

Ref-LTF/ SE/ 2024-25/

Date: October 25, 2024

To,

| | |
|---|--|
| BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001 | National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 |
|---|--|

Sub: Updated - Investor Presentation

Ref. Code: 532783. Scrip ID: LTFOODS

Dear Sir /Madam,

In continuation to our earlier letter dated October 24, 2024, please find enclosed copy of updated Investor Presentation on the Un-Audited financial results of the Company for the quarter and half year ended September 30, 2024.

Thanking you.

Yours truly,

For **LT Foods Limited**

Monika Chawla Jaggia
Company Secretary
Membership No. F5150
Encl: a/a

Our Trusted Brands





LT FOODS
NURTURING GOODNESS

INVESTOR PRESENTATION

H1 & Q2 FY2025

24th October 2024

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LT Foods is a **Global Consumer Food Company** which deals in **Basmati & Other Specialty Rice, Organic Food & Ingredient** business and **Ready to eat/Ready to cook** segment

1 Sustainable Growth

Our revenue CAGR in the last **18 years is 18%** and **PAT CAGR is 21%**.

2 Power Brands

Powerful brands like **Daawat (30%+ Market Share)**, **Royal (50%+ Market Share)**, Golden Star, 817 Elephant, Devaaya

3 Global Footprint

Presence in **80+ countries** with well entrenched distribution network.

4 Consistent return to shareholders

Has Delivered consistent returns to shareholders.

5 Excellence in Operations

Has **state of the art manufacturing facilities**, not only in India but in other parts of the world as well thus enabling us to mitigate geography based risks.

6 Investment in Innovation

Keeping pace with consumer needs and **launching products to leverage brand equity & strong infrastructure**

Rs. 7,822 Cr **17%**
FY24 Revenue 4-year CAGR

Rs. 2,544 Cr **23%**
FY24 Gross Profit 4-year CAGR
33% Gross Margin

Rs. 597 Cr **32%**
FY24 Net Profit 4-year CAGR
8% Profit Margin

Rs. 14,000 Cr
Market Cap as on
30th Sep 2024

We are LT Foods

One of the most loved and consumed brands across globe

#1 basmati rice brand in North America

Leading organic ingredients brand in India

Leading jasmine rice brand

Popular basmati rice brand in middle east

Popular basmati rice brand in middle east

Staples brand in India

#1 basmati rice brand in Canada

Handcrafted rice snacks

Renowned economy rice brand in basmati rice

Organic food brand in Europe

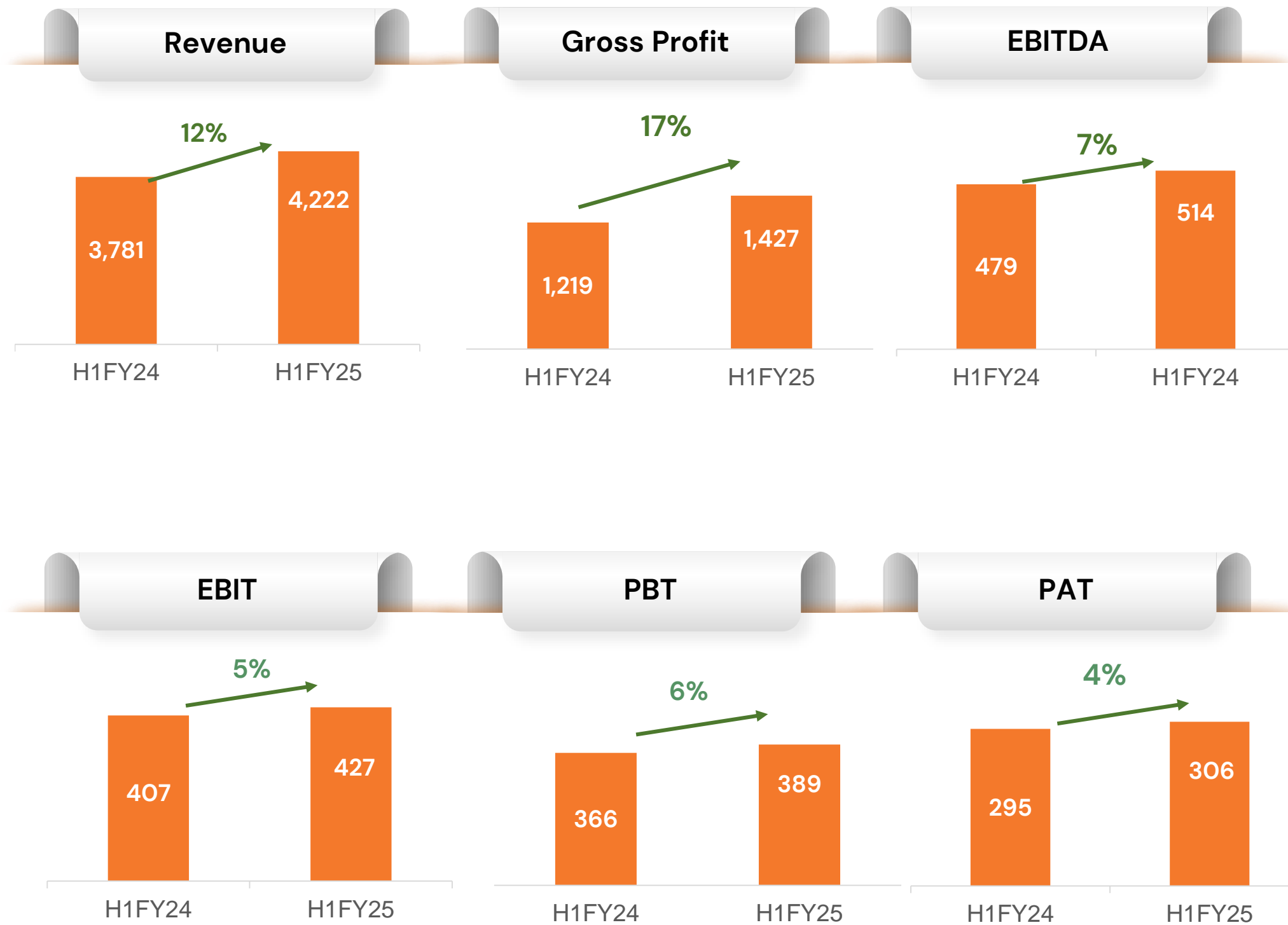


LT FOODS
NURTURING GOODNESS

Results Highlights

H1 & Q2 FY2025

24th October 2024



Performance Commentary

Revenue up 12%

Revenue up 12% yoy aided by accelerated brand investments and scaling of distribution in Basmati & Other Specialty Rice segment with growth in organic and RTH/RTC segment

33.8% Gross profit margin

Gross Profit margin increased by 160 bps (from 32.2% to 33.8%) on account of decrease in input cost.

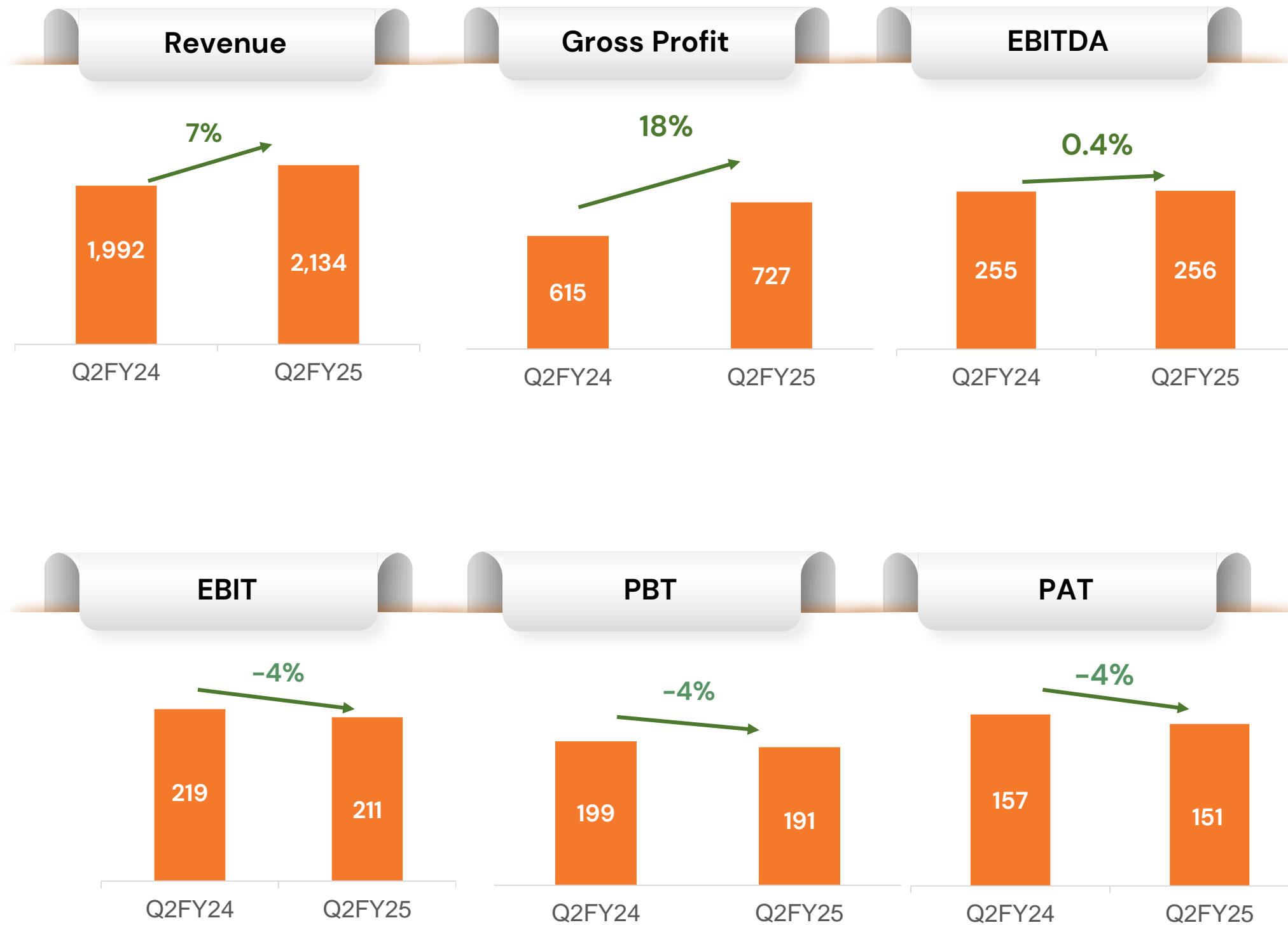
EBITDA up by 7%

EBITDA up by 7%, Margins decreased by 50 bps (from 12.7% to 12.2%) due to higher freight costs

PAT up by 4%

PAT up by 4% yoy at ₹306 Crore

All Figures in ₹ Crore unless specified



Performance Commentary

Revenue up 7%

Revenue up 7% yoy aided by accelerated brand investments and scaling of distribution in Basmati & Other Specialty Rice segment with growth in organic and RTH/RTC segment

34.1% Gross profit margin

Gross Profit margin increased by 320 bps (from 30.9% to 34.1%) on account of decrease in input cost.

EBITDA up by 0.4%

EBITDA up by 0.4%, Margins decreased by 80 bps (from 12.8% to 12.0%) due to higher freight costs

PAT down by 4%

PAT down by 4% yoy at ₹151 Crore

All Figures in ₹ Crore unless specified

| | H2 FY25 | H2 FY24 |
|------------------------------------|---------|---------|
| Inventory days | 194 | 166 |
| Trade payable days | 28 | 22 |
| Trade receivable days | 29 | 30 |
| Working capital days | 195 | 174 |
| Return on capital employed* | 20.8% | 21.6% |
| Return on equity | 17.2% | 19.5% |
| Net Debt | 546 | 569 |
| Interest Coverage ratio | 11.1 | 9.9 |

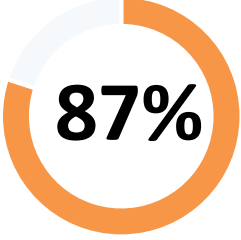
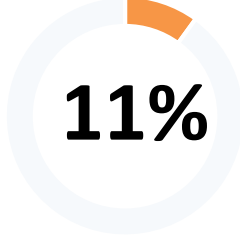
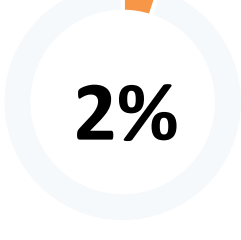
* On net debt basis

All Figures in ₹ Crore unless specified



Segment Update

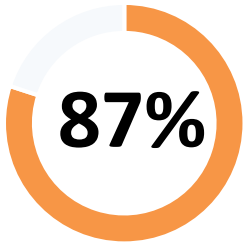
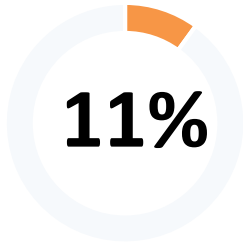
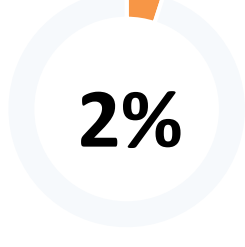
24th October 2024

| | Basmati & Other Specialty Segment | Organic Food and Ingredient Segment | Ready to Heat & Ready to Cook Segment |
|-----------------|--|--|---|
| % Share |  87% |  11% |  2% |
| H1 FY25 | | | |
| Revenue* | 3,661 | 461 | 100 |
| Revenue growth% | 9% | 41% | 8% |
| Volume Growth | 12.8% | - | - |
| Gross Margin | 32% | 43% | 39% |
| EBITDA Margin | 13% | 12% | -6% |

*Revenue includes Revenue from operations & other income

All Figures in ₹ Crore unless specified

Q2 FY25 Segment Highlights (YoY)

| | Basmati & Other Specialty Segment | Organic Food and Ingredient Segment | Ready to Heat & Ready to Cook Segment |
|-----------------|--|--|---|
| % Share |  87% |  11% |  2% |
| Q2 FY25 | | | |
| Revenue* | 1,852 | 238 | 44 |
| Revenue growth% | 4% | 49% | -15%** |
| Volume Growth | 7.3% | | |
| Gross Margin | 33% | 45% | 42% |
| EBITDA Margin | 12% | 12% | -9% |

*Revenue includes Revenue from operations & other income

**Daawat Sehat has been discontinued, Revenue for Q2 FY24 was ₹ 13 Crores

All Figures in ₹ Crore unless specified



North America

8%
Revenue growth

40%
% of total revenue

- Our brand Royal has witnessed a significant increase in market share with **market share in basmati segment at 55%**
- Our brand Golden Star has become the **#1 Jasmine rice brand in North America.**

Our Brands



India

15%
Revenue growth

31%
% of total revenue

- Continued growth in our premium segment Daawat Biryani rice **with a 18% y-o-y growth**
- Consistent **market leadership on 5 out of 6 e commerce platforms with 40%+ share**
- Regional rice launched on the e commerce platforms

Our Brands



Total Revenue includes Revenue from operations & other income



Europe/UK

18%

Revenue growth

17%

% of total revenue

- We **have 30% market share in Northern Europe.**
- The Company expanded its footprint in Europe by setting up a manufacturing facility in the Harlow, Essex UK on long-term lease arrangement for rice processing, packing and intermediate storage.
- Company focused on growth in key accounts and brands and rationalised volumes in the non-strategic / trading business.

Our Brands



Rest of the world

7%

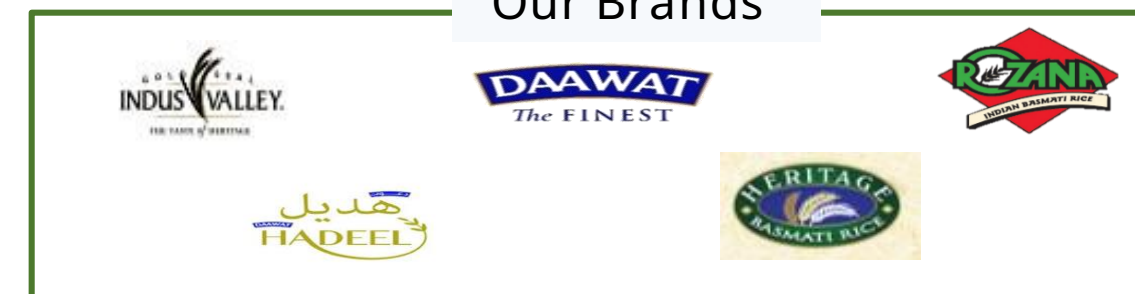
Revenue growth

12%

% of total revenue

- Appointed a distributor for Saudi Arabia market, largest market of basmati rice in the world
- Our brand Daawat has **become second largest in premium brand with 9.8% market share , gaining 320 bps market share in UAE market**
- Our brand Daawat witnessed **ever highest sales in Australia, New Zealand and Indonesia**

Our Brands



Revenue includes Revenue from operations & other income

1 Uganda expansion

Set up a manufacturing facility in Uganda to mitigate the impact from levy of anti-dumping duty on the soymeal.

2 Procurement expansion

Import products from Turkey, Egypt, Uganda, South America which includes Brazil, Costa Rica, Cambodia, Thailand.

3 Revenue expansion

Introduction of additional product offerings and the exploration of new geographical markets.

New Customer acquisition through local presence through stock & sell model in US and Europe

Growth propelled by deeper consumer reach and expanded presence in emerging channels



↑ 147%



↑ 32%



↑ 38%

Set to accelerate growth further with strong business operating model build with focused efforts on foundational work product, positioning/ placement and agile supply chain.

Growth is year on year-H2FY25 as compared to H2FY24



Quarterly Initiatives

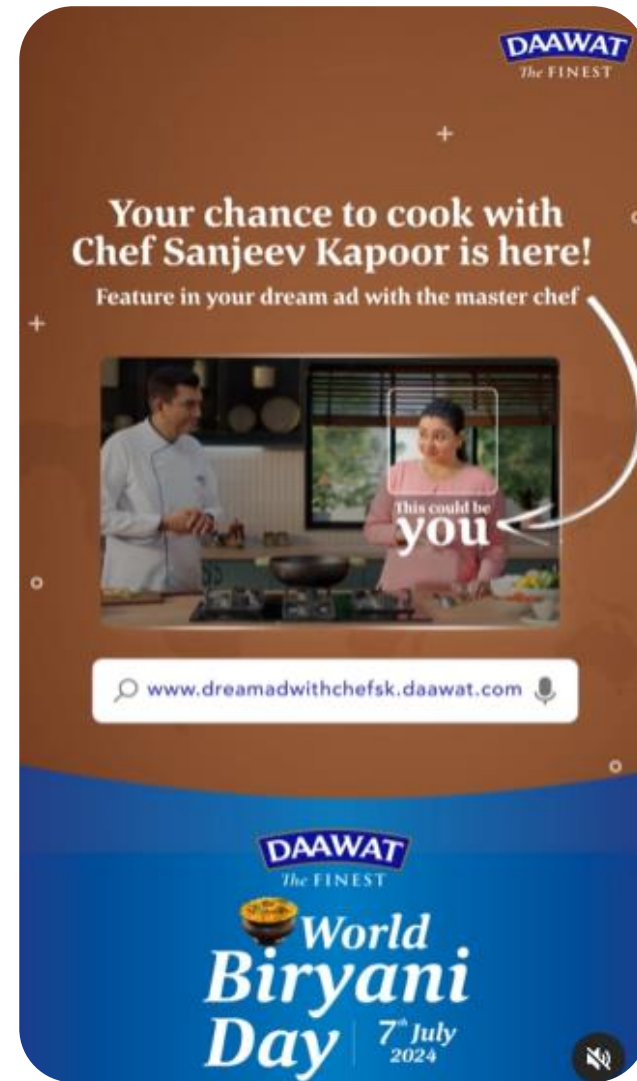
Q2 FY2025

24th October 2024

Celebrated World Biryani Day in India, UK, Middle East and Australia



Brands align with Daawat



Innovative Tech-AI enabled campaign



Electrifying music concert



Star Power



Community building

As global tastes evolve, LT's Jasmine Rice is perfectly positioned to capture the growing demand for premium ingredients, catering to India's rising appetite for international flavours and culinary experiences!



Innovation & Renovation

Rollout of Royal® Biryani Kits



Relaunch of Royal® Atta



Brand Refresh (SRP + Pack Redesign)

Royal® 2lb White & Brown



Better Homes & Gardens

Taste of Home

allrecipes!

REAL SIMPLE



Strategic Expansion in Europe: New UK Manufacturing Hub Established in Harlow, Essex

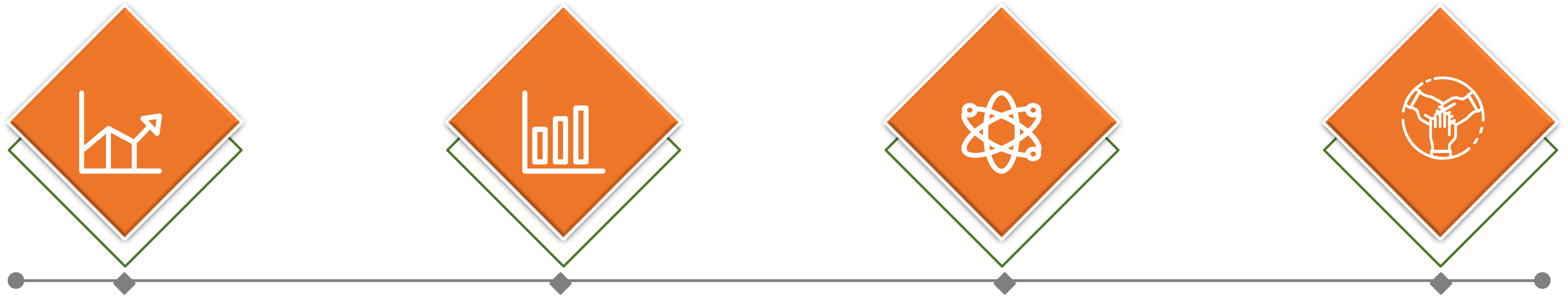


- LT Foods is set to **revolutionize the rice market in the U.K.** and meet the growing demand for authentic and premium rice varieties.
- The company is expecting annual revenue to the tune of £ 40 million initially, with a targeted **£ 100 million** within the next 5 years.
- Partnered with **4 leading retailers** in the U.K. with plans to scale this up.
- Production capacity of **60,000 tonnes** of rice per annum,



Strategy and Outlook

24th October 2024



Growth

- Solidify our core business
- Innovating and expanding our product portfolio, by introducing new products to increase appeal across all consumer segments.
- Entering in new geographies and widening distribution channel.
- Explore inorganic opportunities

Margin Expansion

- Building economies of scale and unlock synergies
- Adding efficiencies across the value chain
- Driving premiumisation

Investing in Capabilities

- Digital transformation








Being Responsible

- Embedding ESG in the culture of the organisation

Huge opportunity exists in multiple markets for Basmati rice

FMCG market in India is ~USD 105 Bn, expected to grow at avg. 11% CAGR, driven by 1) increased per capita consumption, 2) increased household penetration and fuelled by improving retail penetration

Huge headroom for growth in Basmati rice across globe

| |  |  |  |  | Factors driving growth | |
|-------------------------------|---|--|---|---|---|---|
| Our market share | 50%+ | 30%+ | 9.8%+* | 20%+ |  | Basmati rice and speciality rice as category is growing and movement of consumers from lower price point to higher price point in India |
| Basmati rice market size(Crs) | 6000+ | 24,000+ | 30,000+ | 6,000+ |  | Immigration of south Asian population |
| Expected Industry CAGR | 10-12% | 7-9% | 3-4% | 4-6% |  | Growth of Ethnic cuisine across globe and biryani getting popular |

Convenience Food market to reach \$850+ Bn by FY2028

We are addressing long term consumer trends

Increased convenience and instant gratification

Cross cultural/Global taste and experience

Discovery and exploration

Our RTE/RTC food expected to grow at a CAGR of 33-35% for next 5 years



Strengthening Brand Equity

Improve market share in India through multiple ways of marketing

Increase consumer acquisition

Conversational

Contextual

Conventional



Consumer Engagement for trials

Increase revenue share of NPD to 10% from 2% currently

Extend into adjacencies

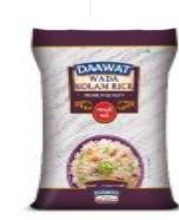
Further strengthen consumer penetration

Tapping emergent and big opportunities

Super Foods

Regional Speciality Rice

Global Speciality



Portfolio Expansion and NPDs

Mass Media+ Digital + Activations

Food expressions & recipes

Festive packs

Consumer Promotions

Activations



Digital/Data Enabled Distribution across Verticals

War Room
"Plan Central-Enable Local"

Auto Replenishment
For efficient servicing

Resolving Bottlenecks
At point of sale

Virtual Calling
To reduce costs

Credit Financing to distributors
To reduce costs

Vertical-wise Sales force

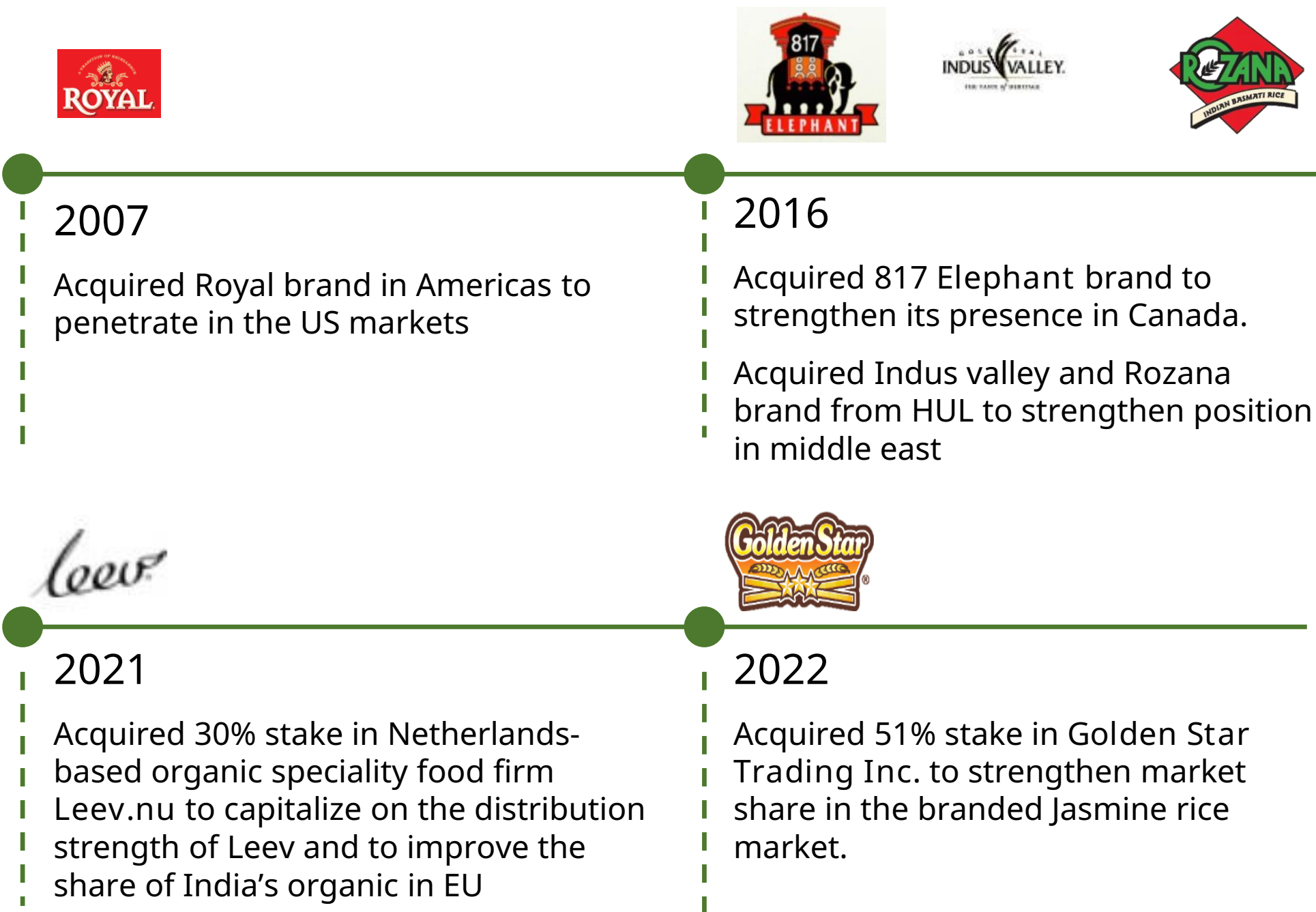
GT

Wholesale

HoReCa

Modern Trade & Ecom

Past Acquisitions



Acquisition Attributes

- Strengthen presence in existing and newer geographies
- Solidify presence in newer segments in existing geographies
- Leverage distribution network of the target entity to supply existing products

Strong levers for margin expansion with a clear path in place for next phase of growth

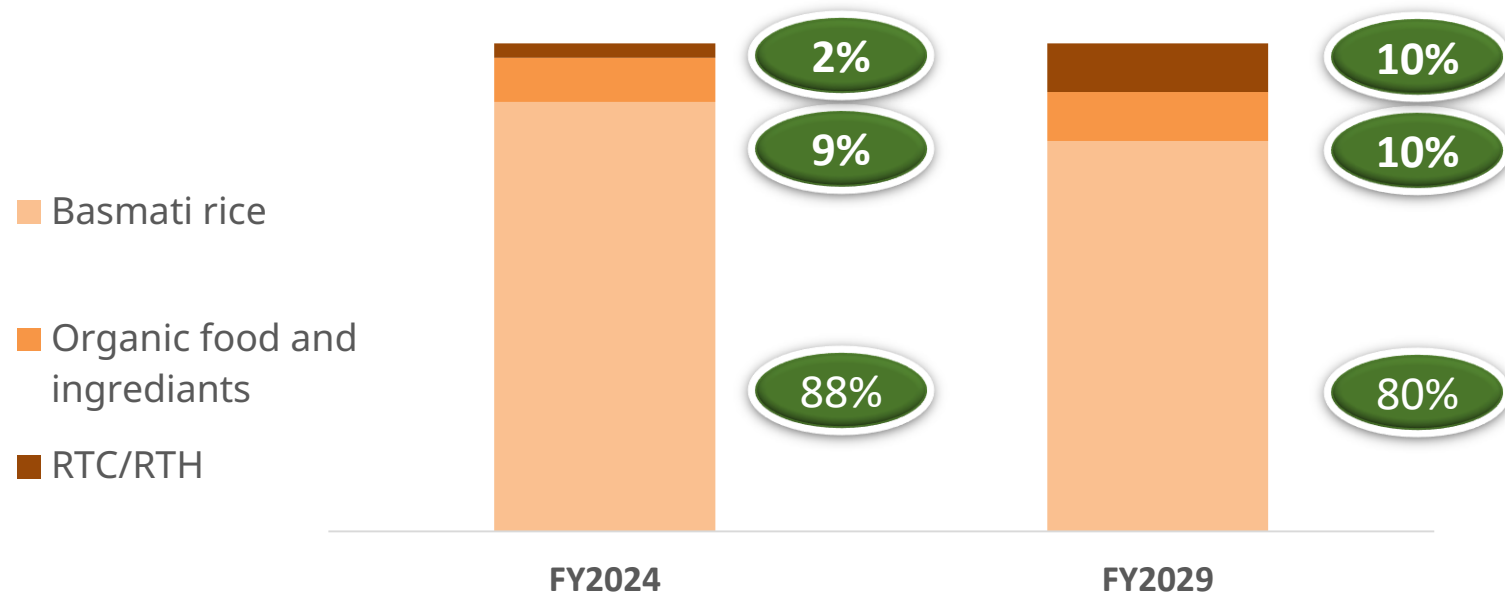
Compelling growth opportunity both in India and Internationally, expected to achieve EBITDA of 14-15% in next 4 years

Margin Expansion Levers

Expanding product portfolio and premiumisation

Expanding product portfolio with focus on high margin new and premium products

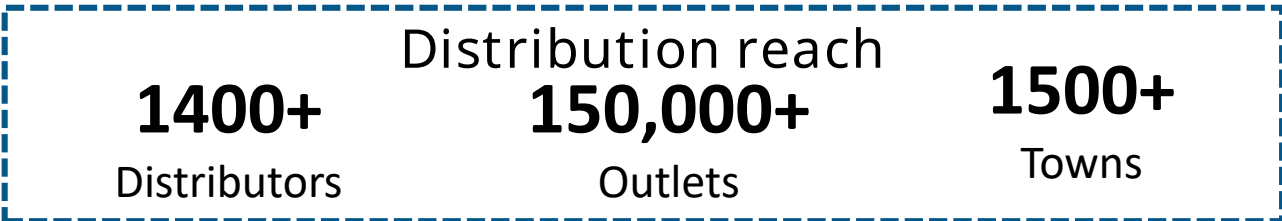
Explore multiple adjacent categories for expansion where we have right to win to expand share of consumer wallet



Deepening Distribution and entering new geographies

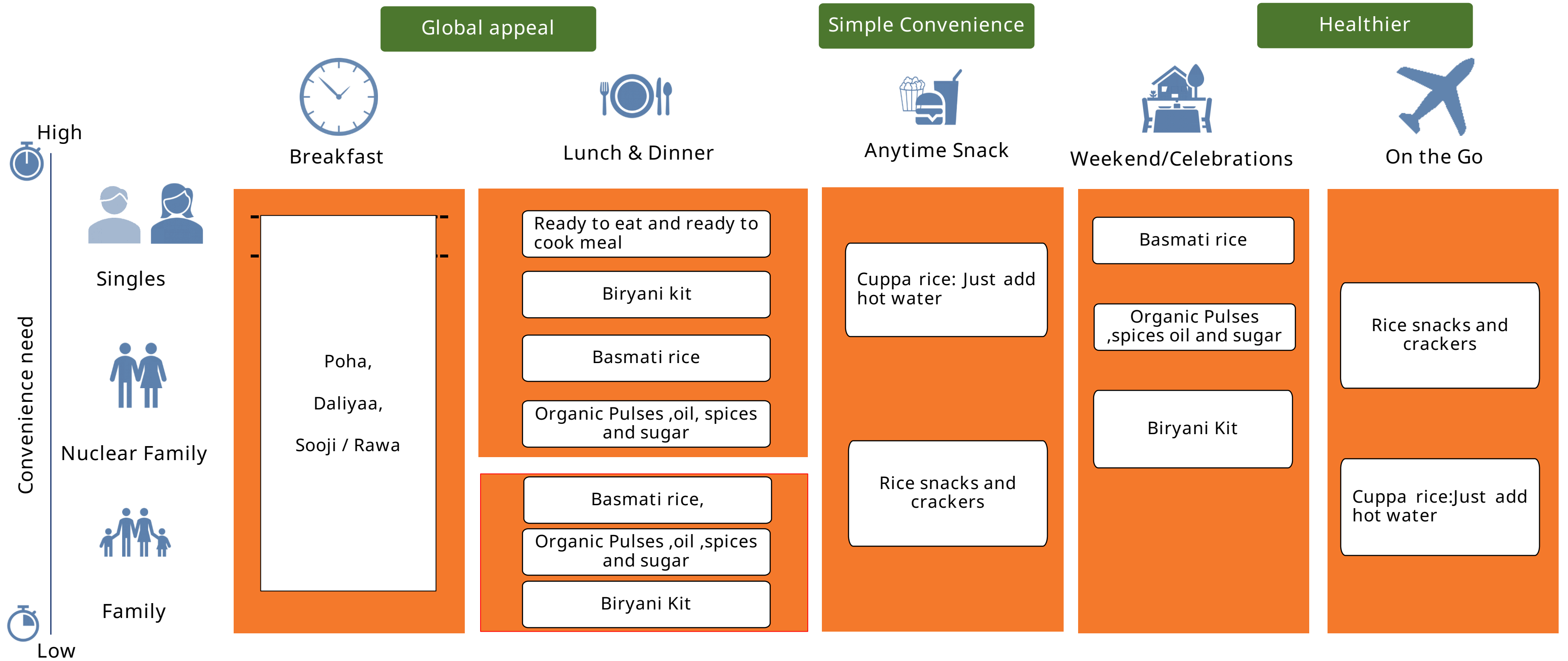
Robust Distribution network to drive consumer reach & penetration and to strengthen our franchise

Our strategic restructure based on "Theory of constraints" is geared towards achieving sustainable growth



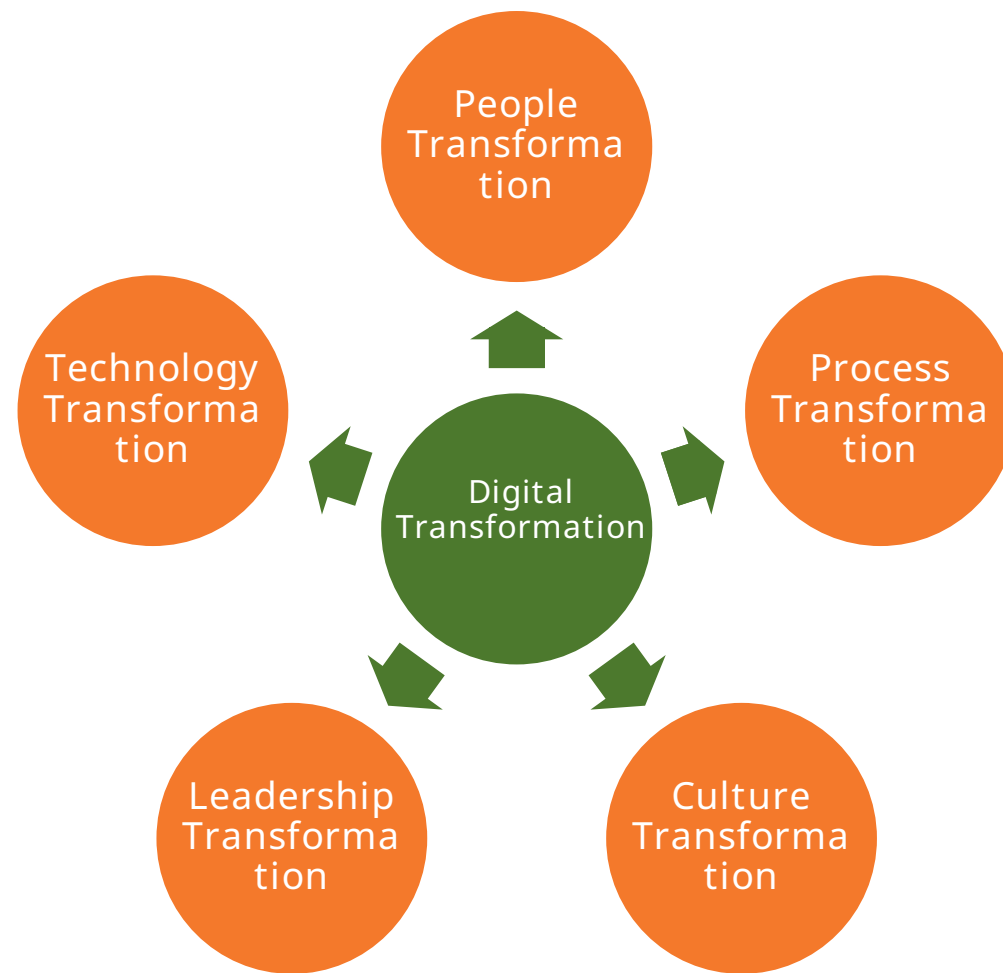
Strong focus on modern trade and e-commerce partners

We are building Portfolio to meet diverse needs for all meal occasions



Build Smart & Intelligent Enterprise which can Drive 1.5X ~ 2X Business VALUE

LT Foods - Key Objective of Digitalization



- Enhance Stakeholder Experience
- Create more value to Customer
- Optimize & Rationalize Cost
- Enhance Productivity
- Bring more Transparency
- Reduce Risk
- Enable compliances
- More Controls & Agility
- Enhance Safety
- Enable fast decision Making
- Enable ESG
- Strong Brand Value
- Better Market position



Enable Revenue Growth



Improved EBITA



Strong Controls



Enable Sustainability



Stronger Balance Sheet

Expected Business Benefit- Procurement digitization

Improvement productivity

Improvements in TAT

Fast decision making

Cost optimization & Saving

Expected Benefit- Supply Chain

Demand forecast accuracy

OTIF Improvement

Inventory & SLOB

Supply Chain Cost

We aim to balance the objectives of ploughing back earnings to support sustained growth 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 Food 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 across geographies.

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

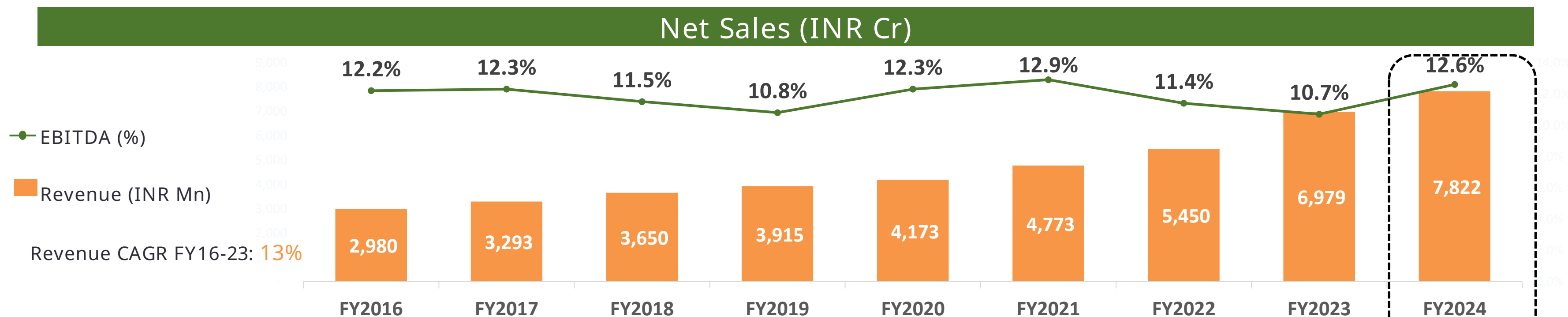
The investments to be in line with the company return on capital employed targets.



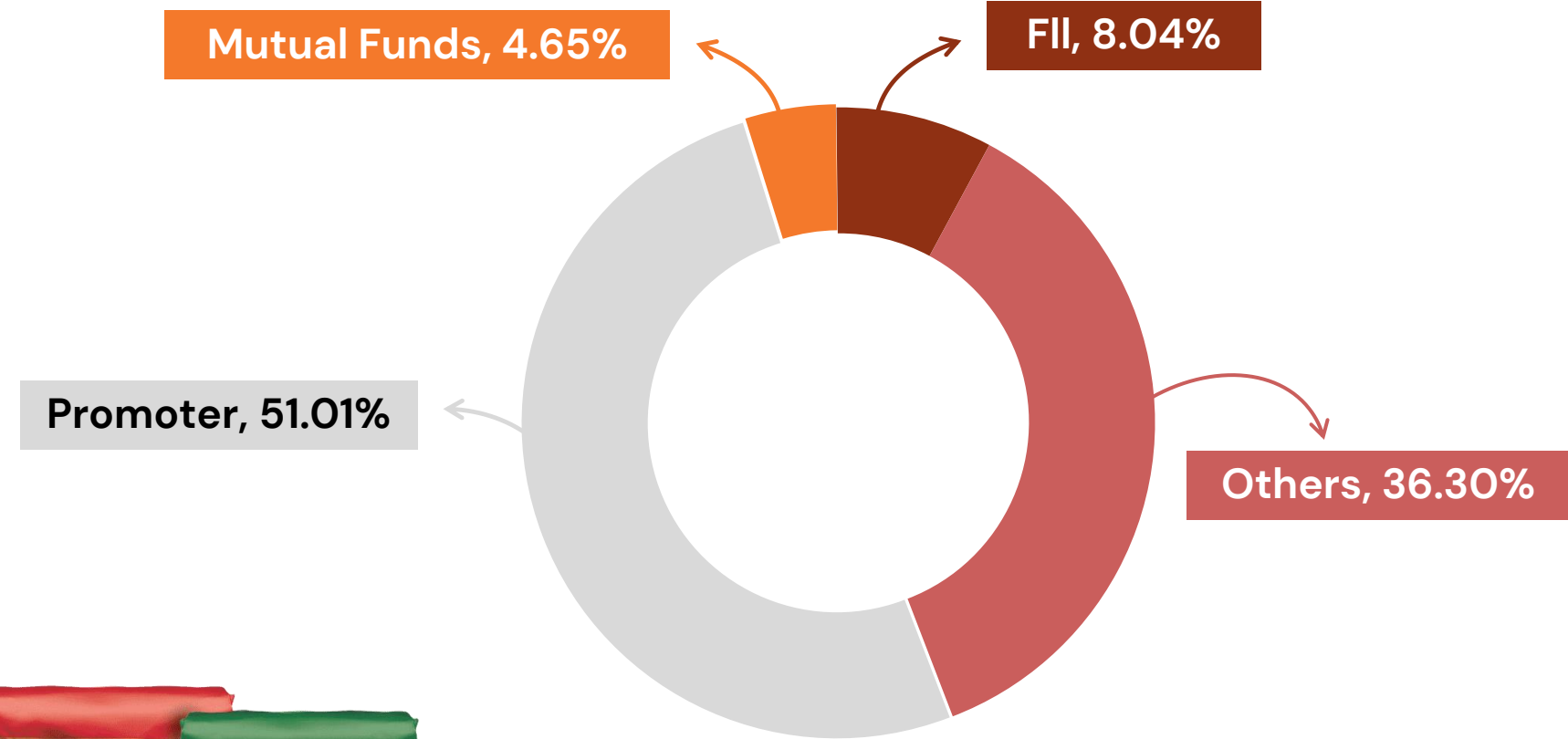
Dividend/Buyback

The Company strives to maintain a steady stream of distribution to reward its shareholders. Effective 20-21, in the medium term the Pay-out ratio is expected to be in the range of 10%-20% of consolidated profits

Our share of branded business has increased from 69.5% in FY2019 to 78% in FY2024.



| | | | | | | | | | |
|-----------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Revenue Y-o-Y % | - | 10.5% | 10.0% | 7.7% | 6.3% | 12.3% | 16.9% | 27.8% | 12.1% |
| Gross margin % | 29.2% | 26.8% | 26.1% | 24.5% | 28.2% | 30.5% | 33.4% | 34.0% | 32.6% |
| Indirect Cost % | 17.2% | 15.6% | 15.6% | 14.3% | 16.8% | 18.5% | 22.4% | 23.8% | 19.9% |
| PAT % | 2.4% | 3.9% | 4.0% | 3.5% | 4.8% | 6.2% | 5.7% | 6.1% | 7.6% |
| ROCE % | 27.9% | 28.5% | 17.1% | 13.6% | 14.2% | 15.0% | 14.1% | 17.8% | 21.7% |
| ROE % | 14.4% | 21.5% | 15.7% | 11.0% | 14.2% | 17.9% | 16.5% | 17.1% | 19.2% |
| D/E Ratio | 2.8 | 2.3 | 1.3 | 1.2 | 1.1 | 0.8 | 0.6 | 0.4 | 0.2 |



Shareholder Information as on September 30, 2024

| | |
|-----------------------------|---------------|
| BSE Ticker | 532783 |
| NSE Symbol | DAAWAT |
| Market Cap (₹ Cr)* | 14,095 |
| % Free- float | 40.0% |
| Free Float Market Cap (₹Cr) | 5,638 |
| Shares Outstanding (Cr) | 34.7 |
| Industry | Consumer Food |

Promoter shares are unencumbered

* Share Price as on 23rd October'24 (Closing Price: Rs 405.90)

Ms. Monika Chawla Jaggia

Investor Contact

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0124-3055159

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Twitter: <https://twitter.com/ltfoods>

Instagram: https://www.instagram.com/ltfoods_official/