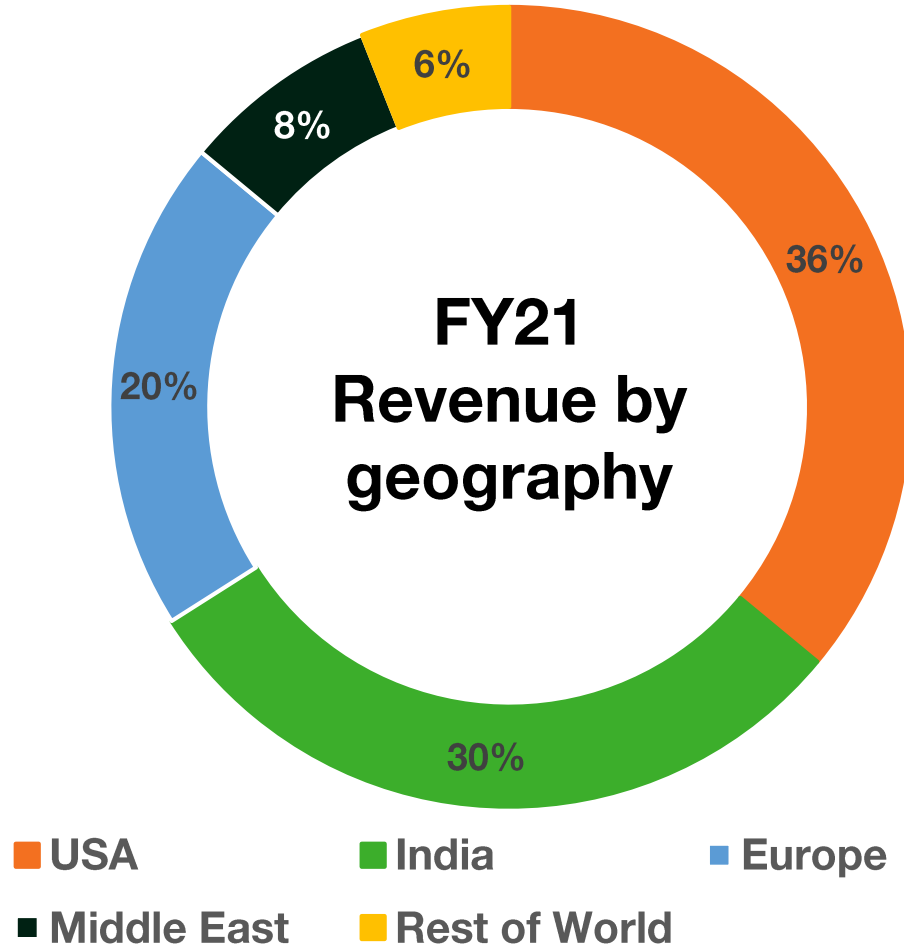
Book value per share (Rs.)



**Strength of Balance Sheet being reflected with Strong Credit Rating:
 A- Positive outlook by CRISIL, IND A Positive outlook by Ind-Ra and
 BWR A+ Stable outlook by Brickwork**

Global Footprint & Diversified Portfolio

Our diversified market presence as well as our balanced portfolio, serving a wider consumer audience, positions us to capitalize on emerging opportunities in the consumer food business.



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Capital Allocation Plan

We aim to balance the objectives of ploughing back earnings to support sustained growth, debt reduction and appropriate reward to shareholders through dividends

Growth



Utilizing the free cash flow generated for the growth in its Basmati and Organic business along with the new growth engines launched under the Health and Convenience platform. In addition to the above the same will be utilized for strengthening the brands, widening distribution network and increasing brand penetration across all consumer segments

Capex



To continue investing in automation/up-gradation based on increasing consumer base and to strengthen the supply chain network.

The investment to be in-line with Company's expected Return on Capital Employed

Debt Reduction



Goal is to maintain our Debt/ EBITDA ratio between 2x-3x, though majority of our debt is Working Capital debt that is required to purchase paddy in the season and age it for minimum 12 months

Dividend



The Company strive to maintain a steady steam of dividend to reward its shareholders. Effective 20-21, in the medium term the dividend pay-out ratio is expected to be in the range of 20%-30% of standalone profits



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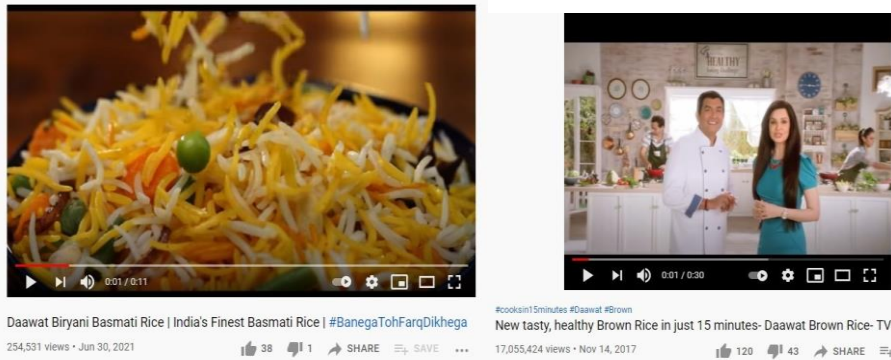
Strategic Focus

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Various Brand Initiatives in Digital & E-Commerce Space

Biryani Digital Campaign



1,18,15,000 Views in a month

9L views on Brand TVC

Biryani Recipes in Regional Languages 1lakh + organic views



Strengthening our brands with consumer communication highlighting superior quality and product performance to capitalise on the new opportunities of growth

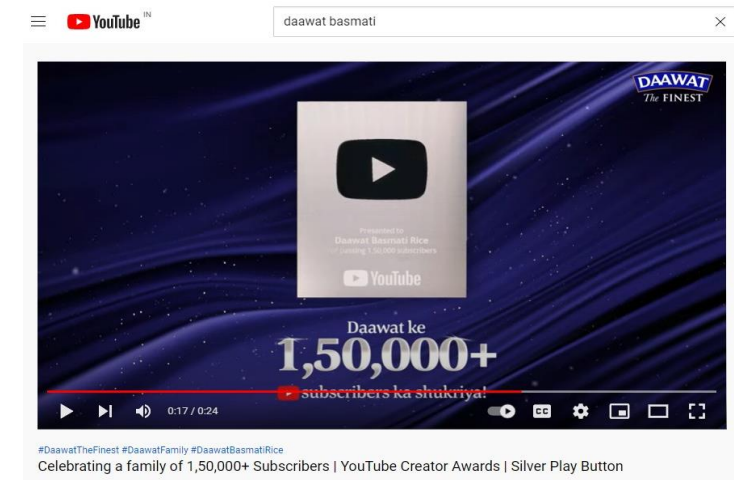
Collaboration with Food Stylist for content creation



Brand Recognition

Received Silver Button from YouTube for achieving 1L + subscribers

Current Subscribers 1.69L



Making 'Out of Home' Brand Presence



Bus Shelters in Delhi



Various Brand Initiatives in Digital & E-Commerce Space

Daawat Sehat - TV Campaign Launch

Daawat Sehat became fastest NPD from Daawat to become Rs 10 crore brand.

Sehat - TVC



National Television campaign launched in July for Sehat – a first of its kind in Mogra category.

Duration	Start date	Total Number of Spots	Genres
45 days	15/07/2021	more than 10,000	GEC, News, Movies, Kids, Music

CHANNEL LIST

Launch of New Campaign for Brand Daawat across different platforms to communicate what makes Daawat The Finest basmati



Ecomm Coverage

Visibility campaign across different Ecomm Platforms like Amazon & YouTube.

Reach to 4.83 Cr Audience & 96 lakh views in YouTube.



Extensive PR Coverage



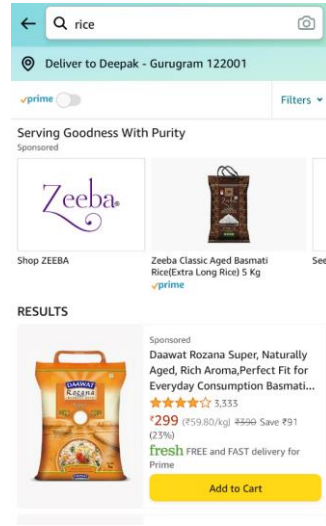
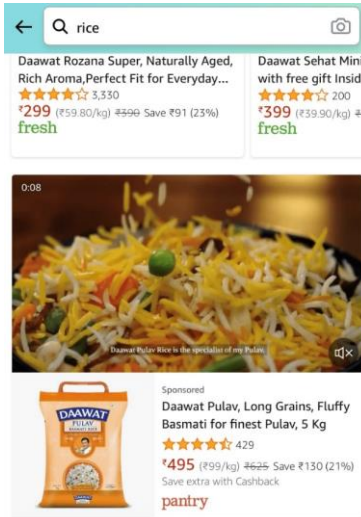
26,000+ Spots on TV across leading channels

Radio Spots in leading channels in major cities

Dealer Boards in 5000+ outlets

Various Brand Initiatives in Digital & E-Commerce Space

Campaign across different Ecomm platforms



Daawat Cuppa Rice: Preferred Ready-to-eat on E-Com



1.2 Lac + views on Instagram stories

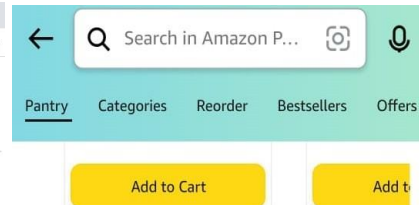
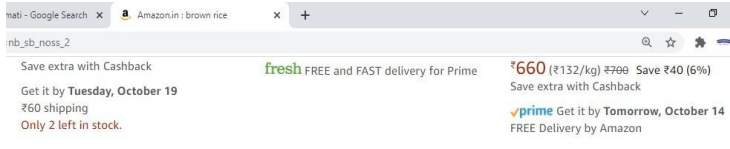
Successful launch in Big Basket & Jiomart with encouraging response from consumers.

Featured Multiple times on 'Amazon Hot New Releases'.

Ongoing On-store Promoter Activity to generate Trials.

Collaboration with Influencers for content creation on Instagram.

Air Arabia now features Daawat Cuppa Rice as a part of their in-flight menu.

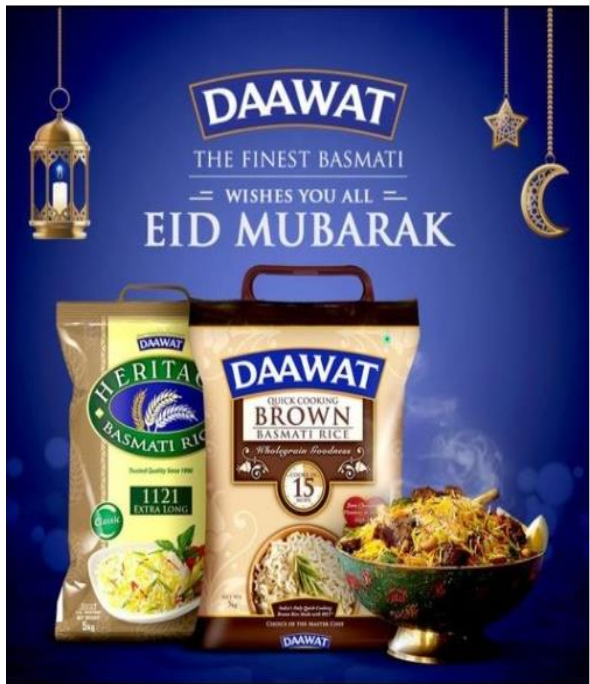


Consumer Promotion - Jar free with 5kg Rozana Gold



Strengthening Brand Equity of our brands Globally

Rest Of the World – Marketing Initiatives



Europe – Marketing Initiatives Digital Campaigns to create Brand Awareness



Strengthening Brand Equity of our brands Globally – Middle East

Kari Kari Display



Ecolife Display



Daawat Display

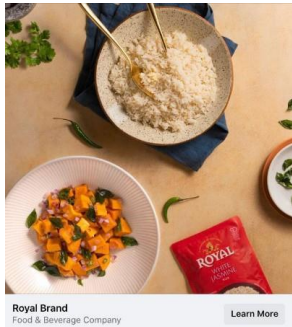


Daawat Cuppa Rice Display



Strengthening Brand Equity of our brand Royal in America

Digital campaign offering 'quick, flavorful meal inspiration' during Back-to-School exceeded industry benchmarks



3.5Mn Impressions

Over 54K consumers clicking through to Royal website and converting into buyers



Onam Campaign: Assert our leadership in specialty (South Indian) rice by driving trial & awareness.



Drive Awareness via South Indian Regional Networks And digital display & integrations



Digital communication to consumers to drive cultural awareness & meal inspiration



Conversion via In-store merchandising



Daawat® Campaign: Keep in Int'l Channel special with support on our premium brand

Drive top of the mind awareness with linear streaming



Generate awareness by reaching new & existing consumers via YouTube advertising & programmatic



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Strategic Focus



- Solidify the leadership position in key markets and grow current market share with target 5 Year Revenue CAGR of 10-12%
- Strengthen & widen distribution network
- Expand organic portfolio in value added segments
- Expand existing product portfolio and launch new products leveraging brand & distribution strength i.e. Ready to Eat, Ready to Cook and Rice based snacks



- Change in Product Mix
- Efficiencies across value chain
- Economies of Scale
- Target 5 Year EBITDA Margin Expansion of c. 140-150 bps



- Strengthen Balance Sheet Metrics and enhance return ratios
 - ROCE – c. 23%
 - ROE – c. 20%

Maximizing shareholders return through creating a Fully Integrated, Global, Sustainable, Predictable, Profitable and Growing Consumer Business

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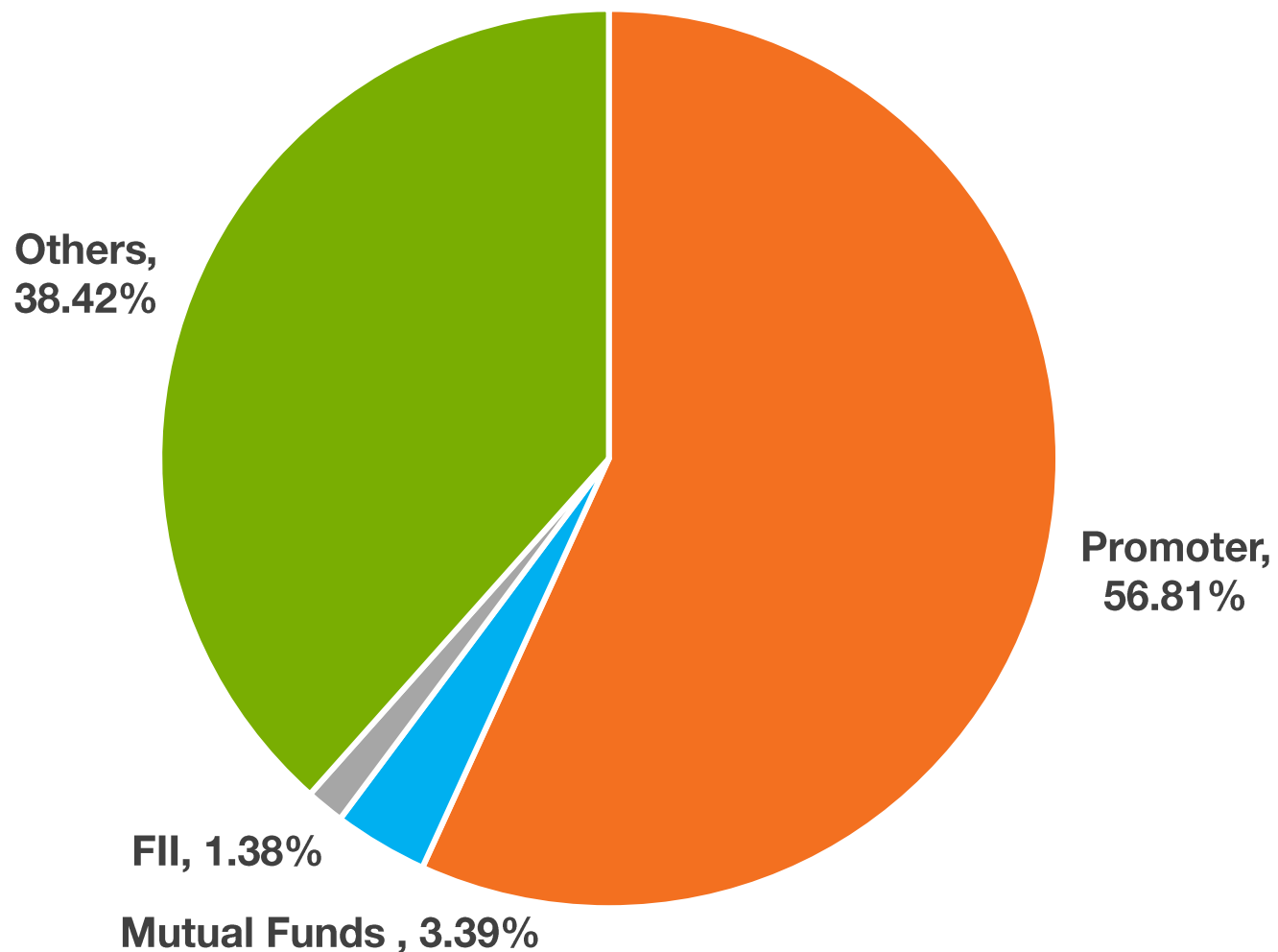
Strategic Focus

Shareholding Pattern



Shareholding Pattern

As on Sept 30, 2021



Shareholder Information

BSE Ticker	532783
NSE Symbol	DAAWAT
Market Cap (INR Cr)	2,306
% Free- float	43.19%
Free Float Market Cap (INR Cr)	992
Shares Outstanding (Cr)	32
Industry	Consumer Food

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World of LT Foods



Devaaya®



KARI-KARI
TANJORE PREMIUM SNACKS

