

Ref- LTF/ SE/ 2021-22

31<sup>st</sup> January, 2022

To:

BSE Limited Corporate Relationship Department 1st Floor, New Trading Ring, Rotunda Building, P. J. Towers, Dalal Street, Mumbai – 400 001 <b>SCRIP CODE: 532783</b>	National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051  <b>SYMBOL: DAAWAT</b>
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**Subject: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Investor Presentation**

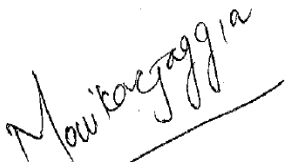
Dear Sir

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit a copy of the Investor Presentation. The said Presentation has also been uploaded on the Company's website i.e. [www.ltgroup.in](http://www.ltgroup.in).

We request you to kindly take the same on record.

Thanking you,

Yours truly

**For LT Foods Limited**

**Monika Chawla Jaggia**  
**Company Secretary**  
**Membership No. F5150**

# Investor Presentation

9M FY22 & Q3 FY22



**LT FOODS**  
NURTURING GOODNESS





# Safe Harbour Statement

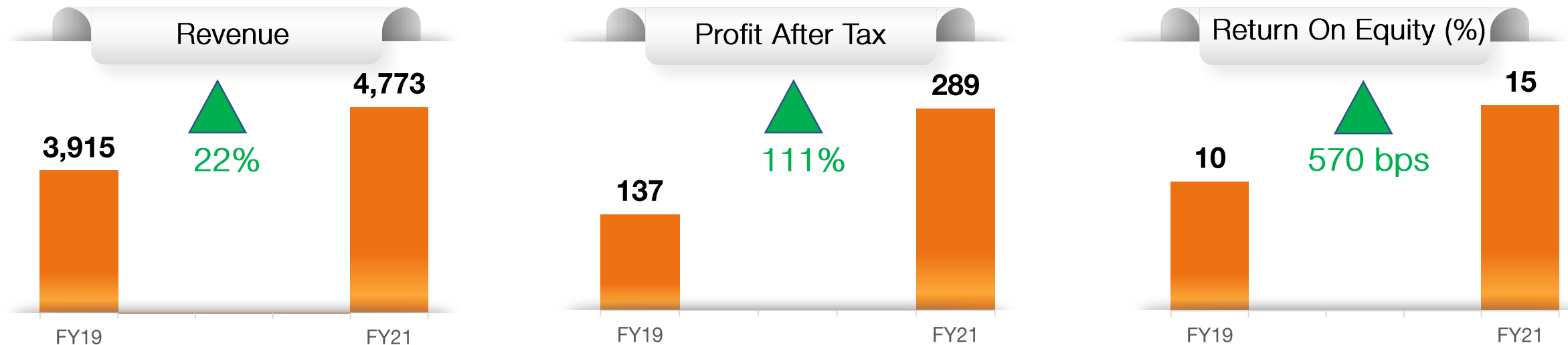
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# Maximizing Shareholders Wealth by Strategic Focus towards Profitable Growth



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 ₹ Crore unless specified  
Revenue Number for FY21 have been reclassified





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Capital  
Allocation Plan



Financial  
& Business  
Segment Update



Right-to-Win  
Strategy



**Key  
Highlights**



Shareholding  
Pattern



Strategic  
Focus

# Q3 FY22 Performance Highlights (YoY)

Basmati & Other Specialty Segment

**23%** ↑

Organic Segment

**17%** ↑

Premium Portfolio

**46%** ↑

Health & Convenience Segment

**73%** ↑



## Q3 FY22 Key Highlights (YoY)

Total Revenue

**21%** ↑

Profit After Tax

**11%** ↑

Gross Profit

**15%** ↑

Earning Per Share

**8%** ↑

EBITDA

**10%** ↑

Finance Cost

**6%** ↓

Profit Before Tax

**10%** ↑

Cash Profit

**13%** ↑



# 9M FY22 Key Highlights (YoY)

Total Revenue

**9%** ↑

Health & Convenience Segment

**48%** ↑

Basmati & Other Specialty Segment

**4%** ↑

Gross Profit

**10%** ↑

Premium Portfolio

**22%** ↑

Gross Profit Margin

**36bps** ↑

Organic Segment

**23%** ↑

PAT

**2%** ↑





# 9M FY22 Key Highlights (YoY)

Book Value Per Share

**15%**



Finance Cost

**27%**



Interest Coverage Ratio

**7.4x**

(from 5.6x)



Debt to Equity

**0.6x**

(from 0.75x)



Current Ratio

**1.78x**

(from 1.65x)



Debt to EBITDA

**2.0x**

(from 2.2x)



Cash Profit

**5%**



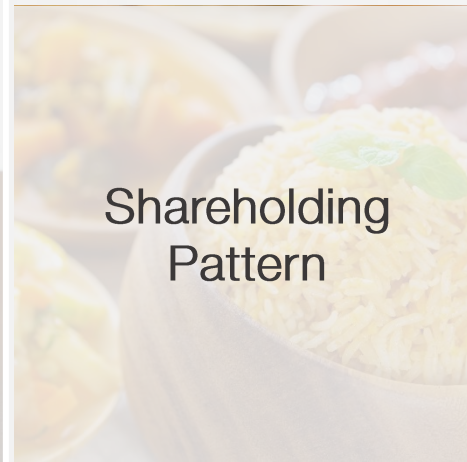
Debt Level

**₹198 Cr.**

(reduction)

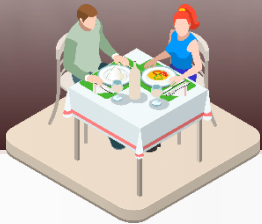


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# Right-to-Win

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



## Strong Global Brands to Provide Superior Consumer Experience

Flagship Brands “Daawat” and “Royal” enjoy leadership positions in India, US and other geographies

Other brands such as Heritage, Devaaya, Gold Seal Indus Valley, 817 Elephant, Rozana also enjoy leadership position in other countries



## 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



## Distribution & Marketing

Well entrenched distribution network in 60+ countries with 1300+ 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.



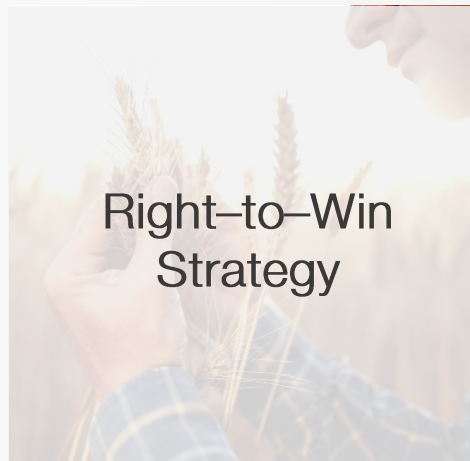
## Culture of Excellence

Resilient implementation of the strategies by LT Group’s Team Members

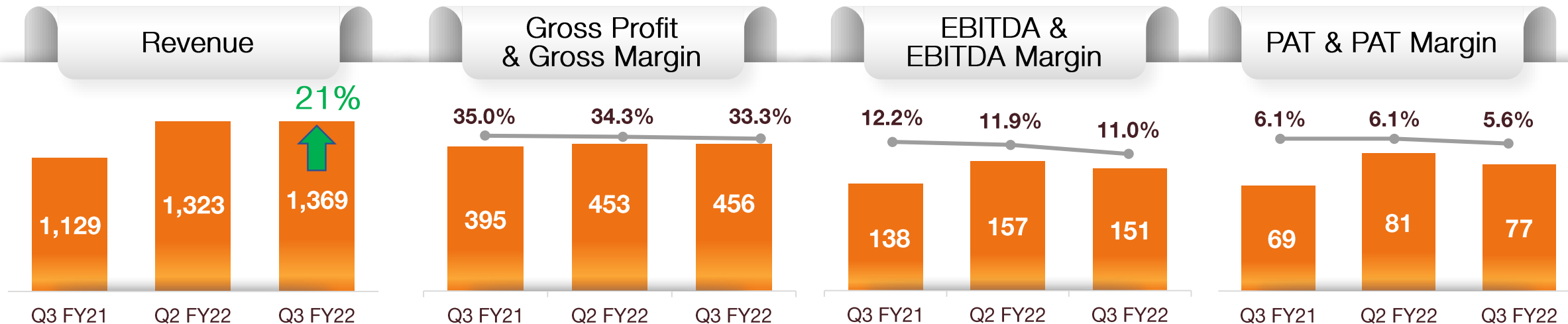
Create a culture of entrepreneurship and winning strategies to achieve the goals of the Company



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# Q3 FY22 – Financial Update



Revenue up 21% y-o-y basis aided accelerated brand investments across all 3 business segments – Basmati & Other Specialty Rice, Organic and Health and Convenience business



Gross Profit increased by 15% y-o-y, Gross Profit Margin declined by 171 basis points due to:  
Change in product mix



EBITDA increased by 10% y-o-y, EBITDA margin declined by 117 bps due to:  
Additional Investments in brands by 70 bps  
Increase in steamer freight expense

But, efficiencies brought in at the Manufacturing level on account of Green Energy initiatives

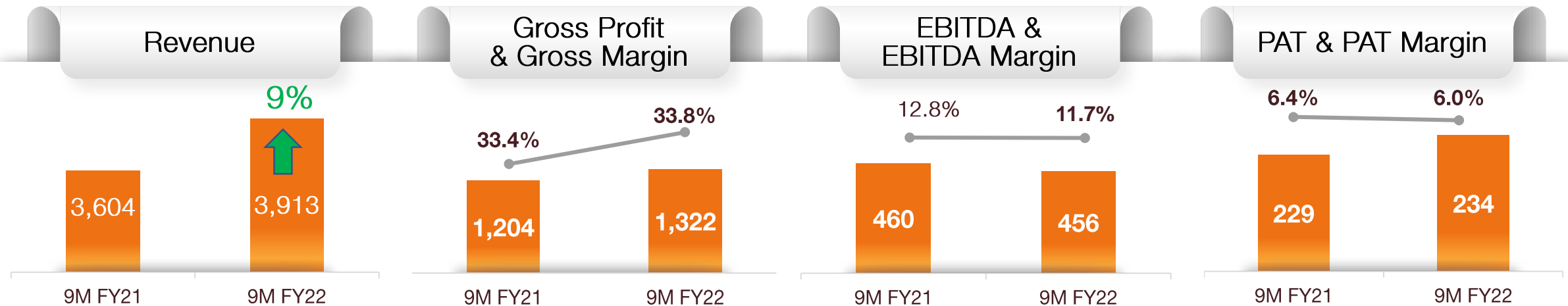


PAT increased by 11% y-o-y, aided by 6% saving in Finance Cost



Cash Profit higher by 13% y-o-y basis at **₹107 Crore**

# 9M FY22 – Financial Update



Revenue up 9% y-o-y basis aided accelerated brand investments across all 3 business segments – Basmati & Other Specialty Rice, Organic and Health and Convenience business



Gross Profit increased by 10% & Gross Profit margin improved by 36 bps y-o-y due to:

Change in product mix



EBITDA Margins declined by 110 bps due to:

Additional Investments in brands by 70 bps

Increase in steamer freight expenses by 110 bps

But, efficiencies brought in at the Manufacturing level on account of Green Energy initiatives



Cash Profit higher by 5% y-o-y basis at **₹322 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 1200+ 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

83%

13%



## Organic Segment



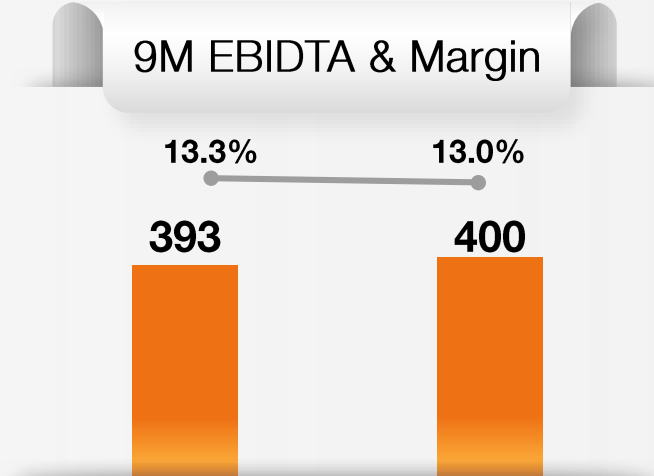
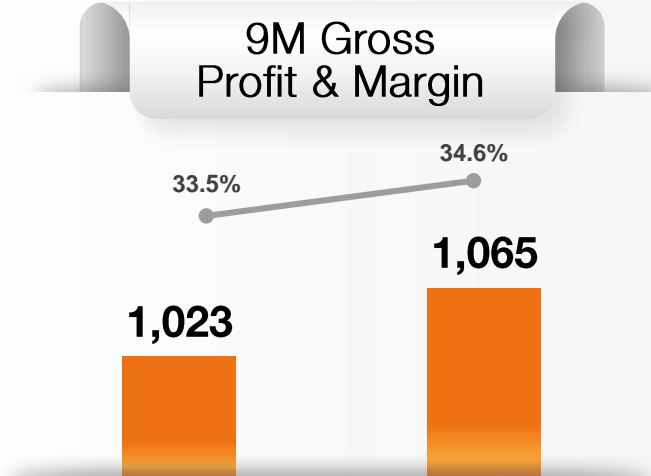
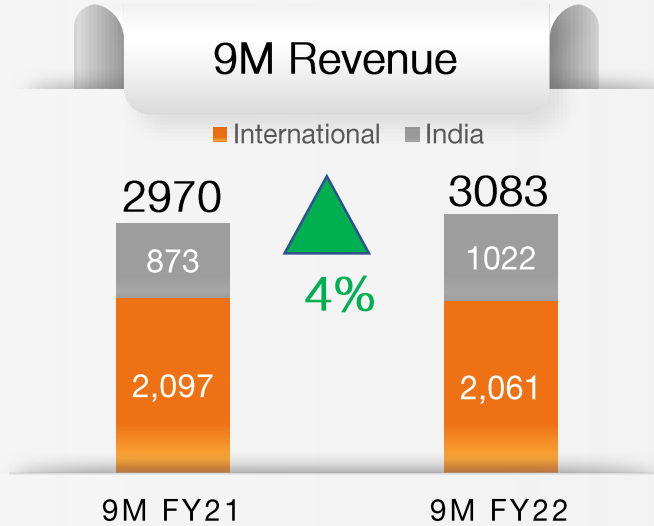
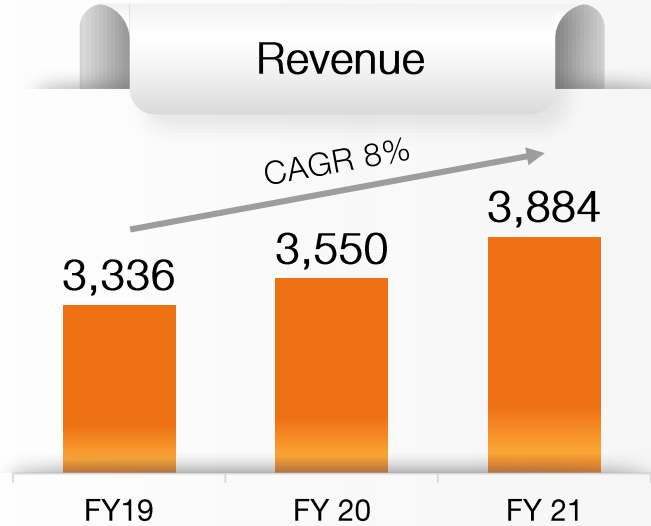
- Contributes c.13% to the overall revenue
- Diversified portfolio comprising of organic rice, cereal grains, soya based products, flour, pulses, oil and oil seeds, nuts, spices, herbs, millets, etc.
- Ground Presence in US & Europe to strengthen local presence in these markets
- Associated with 64,000+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

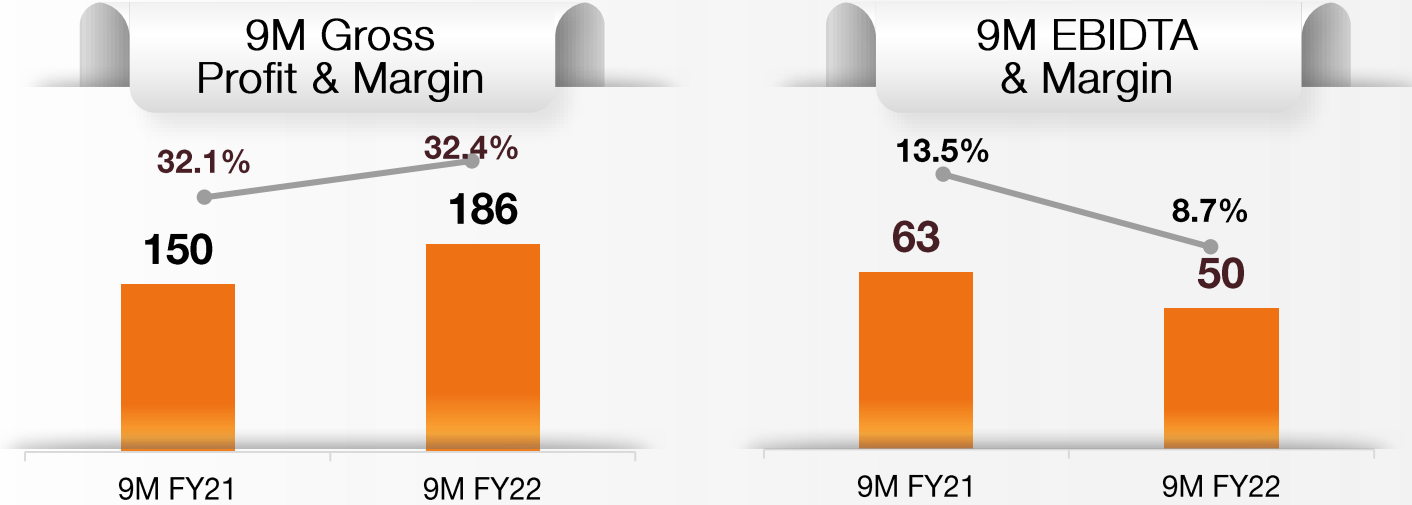
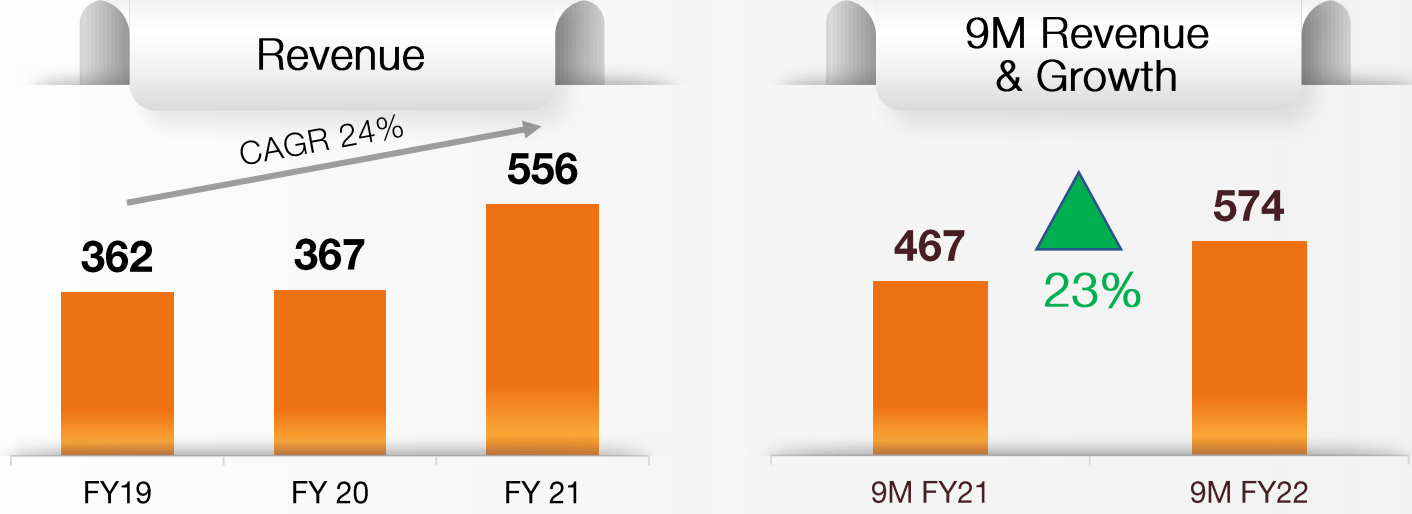


All Figures in ₹ Crore unless specified





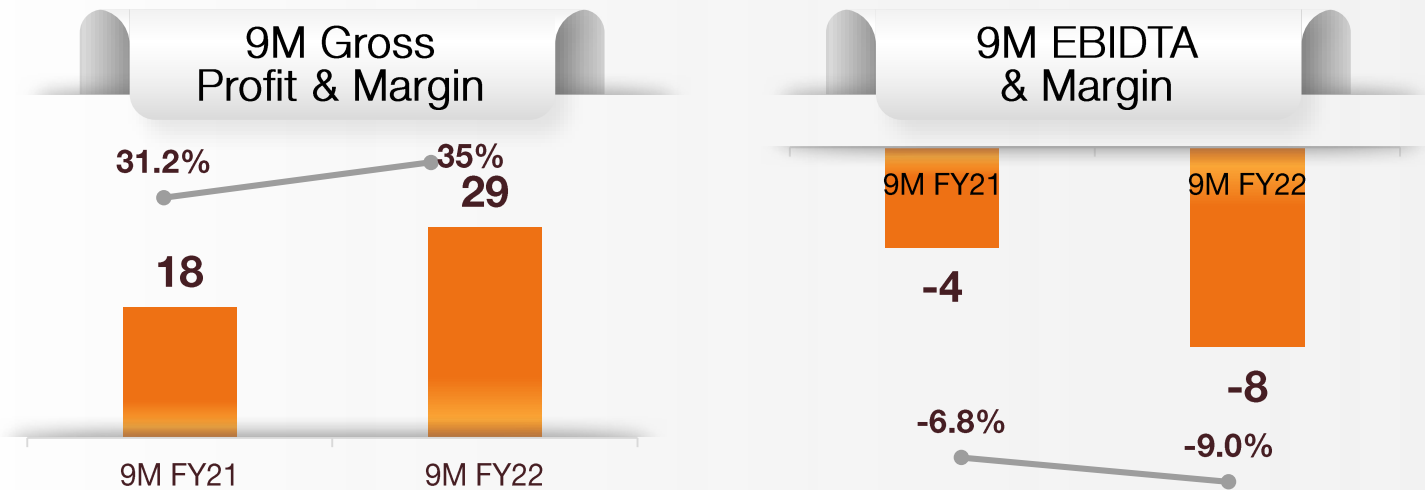
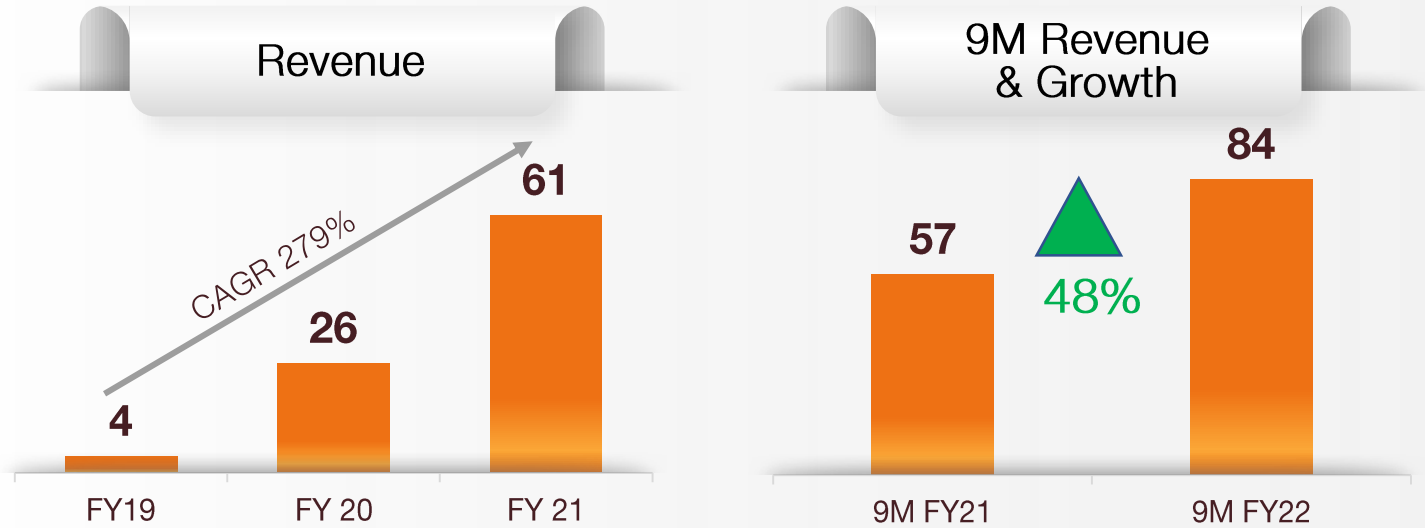
# Segment-wise Update – Organic Segment



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



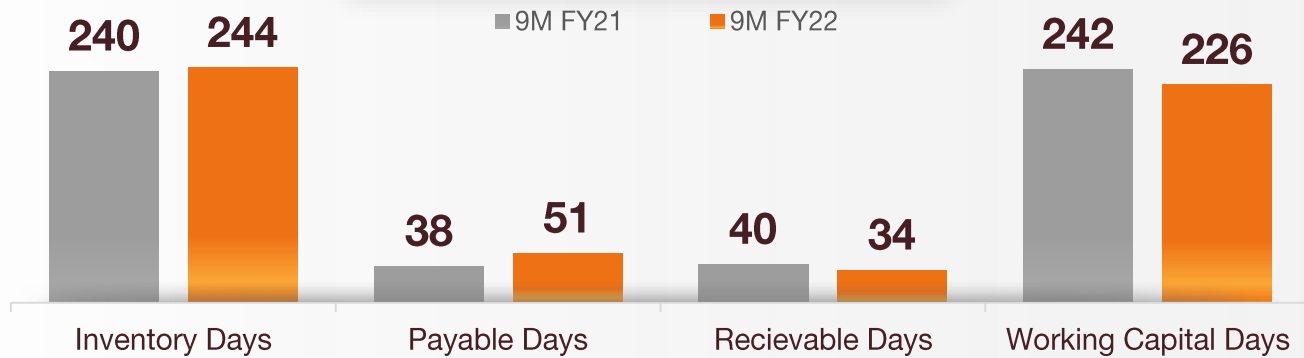
# Segment-wise Update – Health & Convenience Segment



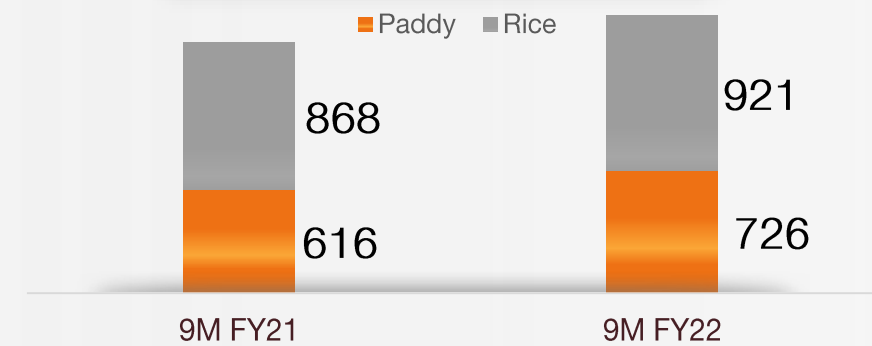
All Figures in ₹ Crore unless specified | EBITDA Margins are negative as this segment is in the Investment phase

# Inventory and Working Capital

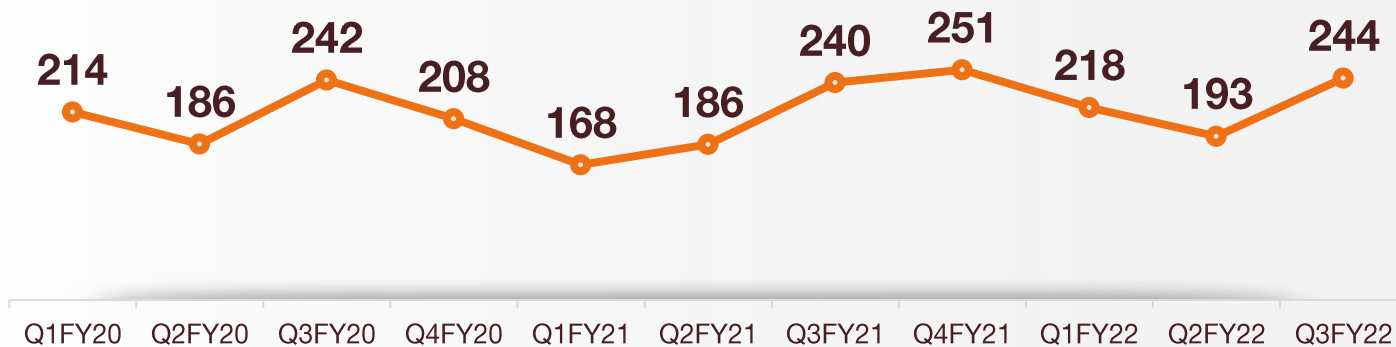
## Working Capital Days



## Inventory Value (₹ Cr)



## Inventory Days

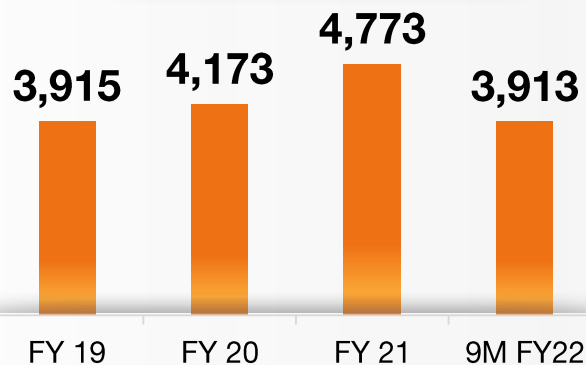


Basmati Rice is aged up to 24 months to enhance & intensify taste, aroma, and cooking characteristics. This requires company to maintain large inventory of paddy & rice.

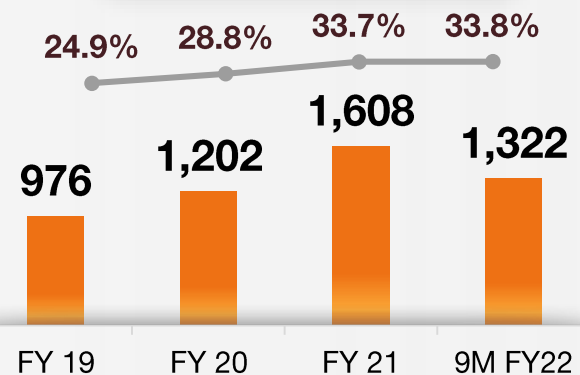


# Key Performance Metrics

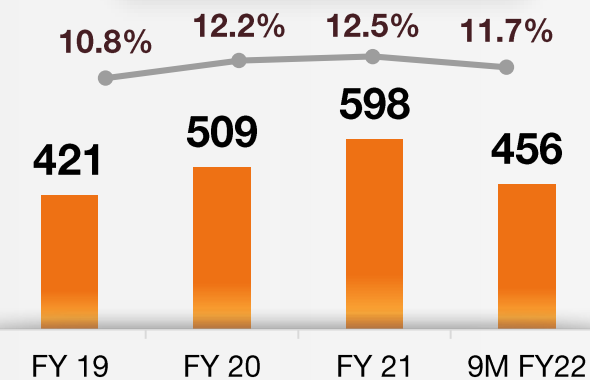
## Revenue



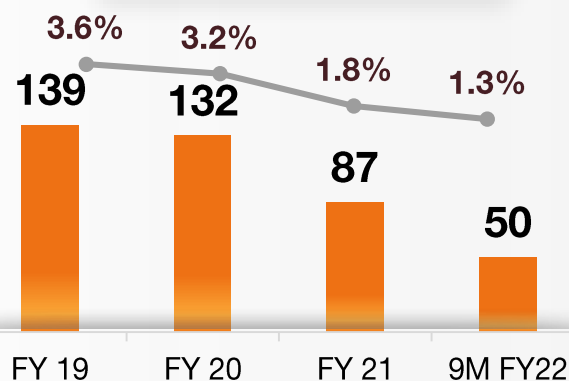
## Gross Profit & Margin



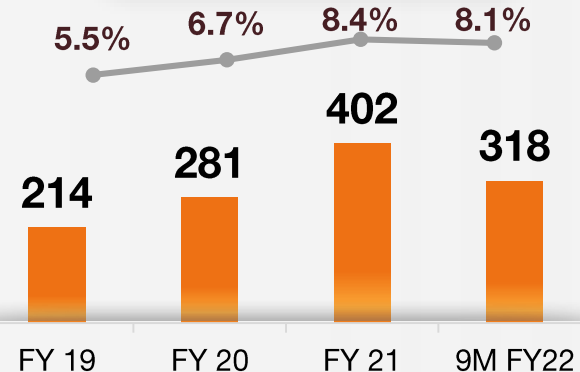
## EBITDA & Margin



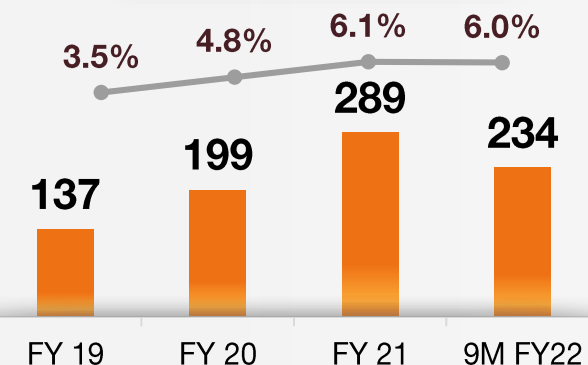
## Finance Cost



## Profit Before Tax & Margin



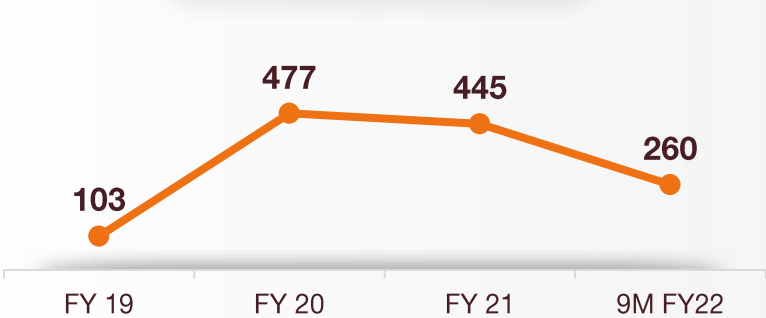
## Profit After Tax & Margin



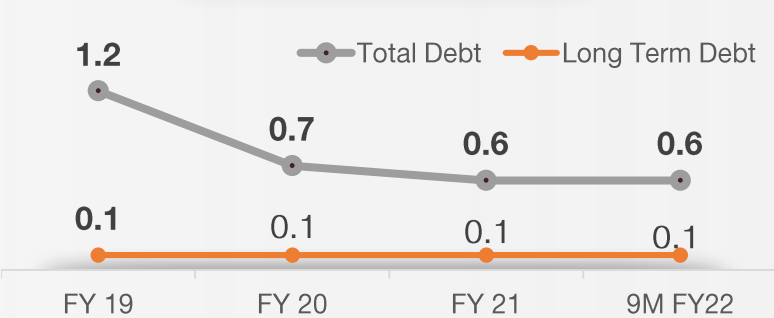


# Key Financial Ratios

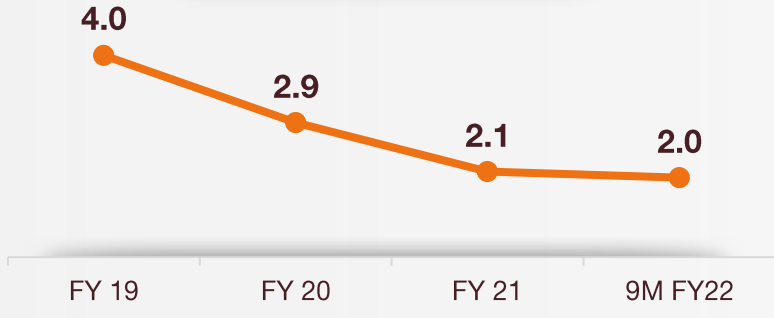
Cash Flow from Operations (₹ crore)



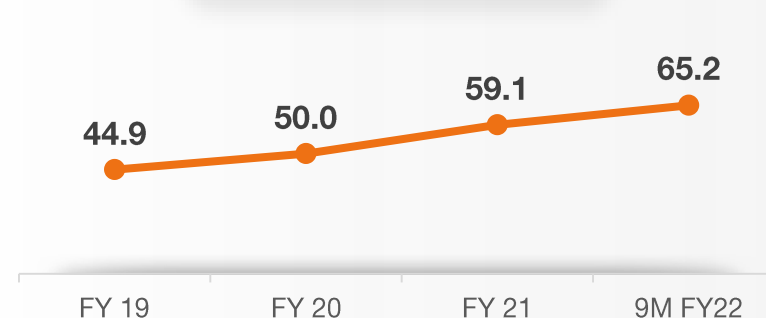
Debt/Equity



Debt EBITDA Ratio



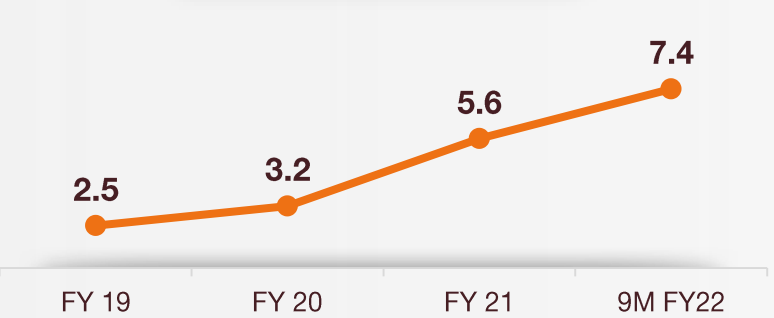
Book value per share (₹)



Current Ratio



Interest Coverage Ratio

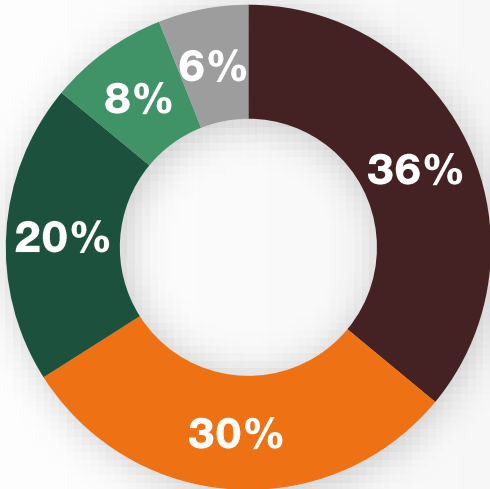


Strength of Balance Sheet being reflected with Strong Credit Rating:  
 A Positive outlook by CRISIL, IND A Positive outlook by Ind-Ra and BWR A+ Stable outlook by Brickwork

# Global Footprint and Diversified Portfolio

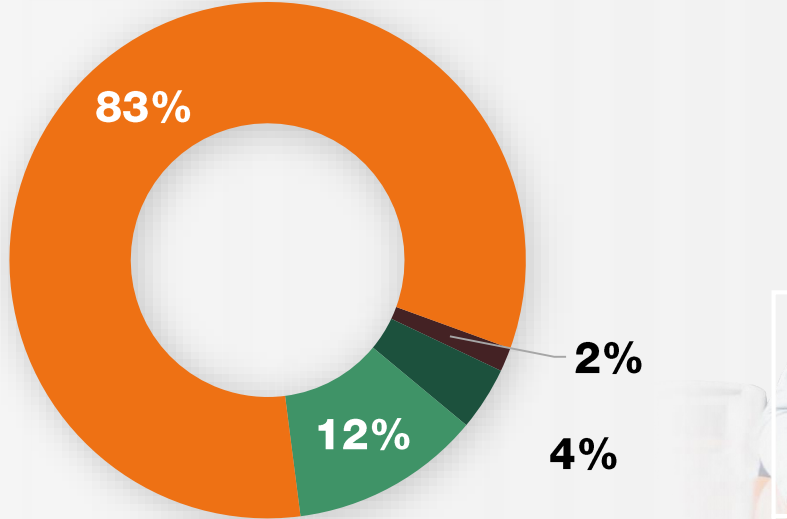
Our diversified market presence as well as our balanced portfolio, serving a wider consumer audience, positions us to capitalize on emerging opportunities in the consumer food business.

FY21 Revenue by geography



- USA
- Europe
- Rest of World
- India
- Middle East

FY21 Revenue by business segment

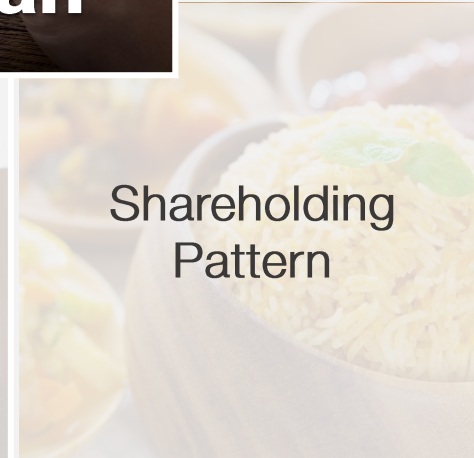
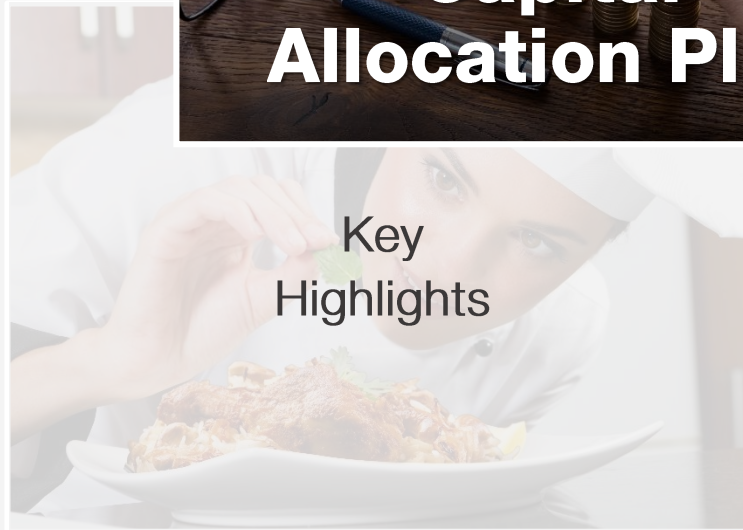


- New Products
- Organic
- Others
- Basmati & Other Specialty Rice

FY 21 Revenue – ₹ 4,773 crore



# Contents





# 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 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

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**Strategic Focus**

# Strategic Focus



## 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 & 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

ROCE **c. 23%**

ROE **c. 20%**

Maximizing shareholders return by creating a Fully Integrated, Global, Sustainable, Predictable, Profitable & Growing Consumer Business



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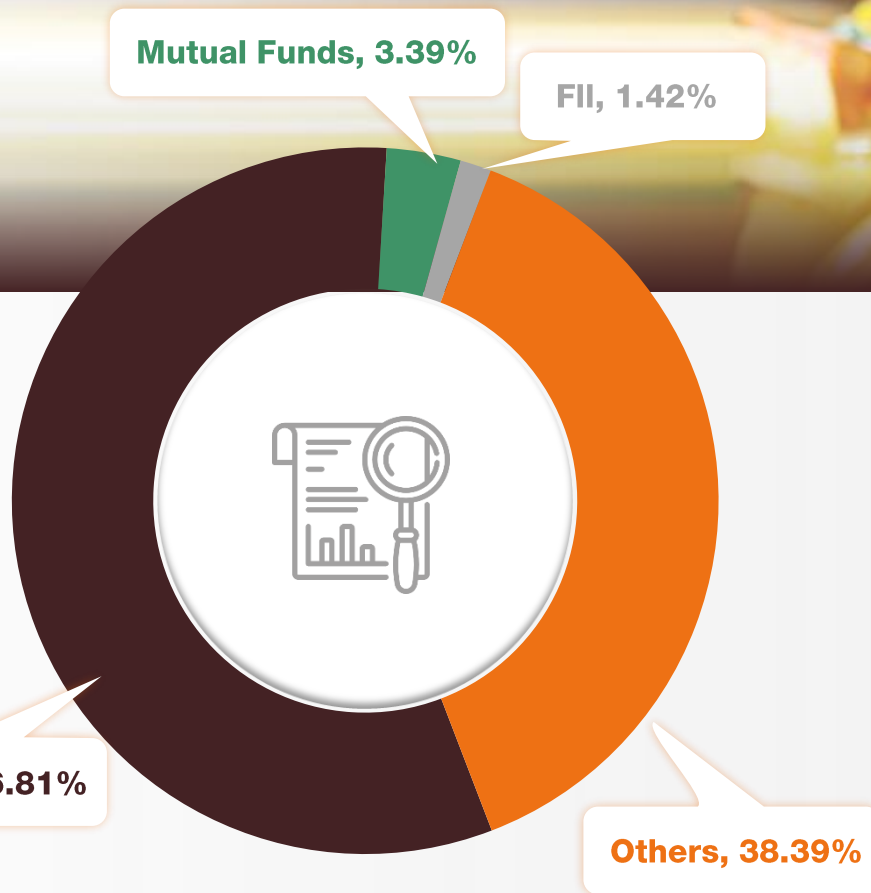


**Shareholding  
Information**



Strategic  
Focus

# Shareholding Information



## Shareholder Information as on Dec 31, 2021


<b>BSE Ticker</b>	▶	532783
<b>NSE Symbol</b>	▶	DAAWAT
<b>Market Cap (₹ Cr)</b>	▶	2,397
<b>% Free- float</b>	▶	43.19%
<b>Free Float Market Cap (₹Cr)</b>	▶	1,035
<b>Shares Outstanding (Cr)</b>	▶	32
<b>Industry</b>	▶	Consumer Food

**Promoter shares are unencumbered**

# Investor Contact

## Ms. Monika Chawla Jaggia

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 0124-3055210

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Sector – 15 Gurugram - 122001

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District Centre, Saket, New Delhi-110017

World of LT Foods



Devaaya

ecoLife



KARIKARI  
JAPANESE PREMIUM SNACKS