

LT Foods Limited

Investor Presentation – Q4 & Full Year FY23



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INDEX



INDEX



Q4 & Full Year FY23 Results Highlights



Key Developments



Strategy and Outlook



ESG Framework and Goals



Shareholding Pattern

Q4 & Full Year FY23 Results Highlights



FY23 Segment Highlights (YoY)

Total Revenue

28% ↑

Basmati & Other
Specialty Segment

31% ↑

Convenience & Health
Segment

36% ↑

Organic Segment

11% ↑



Q4 FY23 Segment Highlights (YoY)

Total Revenue

19% ↑

Basmati & Other
Specialty Segment

30% ↑

Convenience & Health
Segment

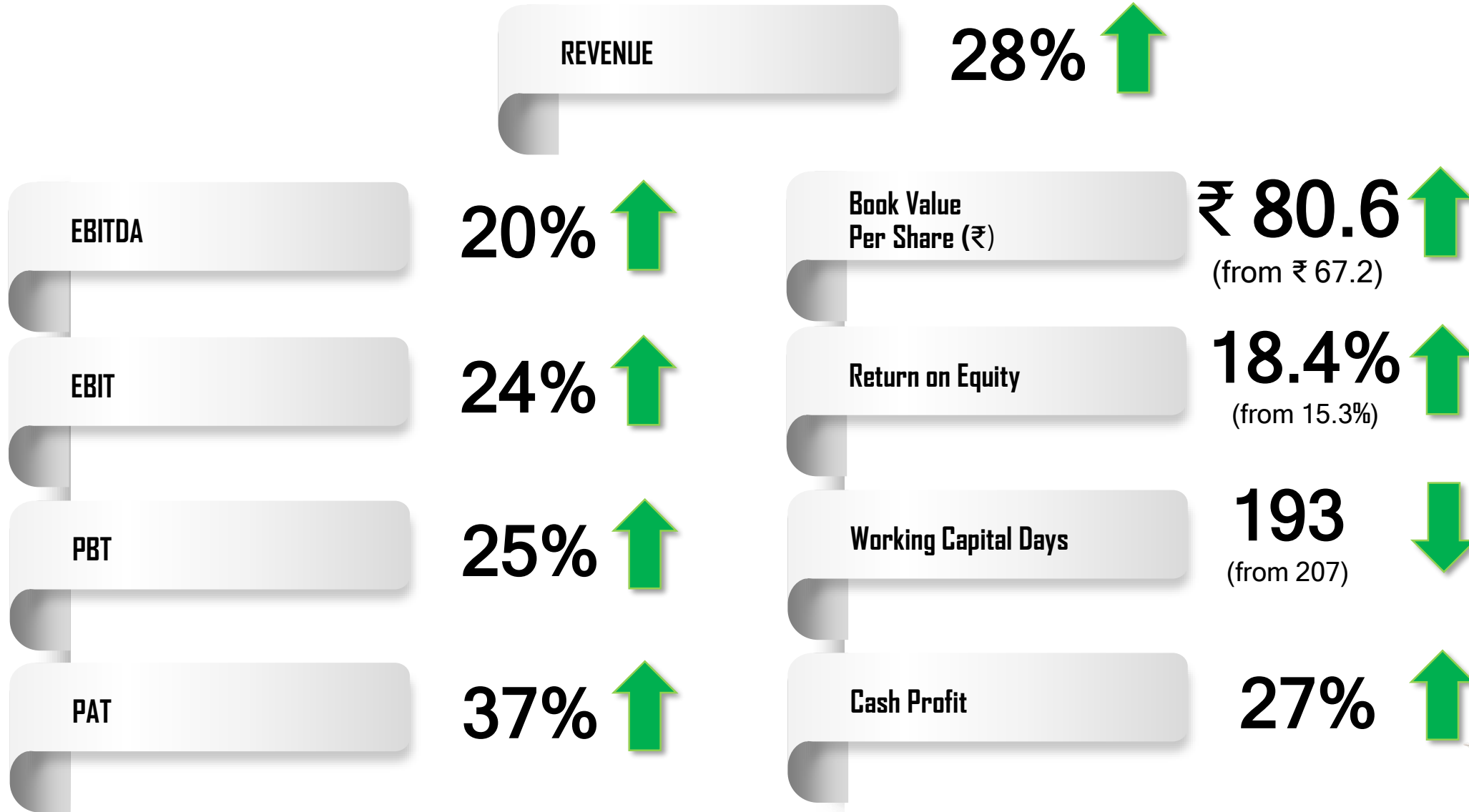
3% ↑

Organic Segment

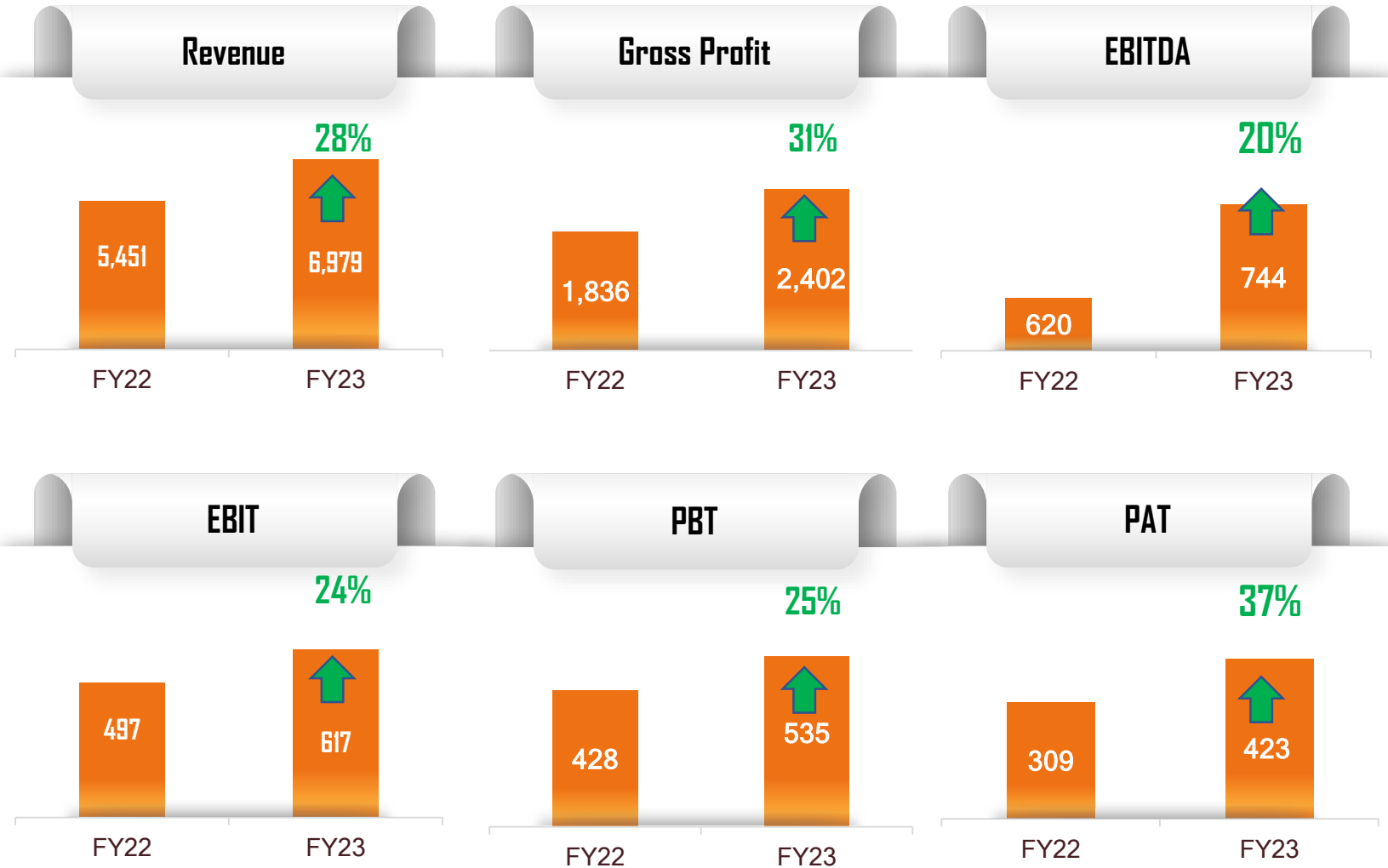
25% ↑



FY23 Key Highlights (YoY)



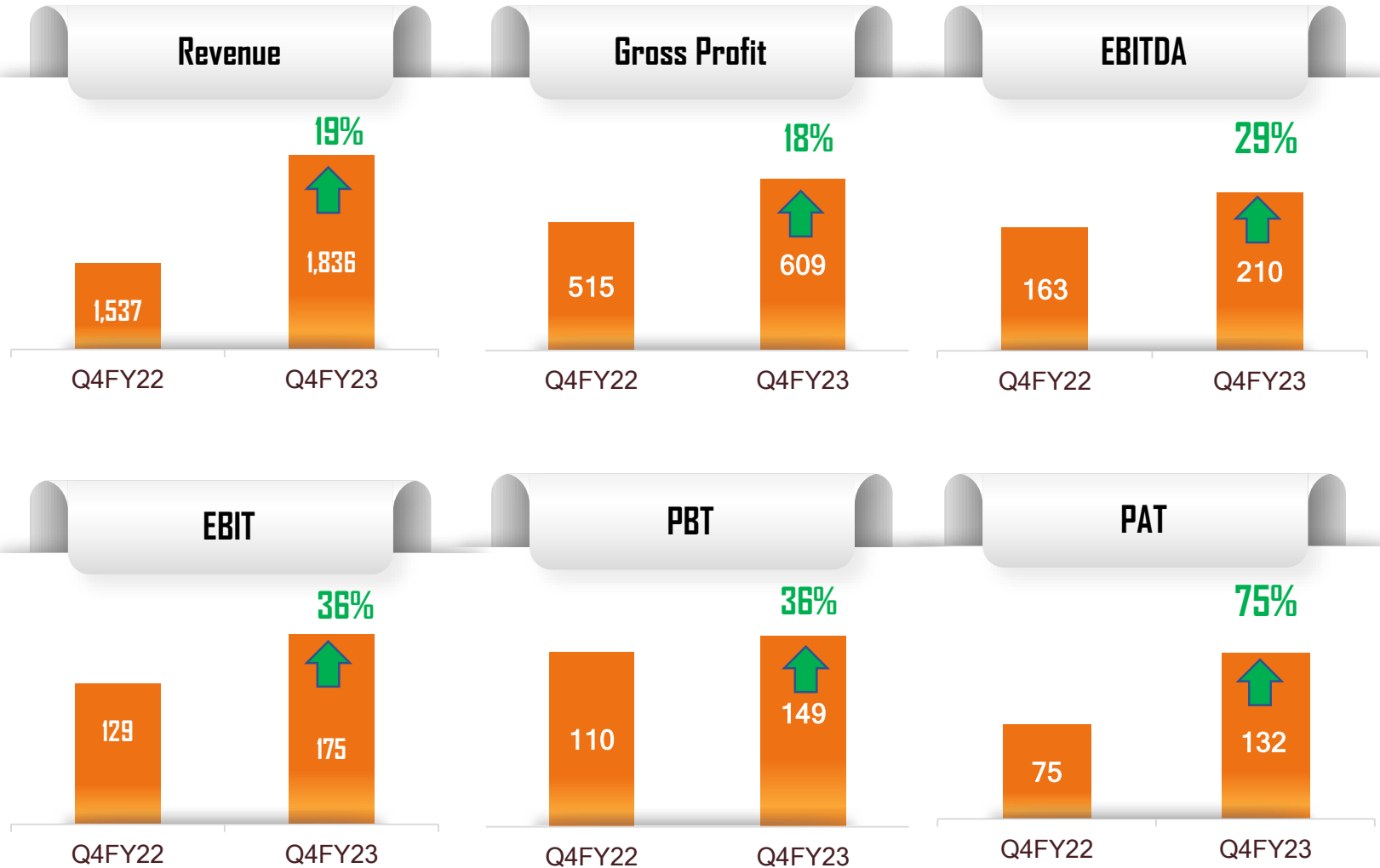
FY23 Financial Update



All Figures in ₹ Crore unless specified

- Revenue up 28% y-o-y aided by accelerated brand investments across all 3 business segments - Basmati & Other Specialty Rice, Organic and Convenience and Health business
- Gross Profit up by 31% y-o-y & Gross Profit margin expanded by 70 bps (from 33.7% to 34.4%) on account of change in product mix and partial price increase.
- EBITDA up by 20% y-o-y & Margins contracted by 70 bps (from 11.4% to 10.7%) due to:
 - Increase in freight expenses by 200 bps
 - Efficiencies at the manufacturing level and benefit of scale
- PAT up by 37% y-o-y at ₹423 Crore

Q4 FY23 Financial Update



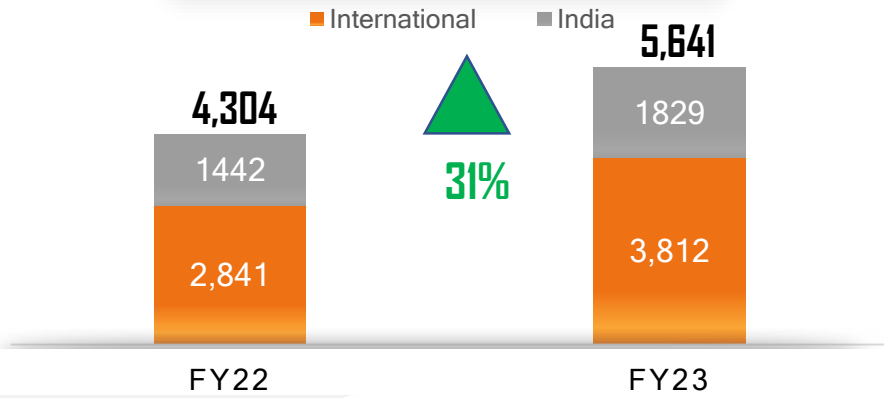
All Figures in ₹ Crore unless specified

- Revenue up 19% y-o-y aided by accelerated brand investments and scaling of distribution across all 3 business segments - Basmati & Other Specialty Rice, Organic and Convenience and Health business
- Gross Profit up by 18% y-o-y & Gross Profit margin contracted by 30 bps (from 33.5% to 33.2%) on account of increase in input cost
- EBITDA up by 29%, Margins expanded by 80 bps (from 10.6% to 11.4%) due to:
 - Reduction in freight cost and Price Increase
 - Efficiencies at manufacturing level and benefit of scale
- PAT up by 75% y-o-y at ₹132 Crore

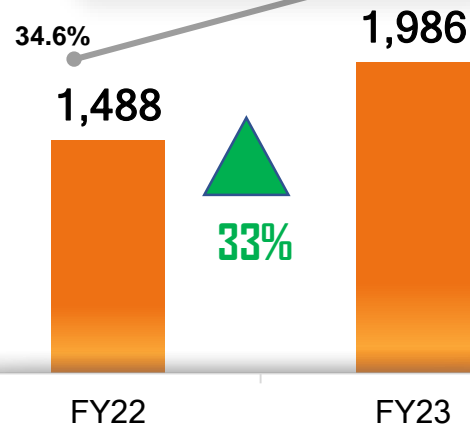
Segment Update – Basmati & Other Specialty Rice

Growing at a 3 Year CAGR of 13%

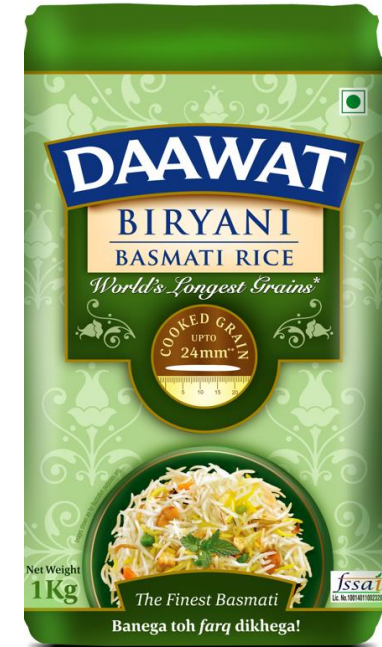
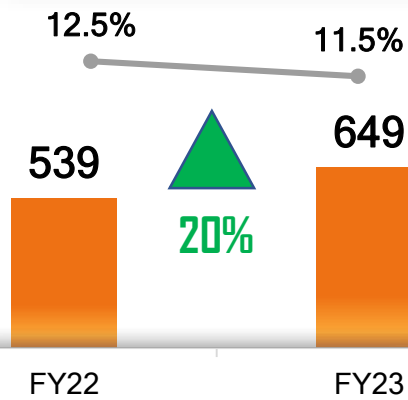
Revenue



Gross Profit & Margin



EBITDA & Margin



All Figures in ₹ Crore unless specified | Decline in EBITDA Margins on account of Exceptional increase in Freight Cost

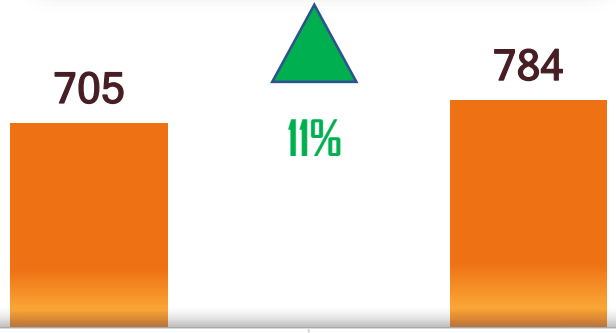
Segment Update – Organic Segment



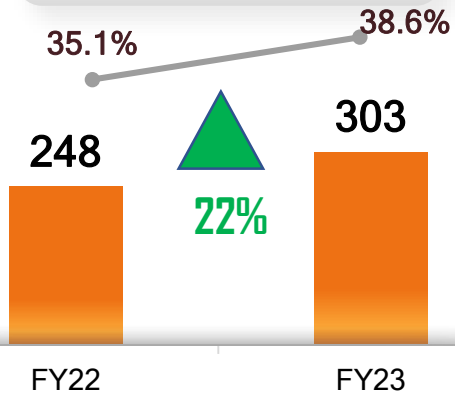
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Growing at a 3 Year CAGR of 10%

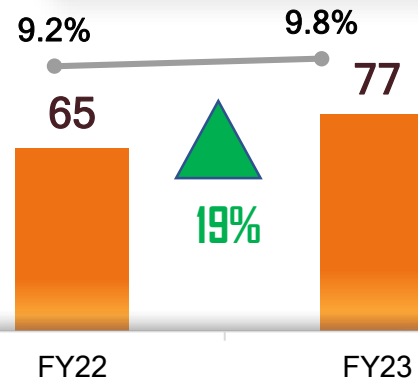
Revenue & Growth



Gross Profit & Margin



EBITDA & Margin

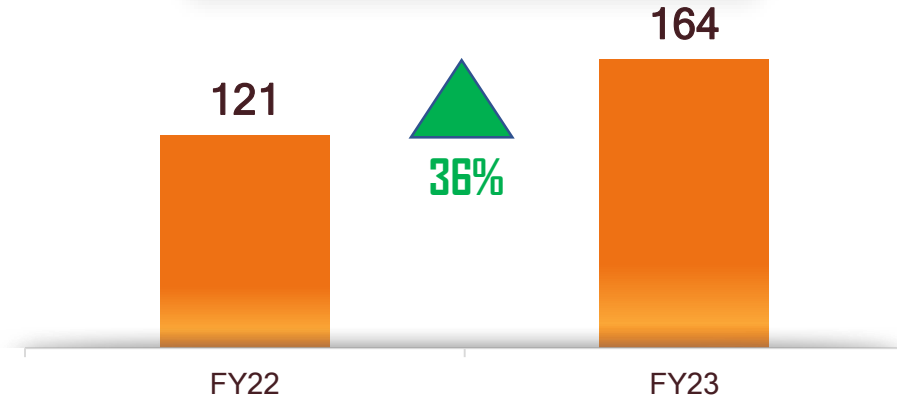


All Figures in ₹ Crore unless specified

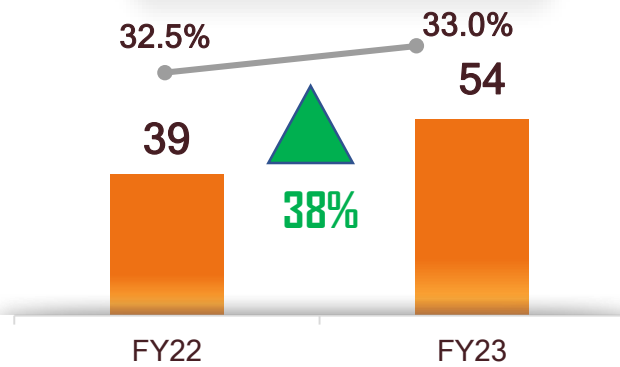
Segment Update – Convenience & Health Segment

Growing at a 3 Year CAGR of 30%

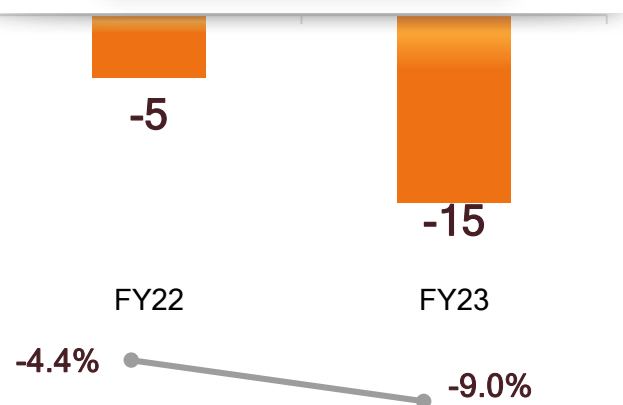
Revenue & Growth



Gross Profit & Margin



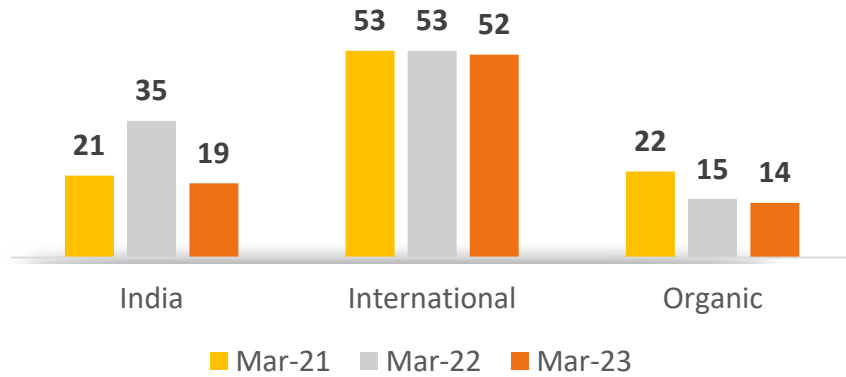
EBITDA & Margin



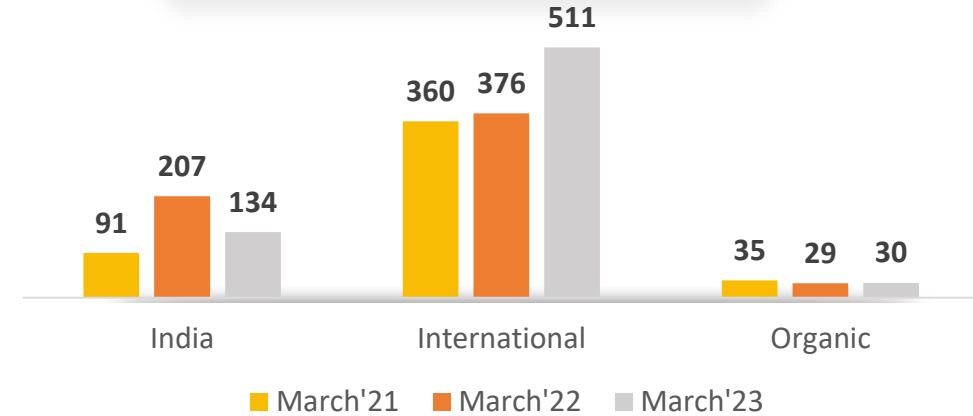
All Figures in ₹ Crore unless specified

Improving Working Capital Cycle

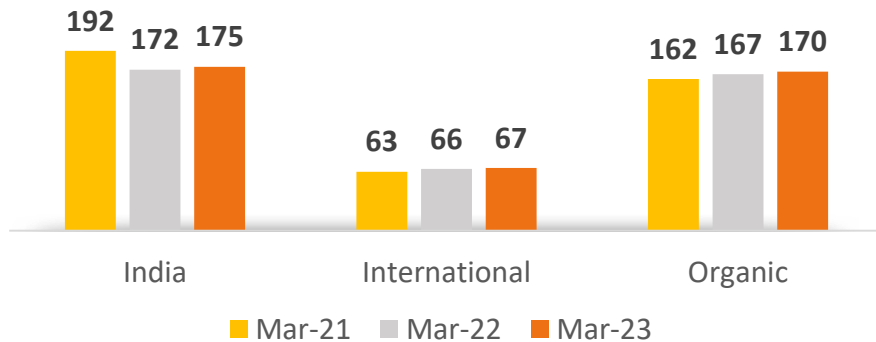
Debtor Days



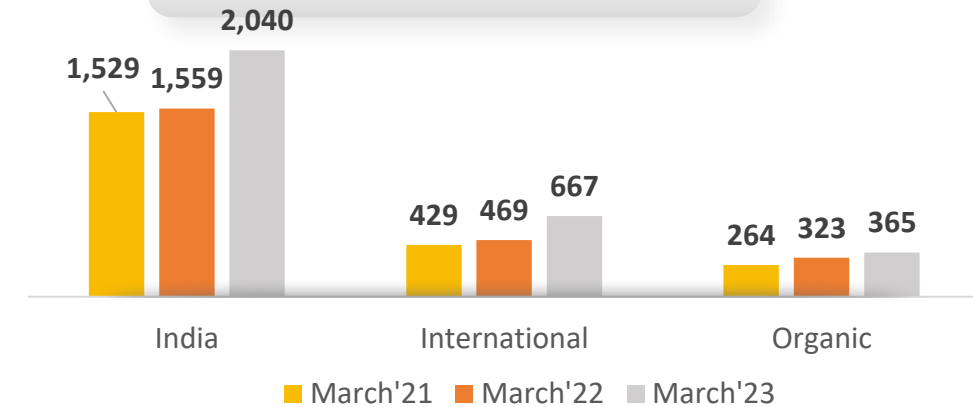
Debtors Amount (Rs. Cr)



Inventory Days



Inventory (Rs. Cr)





Key Developments

Strong Progress in FY23 in India backed by 360-Degree Marketing Campaigns

Volume Market Share %

29.6% ▲ ^{Gr.%} **230 Bps**

Presence across Retail Outlets

1,76,741 ▲ ^{Gr.%} **9.1%**

**As per AC Nielsen (MAT March 23 vs. MAT March 22)*

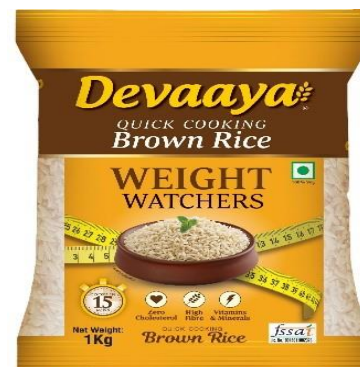
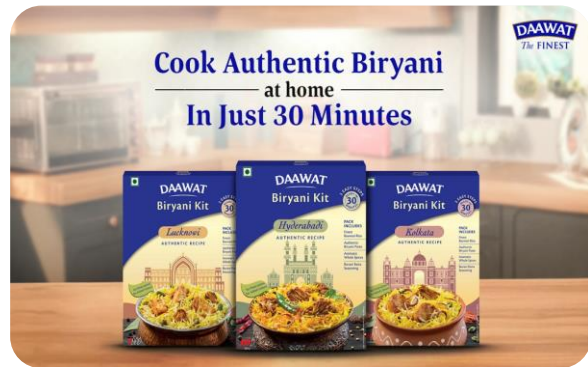
Consuming Households

45.38 Lakh ▲ ^{Gr.%} **31.3%**

** As per Kantar Household Panel Branded Basmati MAT March'23 Vs. MAT March'22*

Key Developments - New Launches

- Successful Launch of First Superfood Rice— Black Rice
- Biryani kits have reached the milestone of Rs. 5 crores during the year by selling 5,69,201 units.
- Launch of Devaaya Weight Watcher-Economy Brown Rice Segment
- Share of Convenience and Health segment grown from 2% to 2.5% during the year
- Strengthened the regional rice portfolio
- Building the strengths in Bulk Pack Segment-817 Elephant





Strategy and Outlook

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 Other Specialty Rice segment and Organic business along with the new growth engines launched under the Convenience & Health 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 across geographies



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 strives to maintain a steady stream 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

Way Forward

We continue to focus on strategic pillars of Growth, Margin Expansion and Strengthening of Financial Metrics to create a fully integrated, global, strong, progressive, sustainable, predictable, profitable, and growing consumer business



Growth

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 and distribution strength i.e., Ready to Eat, Ready to Cook and Rice based snacks



Margin Expansion

Change in Product Mix

Efficiencies across Value Chain

Economies of Scale

Target 5 Year EBITDA Margin Expansion of c. 140-150 bps



Strengthen Financial Metrics

Strengthen Balance Sheet Metrics and enhance return ratios

FY25: ROCE **c. 23%**

FY25: ROE **c. 20%**



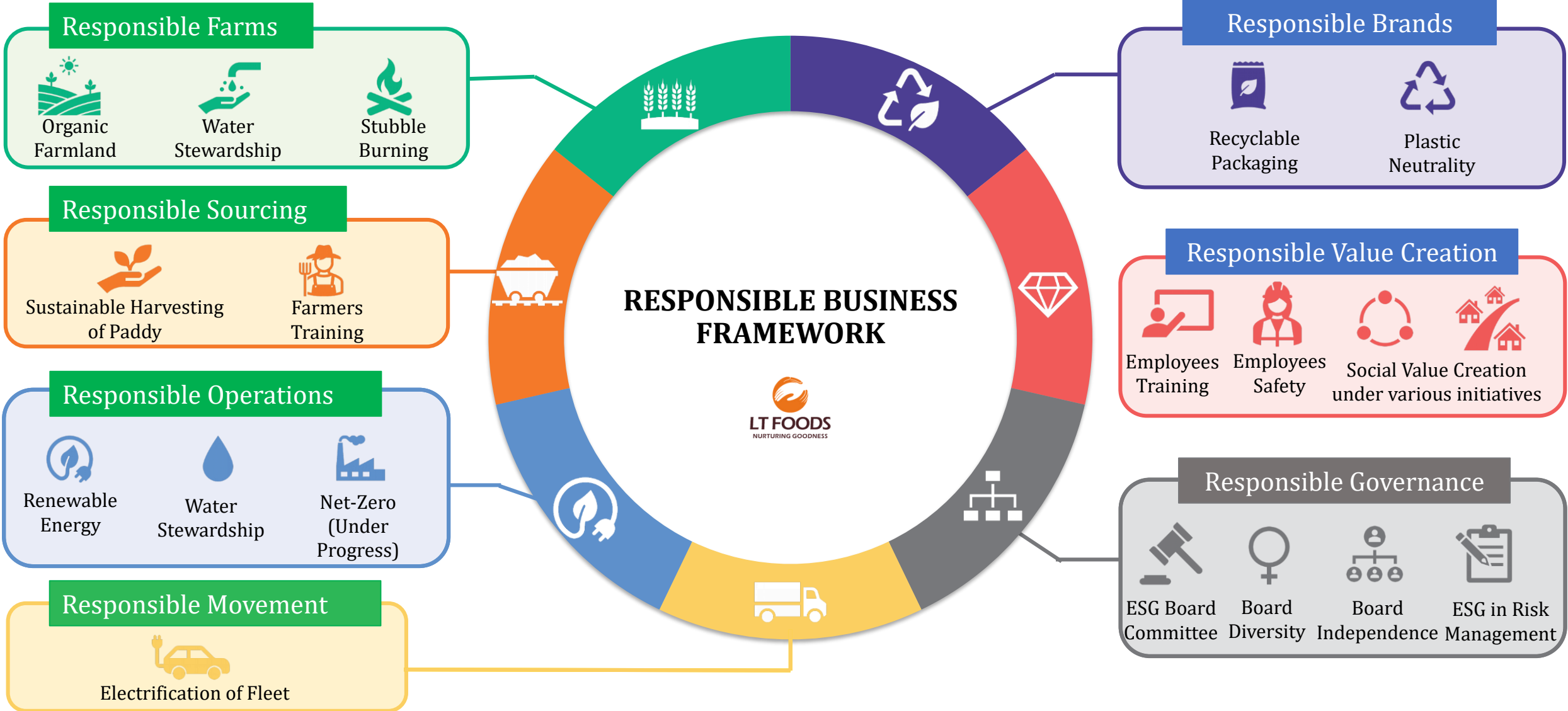
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ESG FRAMEWORK and Goals



ESG Framework

Responsible Farms | Responsible Sourcing | Responsible Operation | Responsible Brands | Responsible Movement | Responsible Governance | Responsible Value Creation



Environment Scorecard and Goals

(LT Foods Ltd.; Daawat Foods Ltd., Nature Bio Food Ltd., Eco Pure Specialities Ltd.)



Sustainable Harvesting of Paddy

Baseline : 13,000 farmers trained

FY23 : 16,525 farmers trained

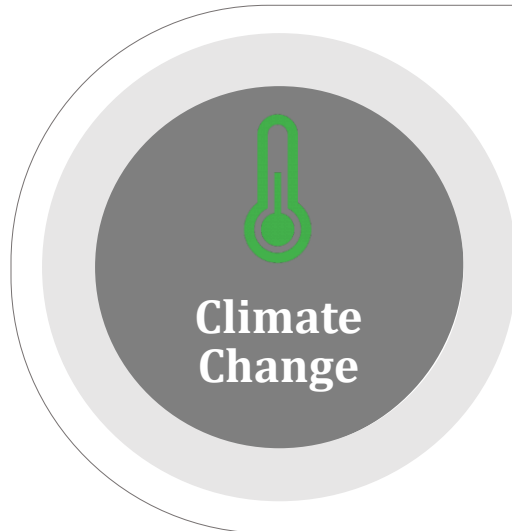
50,000 farmers to be trained on Sustainable Farming Practices by 2025 (Public private partnership with ICAR*)

Organic Farmland

Baseline : 1.4 lakh acre

FY23 : 1.64 lakh acre

2.5 lakh acres of organic farmland by 2030



Renewable Energy

Baseline : 46%

FY23 : 42%

56% Renewable Electricity By 2025 (Solar + Husk + Wind)

Tree Plantation

Baseline : 1 Lakh

FY23 : 1.1 lakh

10 lakh trees by 2030



Net Zero Goal Ambition

Goal Setting Under Progress

*ICAR - Indian Council of Agricultural Research

Environment Scorecard and Goals...

(LT Foods Ltd.; Daawat Foods Ltd., Nature Bio Food Ltd., Eco Pure Specialities Ltd.)



Water Conservation

Baseline : 110 Bn litres

FY23 : 110 Bn litres

140 billion liters of water saving through Land Laser Leveling / AWD / SRI in 60,000 acres by 2030

Water Recharge

Baseline : 4 Ponds

FY23 : 7 Ponds

Renovation and construction of 100 Ponds by 2030



Plastic Neutrality

FY23 : 100% through EPR

100 % Plastic Neutrality by 2025

Sustainable Packaging

Baseline : 74%

FY23 : 74%

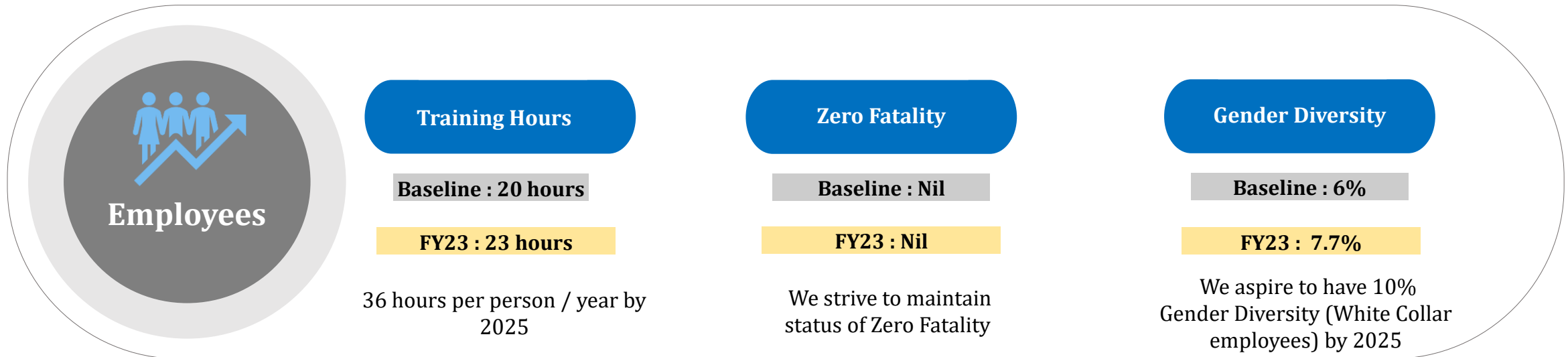
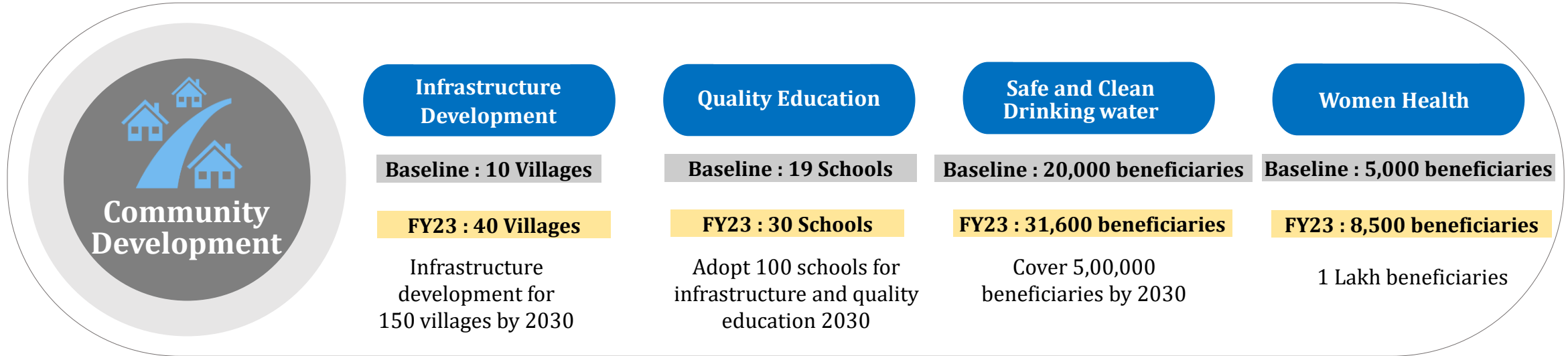
80 % Recyclable Packaging by 2025

*AWD – Alternate Wetting and Drying

*EPR – Extended Producer Responsibility

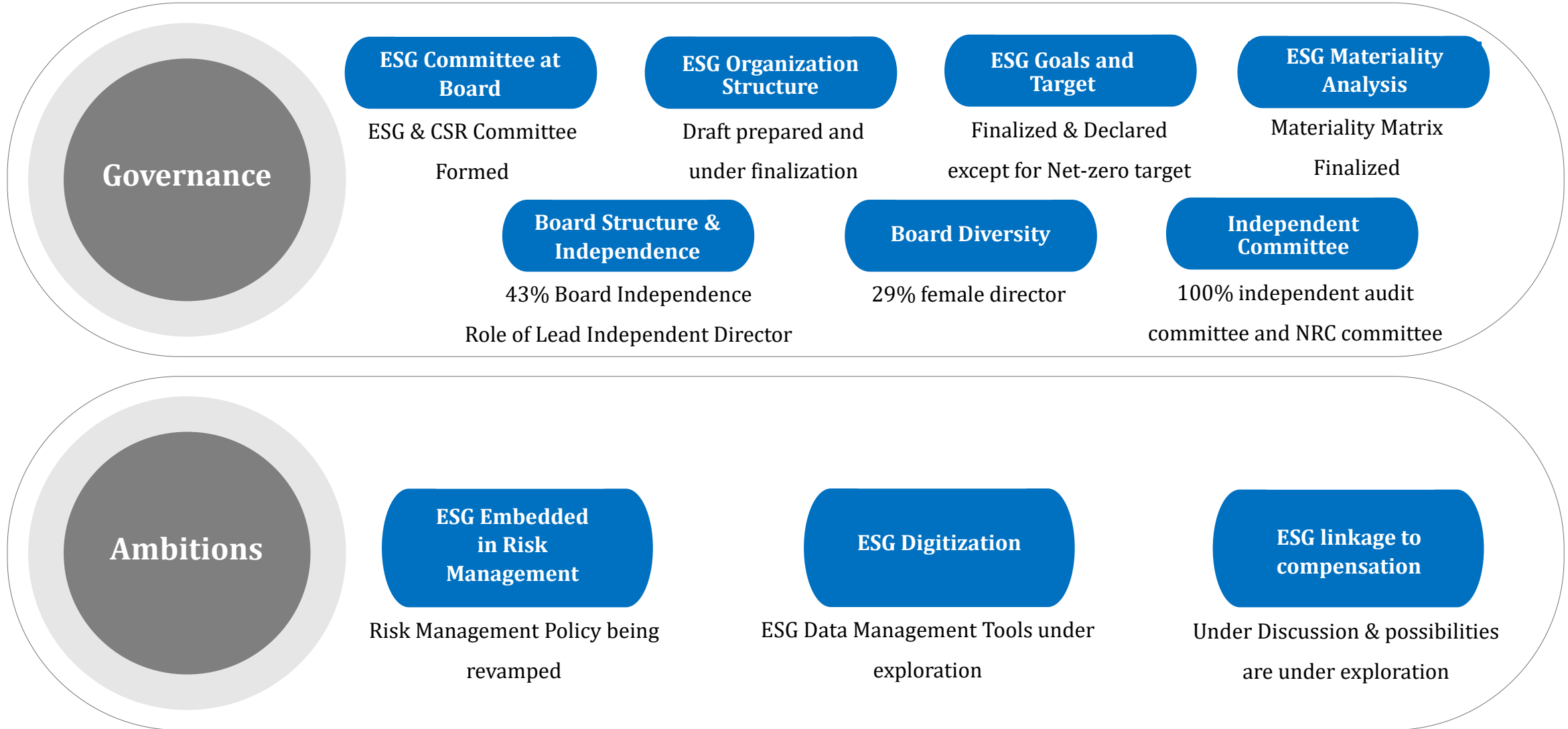
Social Scorecard and Goals

(LT Foods Ltd.; Daawat Foods Ltd., Nature Bio Food Ltd., Eco Pure Specialities Ltd.)



Governance Scorecard and Goals

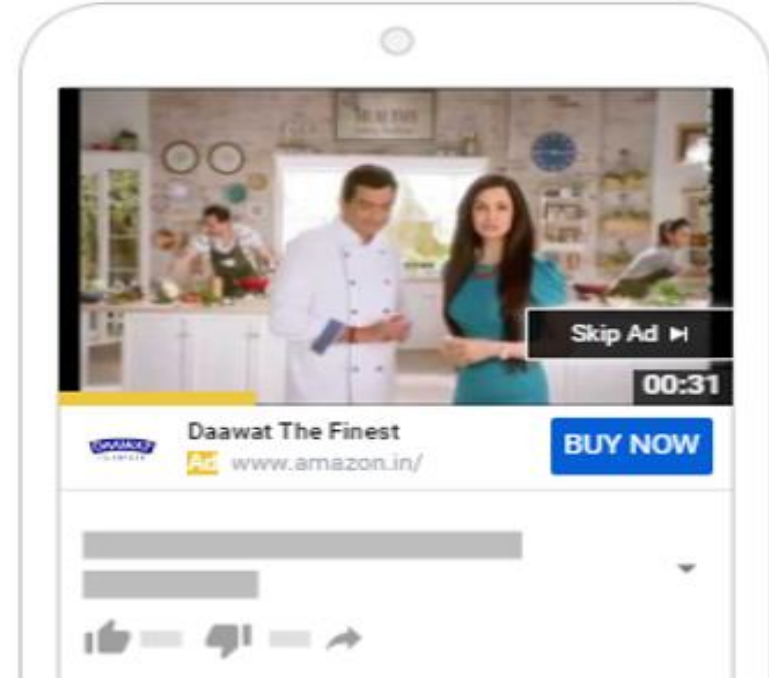
(LT Foods Ltd.; Daawat Foods Ltd., Nature Bio Food Ltd., Eco pure Specialities Ltd.)



Marketing Initiatives



Awarded for World's 1st Biryani Day - 3rd July 2022



*Brown Rice Campaign - 4 Cr+ Impressions
60L + Views*



Brand Participation in Gujarat Navaratri Festival

Marketing Initiatives-Digitization



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8L Impressions ; 1.9L Views



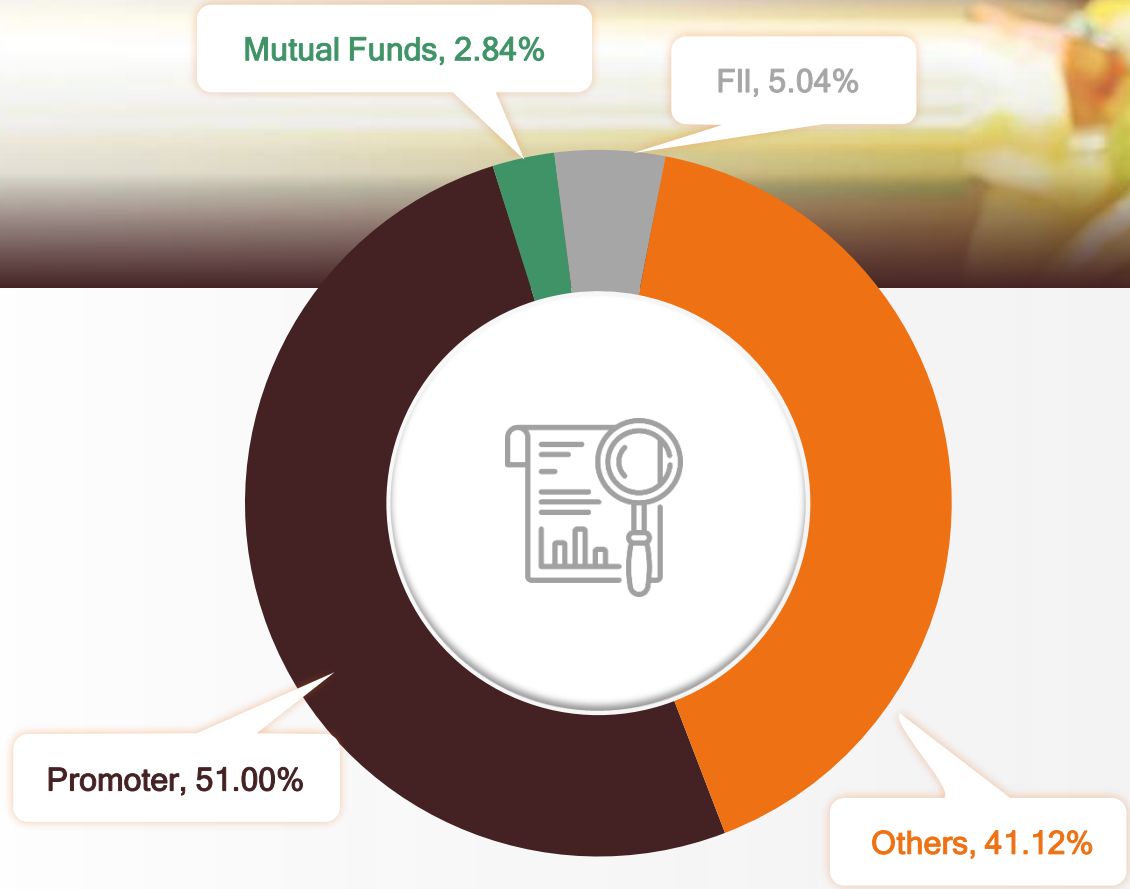
Reach to 2.1Cr + Audience; Impressions - 4.6Cr +

Shareholding Pattern

As on March 31, 2023



Shareholding Information



Shareholder Information as on March 31, 2023

BSE Ticker	▶	532783
NSE Symbol	▶	DAAWAT
Market Cap (₹ Cr)*	▶	3,359
% Free- float	▶	43.0%
Free Float Market Cap (₹Cr)	▶	1,444
Shares Outstanding (Cr)	▶	34.7
Industry	▶	Consumer Food


Promoter shares are unencumbered

* Share Price as on 31st March'23 (Closing Price: Rs 97.63)

Investor Contact

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