

Adani Wilmar Limited

Q1 FY23 - Results

adani
wilmar

For a healthy growing nation

fortune®
edible oils and foods

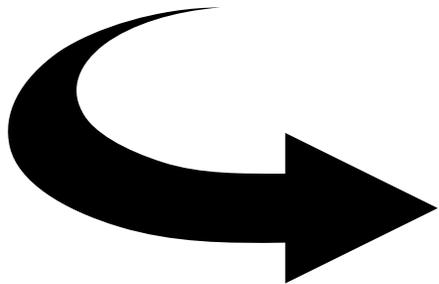
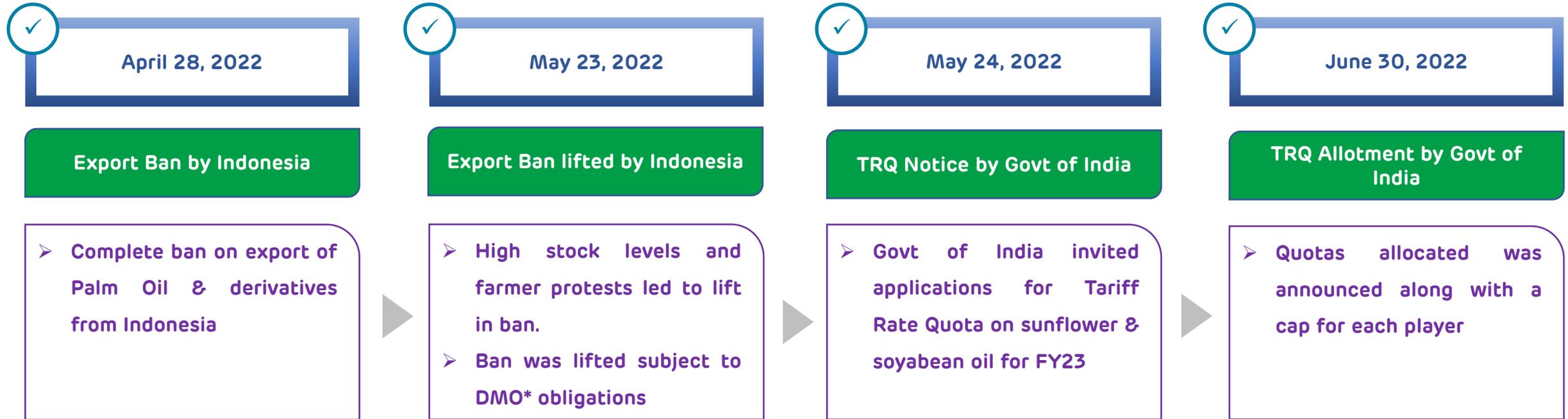


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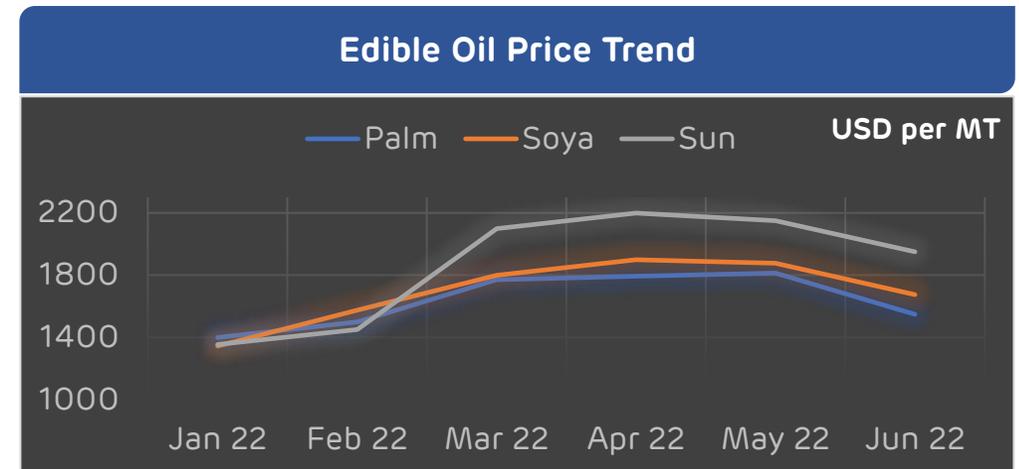
The quarter that was:
Macro Context



Macro Context: Events around Edible Oil Business



On the other hand, markets were volatile



Inflationary pressure led to government interventions in multiple countries with effort to curb domestic prices



Ukraine War

- Disruption at world's largest producer of sunflower oil
- Prolonged shortage led to demand destruction of category



Consumption in Rural India

- Demand in rural areas have seen a decline due to high inflation and extreme hot weather conditions.
- Squeezed household expenses due to price hikes across consumer products (on the back of inflation)
- Recent cool off indicating an uptick in consumption in coming quarters



Wheat Export ban

- Ban in wheat export by India to curb inflation (crop affected due to hot weather)
- Prior to ban, India hoped for record wheat export in FY23

Geo-political situations affecting demand supply of key commodities

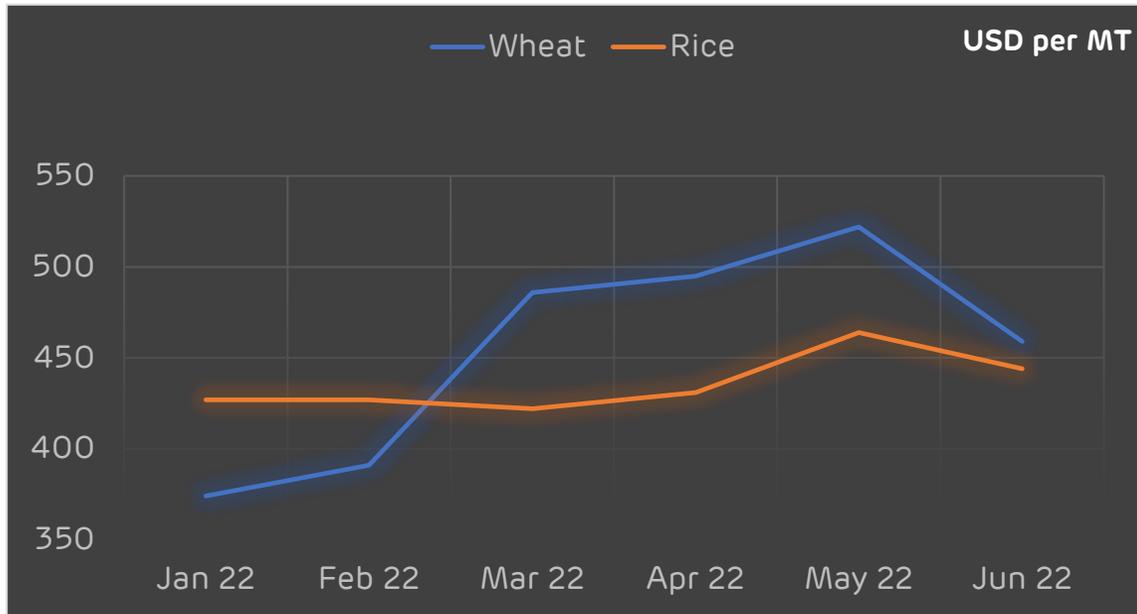
Macro Context: Multiple headwinds weighed on Staples



USD per MT

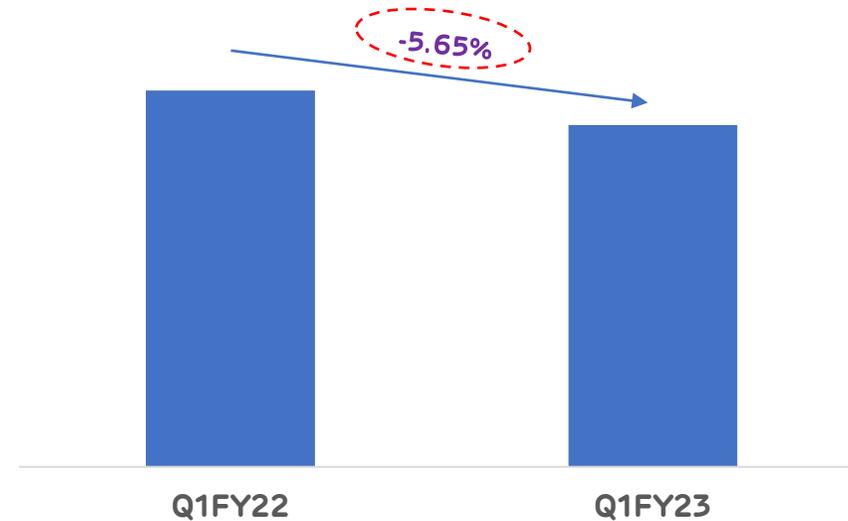


Price Trend in Wheat & Paddy



Consumption trends in Edible Oil

➤ ROCP Industry declined by 5.65% in Q1FY23 on MAT levels



*Refined oil consumer pack

Geo-political situations affecting demand supply of key commodities



Tariff Rate Quota on Edible Oils

- Govt announced 2 MMT each of Soyabean oil & Sunflower oil under TRQ (duty free)
- Quotas allocated with cap of 0.2 MMT per importer
- AWL was allotted 10% quota i.e. 0.2 MMT each of sunflower & soyabean oil



Normal Monsoon

- Normal or above normal monsoon may help with good crop & ease food inflation
- IMD's second stage forecast too suggests a normal monsoon



GST on Pre-Packaged Foods

- GST of 5% on pre-packaged & labelled form of packaged foods
- This is a positive move – enabling level playing for all packaged food players

Recent interventions by Govt have helped cool off prices clubbed with expectation of a good monsoon

The quarter that was: Business Updates



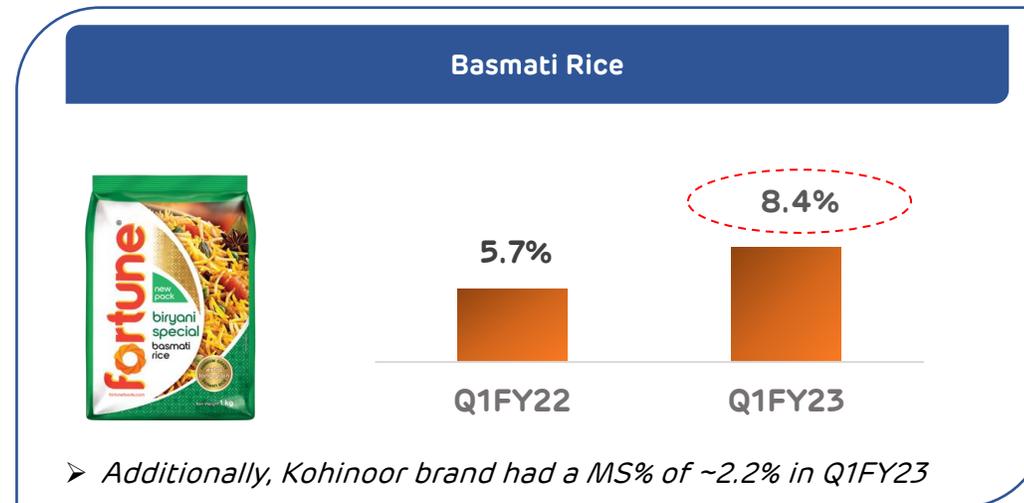
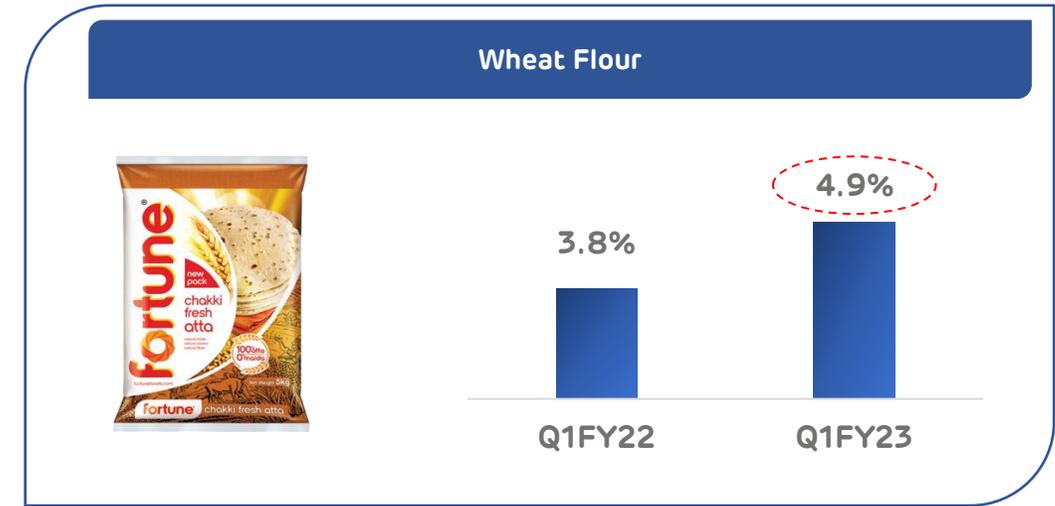
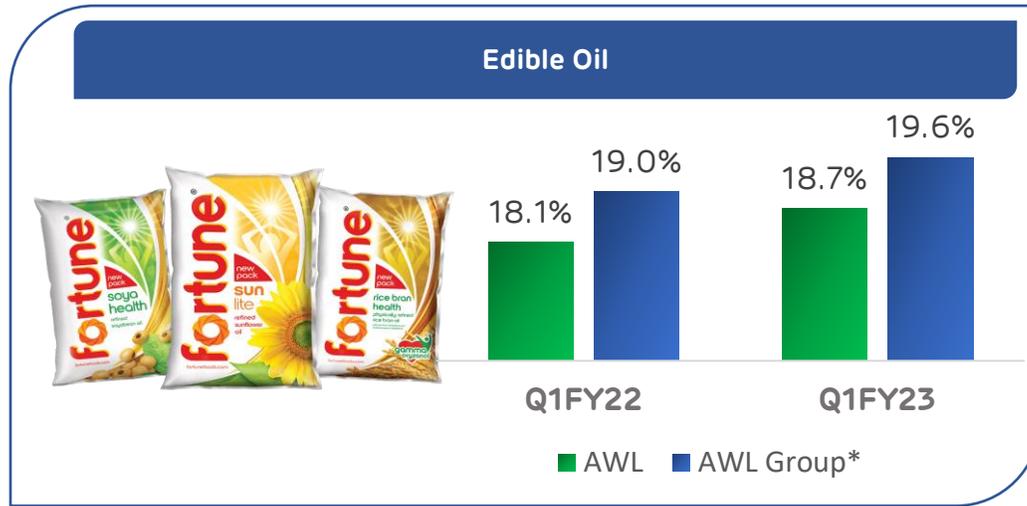


Transaction / Synergies

- Acquired premium basmati brand "**Kohinoor**" including other sub-brands "**Charminar**" & "**Trophy**"
- Brand to help drive premiumization
- Potential to consolidate market share

Updates

- HoReCa brand – "**Trophy**" re-launched in June 2022
- Consumer brands under "**Kohinoor**" to be re-launched in August 2022
- Plan to have a separate marketing strategy for "**Kohinoor**"



Consistent growth in market share across categories

Total Distributors

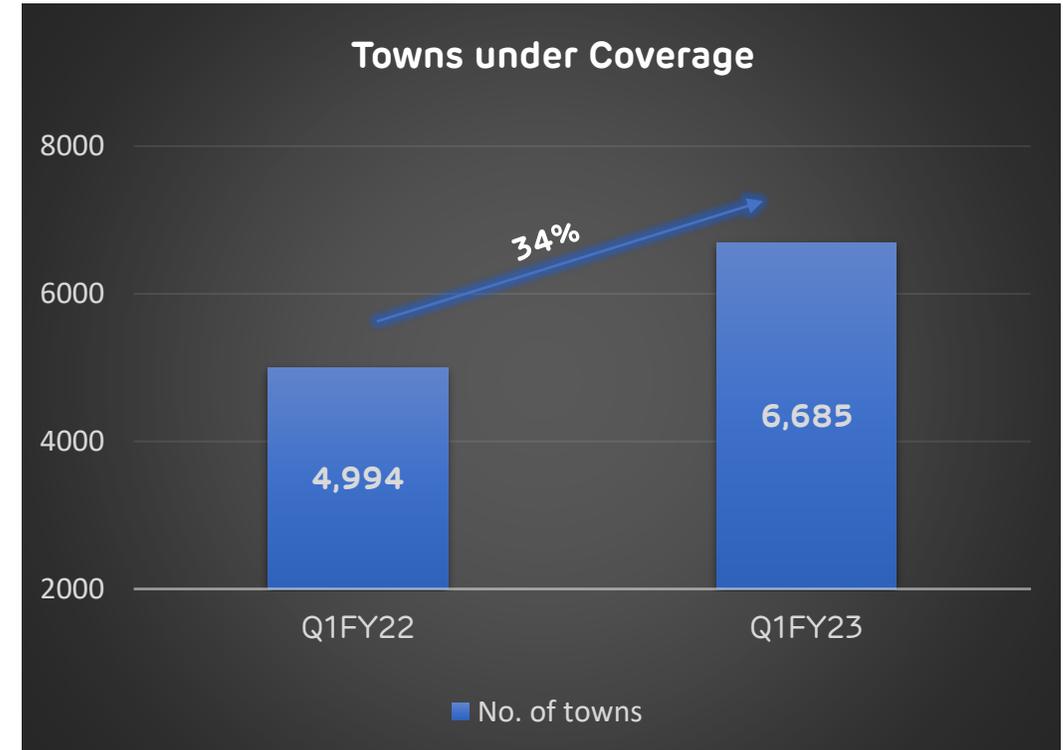
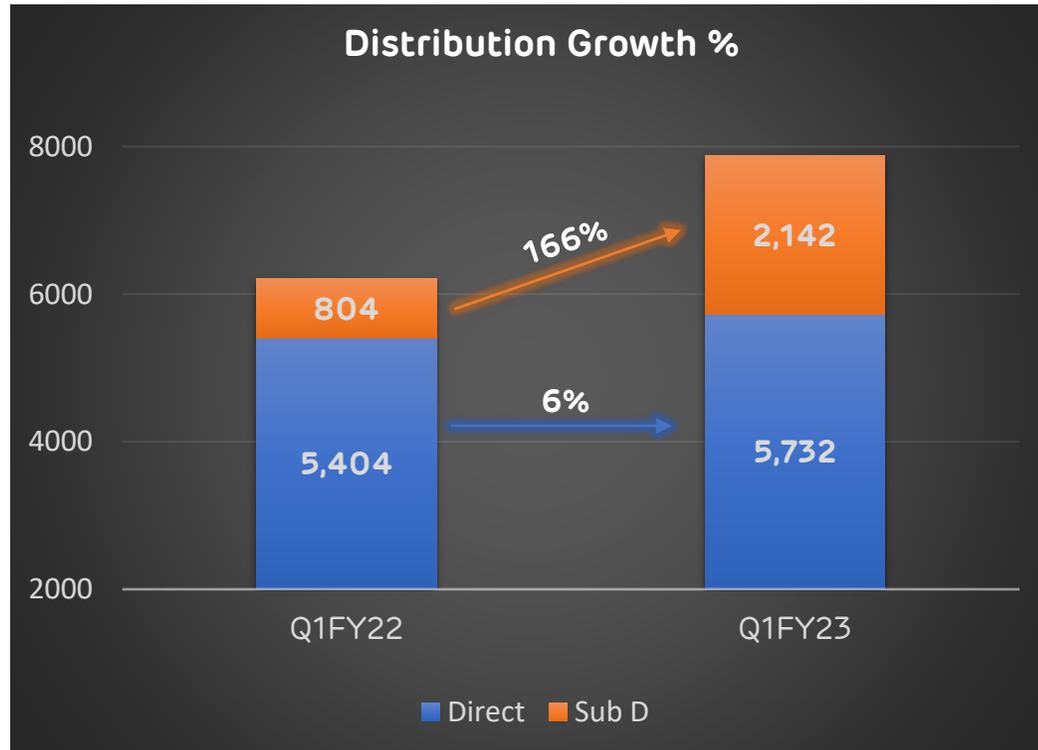
7874*

Total Coverage Towns

6,685*

New Towns Added

1,700 Towns



*Note: Including sub D 's

25

Cities

34

Franchised
Outlets

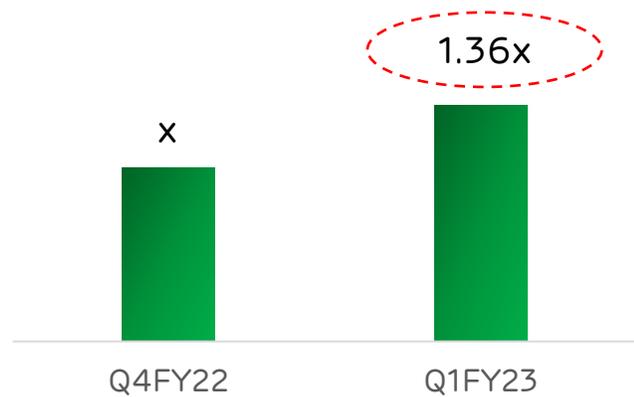
28%

Increase in
Avg Footfall
per month

~75%

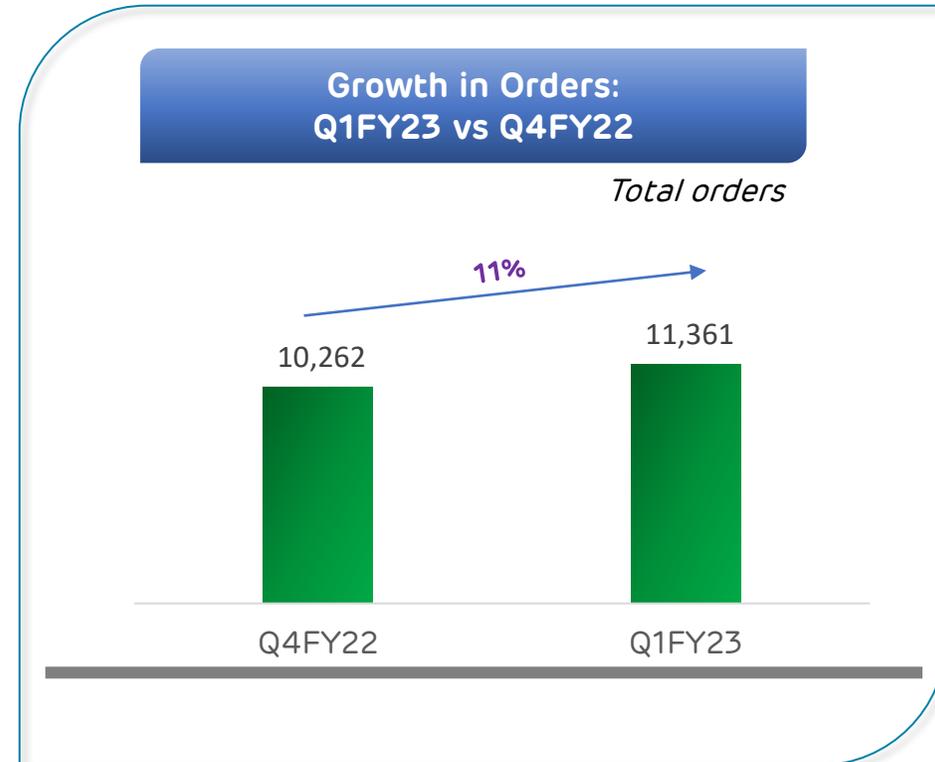
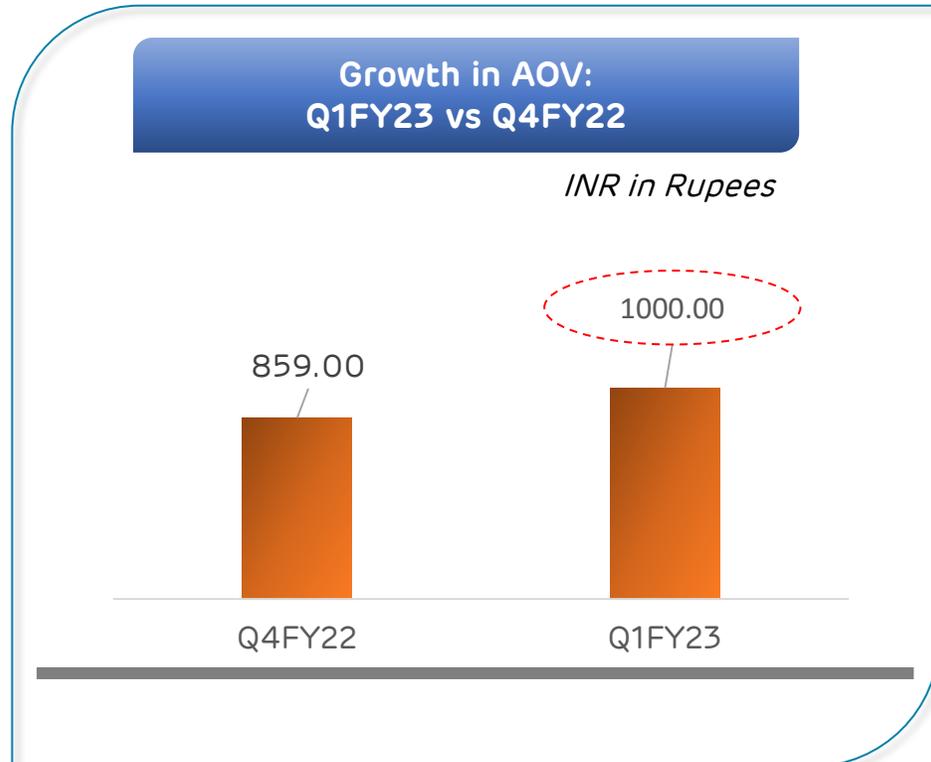
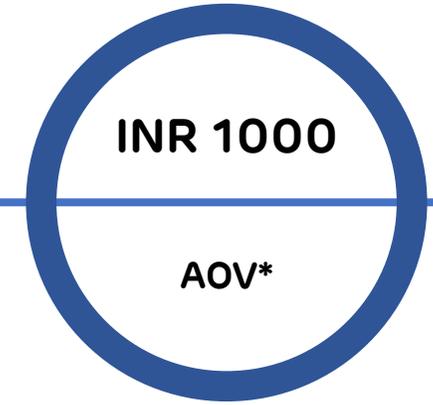
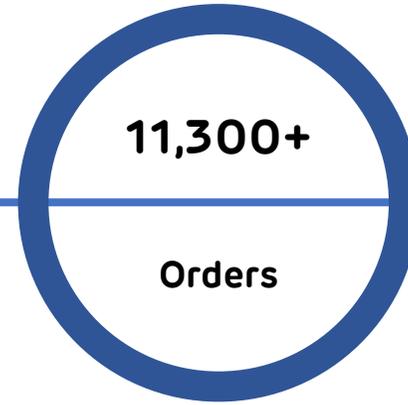
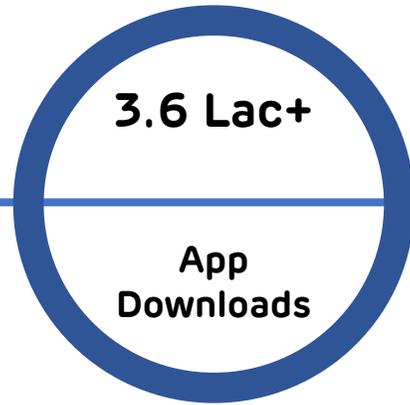
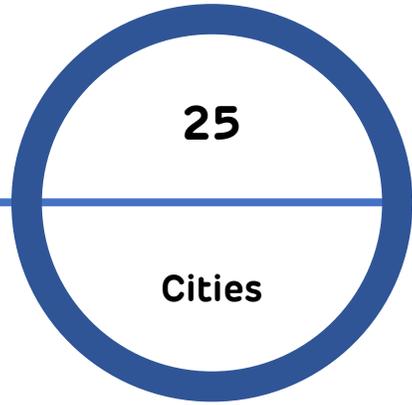
Avg
Conversion

Sales Growth



Plan for FY23

- Plan to open 5 new outlets in Q2 FY23
- Multiple outlets to be opened in major cities to enable fulfilment of online orders (Fortune Online)
- Support to be extended to Fortune Mart stores to grow



*Average Order Value

Edible Oil



Ricebran Oil Refinery



100 Tonnes per day



@ Mantralayam, Andhra Pradesh

Industry Essentials



Continuous Hydrogenation Plant
(Oleochemicals)



300 Tonnes per day



@ Mundra, Gujarat

End-use	Amount Reserved (INR in Crores)	Status	Amount Utilised (INR in Crores)
Repayment of Loans	INR 1059 Cr.	Completely utilized as company has repaid entire long-term borrowing	~INR 1059 Cr.
Strategic Acquisitions	INR 450 Cr.	To make investments in edible oils & foods opportunities	~INR 136 Cr.
Capex	INR 1900 Cr.	Manufacturing facilities	~INR 23 Cr.
General Corporate Purpose	INR 63 Cr.	To be utilized towards brand building, M&A, R&D, etc.	Unutilized (Plan to be utilized over FY23 & FY24)

The quarter that was:
Financial Performance



Particulars	Q1FY23	Q1FY22	Y-o-y Growth %
Revenue	INR 14,784 Cr.	INR 11,369 Cr.	30%
EBITDA	INR 496 Cr.	INR 435 Cr.	14%
PBT	INR 260 Cr.	INR 225 Cr.	16%
PAT	INR 194 Cr.	INR 176 Cr.	10%

Note: Consolidated numbers

Segment Performance



Overall Revenue growth%

30%

Overall Volume Growth %

15%

Edible Oil

Food & FMCG

Industry Essentials

Volume (in MMT)

0.70 MMT

0.19 MMT

0.30 MMT

Y-o-Y Growth %

6% ↑

53% ↑

22% ↑

Revenue

INR 11,519 Cr.

INR 860 Cr.

INR 2,353 Cr.

EBIT

INR 204 Cr.

INR 11 Cr.

INR 202 Cr.

Key Performance Trends – Q1FY23 vs Q1FY22



Overall Volumes CAGR
(over Q1FY21-Q1FY23)



Overall Revenue CAGR
(over Q1FY21-Q1FY23)



Contribution from Rural Sales %



Volume Growth in New Products %*



E-Commerce Volume Growth %



Modern Trade Volume Growth %

*includes Fortune Poha, Khichdi, Sattu, Chunkies, Total Balance oil and Alife Soap

Strategic Priorities



Short-Term Priorities

GTM strategy towards expansion of rural distribution

- GTM strategy to drive higher rural market share

Inorganic Growth Opportunities

- Lookout for brands and assets in the foods space

Grow the core staples business

- Focus on wheat and rice

New product launches & Health and wellness

- Launch new categories focused on health & wellness

Long-Term Priorities

Center of the plate – packaged food products

- Targeting larger food segments with enough headroom to grow

Integrated Business Model

- Derive maximum synergies in the oils and foods business

Build Export Network: Opportunities in branded packaged Foods

- Leverage the overseas demand for Indian packaged food products

Institutional / HoReCa Business

- Leverage the existing HoReCa clientele to offer complete basket of kitchen essentials – Edible Oils, Foods & HPC products

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