Q2 FY23 Results
This presentation contains certain forward-looking statements including those describing the Company’s strategies, strategic direction, objectives, future prospects, estimates etc. Investors are cautioned that “forward looking statements” are based on certain assumptions of future events over which the Company exercises no control. Therefore there can be no guarantee as to their accuracy and readers are advised not to place any undue reliance on these forward looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. These statements involve a number of risks, uncertainties and other factors that could cause actual results or positions to differ materially from those that may be projected or implied by these forward looking statements. Such risks and uncertainties include, but are not limited to: growth, competition, acquisitions, domestic and international economic conditions affecting demand, supply and price conditions in the various businesses in the Company’s portfolio, changes in Government regulations, tax regimes and other statutes, and the ability to attract and retain high quality human resource.
Macro Economic Context
Global Macro headwinds

High Inflation + High Interest rates ➔ Growth Slowdown

Rising Inflation

<table>
<thead>
<tr>
<th>Region</th>
<th>Sep'22</th>
<th>Sep'21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Euro Area</td>
<td>10.0%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Germany</td>
<td>10.0%</td>
<td>4.1%</td>
</tr>
<tr>
<td>US</td>
<td>8.2%</td>
<td>5.4%</td>
</tr>
<tr>
<td>China</td>
<td>2.8%</td>
<td>0.7%</td>
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</table>

Source: Statista, Trading Economics

Lower growth Outlook for 2022 (GDP % y-o-y)

<table>
<thead>
<tr>
<th>Region</th>
<th>Apr'22</th>
<th>July'22</th>
<th>Oct'22</th>
</tr>
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<tr>
<td>World</td>
<td>3.6</td>
<td>3.3</td>
<td>3.8</td>
</tr>
<tr>
<td>Advanced Economies</td>
<td>3.2</td>
<td>2.5</td>
<td>3.6</td>
</tr>
<tr>
<td>Emerging Economies</td>
<td>3.2</td>
<td>2.4</td>
<td>3.7</td>
</tr>
</tbody>
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Source: IMF WEO, Oct’22

US Interest rates: Steepest rise in history

Dollar Index at a 20 year high (DXY)

Source: Visual Capitalist

Source: Reuters

Lower growth Outlook for 2022 (GDP % y-o-y)

Source: Statista, Trading Economics

Dollar Index at a 20 year high (DXY)

Source: Visual Capitalist

Source: Reuters
India  Persistently high Inflation

CPI, Core CPI (% y-o-y)

FY23 Inflation estimates revised upwards (% y-o-y)

FY23 GDP growth estimates revised downwards (% y-o-y)

Downward revision to GDP Estimates

Interest Rates on the rise (%)

Source : MOSPI

Source : RBI, Fed

Source : Analysts Reports
External headwinds weigh on macro outlook

All major currencies depreciated Vs. USD (Jan – Sep’22)

Trade Deficit; Q1 FY23 CAD highest since Sep’18 ($bn)

Net FII flows ($bn)

RBI Forex Reserves ($bn)

Source: Bloomberg, MoC and RBI

Source: RBI, NSDL
Bright Spots

Normal monsoon | Stable tax collections | Credit growth pickup

Stable GST collections (Rs. Lakh crore)

Net Direct Tax collections (Rs. Lakh crore)

Rainfall +6% LPA (1st Jun’22 – 30th Sep’22)

Source: IMD

Source: RBI

Source: MoF

Source: CGA

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India Macro

Key Positives
- Pickup in economic activity continues
- Tax collections stable
- Pickup in credit growth
- Structural Interventions by Govt./Institutions

Key Monitorables
- High Inflation
- Rising interest rates
- Capex cycle yet to pick up
- Rising Current Account deficit / Currency Depreciation
- Global Macro Headwinds
Q2 FY23 Results
Headline Financials & Business Highlights
Key Highlights: Q2 FY23

Strong performance continues across segments

- Gross Revenue: +27.1%
- EBITDA: +27.1%
- Overall Segment PBIT Margin (ex – Agri Business): 37.3% ▲ 150 bps
- PAT: ▲ 20.8%
- EPS: ▲ 20.3%

For the quarter ended 30th Sept, 2022, YoY change
Key Highlights: Q2 FY23

- **Strong and broad-based growth in FMCG – Others** across markets & channels; Segment Revenue up 21.0% YoY, at appx. 1.5x of Q2 FY20
  - *Staples & Convenience Foods and Discretionary/Out of Home categories drive growth*
  - *Education & Stationery Products Business continues to witness strong traction*
  - *Segment EBITDA margin at 9.5% (-50 bps YoY; +170 bps QoQ) – severe inflationary impact mitigated through multi-pronged interventions*

- **Stability in taxes on Cigarettes**, backed by deterrent actions by enforcement agencies, enable continued volume recovery from illicit trade
  - *Segment Revenue up 23.3% YoY; Segment PBIT up 23.6% YoY*

- **Hotels** Segment Revenue up 81.9% YoY and 25.6% over Q2 FY20
  - *ARR and Occupancy ahead of pre-pandemic levels*
  - *Segment EBITDA at 156 cr. (up 138 cr. YoY and 68 cr. over Q2 FY20); Segment EBITDA Margin at 29.0%*
Key Highlights: Q2 FY23

- **Robust growth in Agri Business; Segment Revenue up 44.0% YoY**
  - *Wheat, Rice and Leaf Tobacco exports*

- **Paperboards, Paper & Packaging Segment continues to deliver strong performance; Segment Revenue up 25.0% YoY**
  while Segment PBIT up 54.0% YoY; Segment PBIT margins at 27.5%
  - *Strong demand across end-user segments; sustainable products portfolio continues to be scaled up*
  - *State-of-the-art Packaging & Printing facility at Nadiad, Gujarat commenced operations during the quarter*
  - *Integrated business model, Industry 4.0 initiatives, strategic investments and proactive capacity augmentation enable margin expansion amidst commodity price escalation*
ITC Next Strategy

Future Ready | Consumer Centric | Agile

Multiple Growth Drivers

- Best fit - market opportunity & enterprise strengths
- Disruptive models: Digital / Sustainability + Institutional Strengths

Innovation and R&D

- Agile & purposeful innovation to win
- Science-based research platforms embedding Sustainability

Cost Optimization

- Structural interventions across value chain

Sustainability 2.0

- Bolder ambition
- Environmental Capital
- Inclusive growth

Digital

- Future tech enterprise
- Digital first culture
- Smart Eco System

World-Class Talent

- ‘Proneurial’ spirit
- High Performance, Nimble and Customer-centric Culture
- Diversity & Inclusion
FMCG Others – Q2 FY23

- **Strong and broad-based growth across markets and channels**
  - Strong growth in Staples & Convenience Foods (Biscuits, Atta, Noodles) and Discretionary/Out-Of-Home categories (Snacks, Beverages, Fragrances, Agarbatti, Frozen Foods)
  - ‘Fiama’ & ‘Vivel’ range of Personal Wash products performed well; Hygiene portfolio subdued but remains significantly above pre-pandemic levels
  - Education & Stationery Products Business continues to witness strong traction

- **Growing presence in emerging channels**
  - Rapid growth in E-Com / Quick Commerce / Modern Trade / Institutional channels

**Dynamic ‘Future-Tech’ enterprise**

- Smart Consumer
- Smart Trade
- Smart Supply Chain & Mfg.
- Smart Employee Experience

**Market Coverage**

- **Direct outlet servicing**
  - 1.3x ^

- **2x ^**

**OFMCG Segment Revenue**

- Segment Revenue up 21.0% YoY at ~1.5x of Q2 FY20

**Scaling up D2C**

- Operational in 14 cities
- 700+ FMCG products
- 45+ categories

**Supporting startups in the D2C space**

- [http://www.itcstore.in](http://www.itcstore.in)
- [https://classmateshop.com/](https://classmateshop.com/)

Creative Product personalisations

^ of pre-pandemic levels
FMCG Others – Q2 FY23

- **Segment EBITDA Margin at 9.5% (Q2 FY22: 10.0%)**
  - Sequential improvement of 170 bps

- Sharp escalation in input costs mitigated through **multi-pronged interventions**:
  - Strategic cost management, premiumisation, supply chain agility, judicious pricing actions, fiscal incentives and digital

**Segment EBITDA +15% YoY**
More than doubled over Q2 FY20
Creating Structural Competitive Advantages

World Class Distributed Infrastructure
Scale | Productivity | Costs

Solar Plant, Dindigul

ICML Trichy

Quality, Hygiene & Freshness

Responsive Supply Chain

Co-hosted Automated Warehouses

10 ICMLs Operational

ICML Medak

Diversity & Inclusion: Industry leading gender diversity

AMLF: Ancillary Manufacturing cum Logistics Facility
ICML: Integrated Consumer Goods Manufacturing and Logistics Facility
Driving Cost Agility & Productivity

Remove | Reduce | Re-engineer

Manufacturing
Industry 4.0
TPM
Lean, Six Sigma

Smart Buying
AI/ML engines for Smart Buying
Import Substitution
Localised Sourcing

Overheads
Zero based budgeting
Yield Improvement

Digitalisation across nodes

Next Generation Agile Supply Chain
Network Optimization (AI/ ML Enabled)
Direct to Market
ITC One Supply chain
Smart Transportation
Delaying Operations
Smart Last Mile Execution

Marketing Efficiency & ROI
Trade Schemes Optimisation
Market-mix Modeling
Channel Profitability
Focused market/product approach

Input Optimisation
Innovation – Packaging, Raw materials, Recipes / Blends

ICMLs

ICML - Integrated Consumer Goods Manufacturing and Logistics facilities
## Addressing Emerging Consumer Need Spaces with Agility

<table>
<thead>
<tr>
<th>Product Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aashirvaad Meri Chakki Atta</td>
<td>Pick Your Mix</td>
</tr>
<tr>
<td>Bingo! Snacks</td>
<td>Differentiated Flavors &amp; Textures</td>
</tr>
<tr>
<td>Mom’s Magic</td>
<td>Centre Filled with Cashews &amp; Molten Butter Creme</td>
</tr>
<tr>
<td>Sunfeast Dark Fantasy</td>
<td>Premium Filled Cookies</td>
</tr>
<tr>
<td>Fiama Charcoal &amp; Grapefruit</td>
<td>Deep Clean Gel Bar</td>
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<tr>
<td>Nimyle Power</td>
<td>Power of Neem</td>
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<tr>
<td>Classmate Interaktiv</td>
<td>Augmented Reality Notebooks</td>
</tr>
<tr>
<td>Mangaldeep 3in1</td>
<td>Deetyaa</td>
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<tr>
<td>Mangaldeep Dhuno Cups</td>
<td>Authentic Dhunachi Experience</td>
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</tbody>
</table>

### Robust innovation pipeline

- Premium Filled Cookies
- Differentiated Flavors & Textures
- Augmented Reality Notebooks
<table>
<thead>
<tr>
<th>Aashirvaad Nature’s Super Foods</th>
<th>Roasted Vermicelli</th>
<th>Aashirvaad Svasti</th>
<th>Aashirvaad Svasti Milk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gluten Free &amp; Multi Millet Mix</td>
<td>No Added Preservatives</td>
<td>Organic Cow Ghee</td>
<td>Select Milk Easy Digest Milk (Lactose Free)</td>
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</tbody>
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<tr>
<th>Aashirvaad Salt Proactive</th>
<th>Farmlite Digestive</th>
<th>Sunfeast Kids Dailyshake</th>
<th>B Natural</th>
<th>Sunfeast Nutrilite</th>
<th>Master Chef</th>
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<tbody>
<tr>
<td>Better Heart Health</td>
<td>Goodness of Whole Wheat</td>
<td>23 Vitamins and Minerals</td>
<td>Health Range</td>
<td>IncrEDIBLY VegAN</td>
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</tbody>
</table>
Building Brands with Purpose

#Farmerettes

Supporting Women Farmers

A Better World

Generating awareness amongst children about environmental concerns

Eco-Friendly India Mission

State Level Inter School Quiz Competition

3000+ Schools

6000+ students

Creating awareness and driving consciousness to save the environment
Leveraging Festive Occasions

Aashirvaad 'Aamar Maa' pandal: A Tribute to fearless, strong, compassionate mothers
Real life mothers visiting the pandal projected as Maa Durga

Mangaldeep 3in1 Agarbatti
Aashirvaad Svasti Celebrating Sadhya Meal of Onam

Aashirvaad associates with Rath Yatra

Sunfeast Dark Fantasy Ganesh Chaturthi
Sunfeast Marie Raksha Bandhan
Expanding Reach in Emerging Channels

Winning in Emerging Channels

- Modern Trade
- Fast-tracking E-Com, D2C, Cash & Carry
- Aashirvaad Svasti Organic Cow Ghee
- Sunfeast Kids Dailyshake
- Mangaldeep Temple
- Engage Moderna Range

New Routes to Market

- Direct Marketing
- On the Go
- Strategic Partnership
- QSR

Channel Specific Launches

- E-Com | Modern Trade | Strategic Tie-Ups

Climate Controlled Supply Chain

- Dairy | Frozen | Chocolates
Leveraging **Digital** to expand reach

**eB2B: UNNATI**

**VIRU: Virtual Salesman**

**VISTAAR: Rural App**

**Project Zen**

**Over 4.4 lakh Outlet penetration**

Next Generation Agile FMCG Supply Chain
**FMCG Cigarettes – Q2 FY23**

**Segment Revenue**

6954 cr. ▲23.3%

**Segment Results**

4429 cr. ▲23.6%

- Net Segment Revenue* up 23.4% YoY; Segment PBIT up 23.6% YoY
- *Net of Excise Duty/NCCD on Sales
- Innovation & democratising premiumisation across segments
- Portfolio Vitality | Product Accessibility | Execution Excellence
  - Recent launches continue to gain traction
  - Market standing continues to be reinforced through focused portfolio/market interventions and agile execution
  - Robust growth across regions & markets

Stability in taxes, backed by deterrent actions by enforcement agencies, enable continued volume recovery from illicit trade
FMCG Cigarettes

Reinforcing market standing

**Innovation**
- Classic Connect
- American Club Clove Mint
- Gold Flake Indie Mint
- Gold Flake Neo
- Capstan Fresh

**Portfolio Fortification**
- Gold Flake Neo SMART Filter
- Navy Cut Deluxe
- Player’s Gold Leaf Chase
- Gold Flake Star

**Recent Introductions**
- Classic Verve Balanced Taste
- Gold Flake Kings Mixpod
- American Club Smash
- Gold Flake Smart Mintz
- Wills Fab
- Wills Protech
- Wave Boss
- Flake Nova

**Other Interventions**
New variants of Flake Excel, Wills Navy Cut Filter, Berkeley Hero in focus markets.

5s Packs -
Gold Flake Premium and Capstan Special
Hotels – Q2 FY23

**Segment Revenue**
536 cr.  
(+81.9%; 1.3x of Q2FY20)

**Segment EBITDA**
156 cr.  
+138 cr. YoY  
+68 cr. over Q2 FY20

- **ARR and Occupancy** ahead of pre-pandemic levels; Retail, Leisure, Weddings and MICE drive growth
- **Segment EBITDA margin** at 29.0% (Vs. 20.4% in Q2 FY20); margin expansion driven by higher RevPAR, operating leverage and structural cost interventions
- **ITC Narmada**, a luxury 291-key hotel in Ahmedabad launched in Aug’22
- Healthy pipeline of properties under **Welcomhotel, Mementos, Storii** and **Fortune**; phased openings over the next few quarters
- **Welcomhotel Bengaluru** received **LEED® Zero Carbon Certification** - 4th in the chain

**Economic Times**
Sustainable Organisation Award 2022  
**ITC Grand Central**

**Tamil Nadu Tourism Awards 2022**
Best Classified Hotel: 5 Star  
**ITC Grand Chola**

**Stellar performance across properties**  
Segment Revenue up 25.6% over Q2 FY20
ITC Narmada launched in Aug’22

LEED Platinum Certification - 1st in Gujarat

Responsible Luxury
Executing ‘Asset Right’ Strategy

Two launches during the quarter

- Stori Shanti Morada, Goa
- Stori Amoha Retreat, Dharamshala

Healthy Pipeline of Management Contracts

Phased openings over the next few quarters

- Mementos Udaipur
- Welcomhotel Corbett
Special Occasions leveraged to drive demand

75 Year Celebration
Celebrating the generation which built the nation with a special culinary offer.
Pay 75% of your bill if accompanied by a guest aged 75 years or more.
Valid on August 13 - 15, 2022

Flavours of Freedom
Celebrate the momentous occasion with a special Independence day lunch and dinner buffet across all ITC Hotels and WellnessHotels.
Valid on August 15, 2022

The Taste of Freedom
Pay 75% on all food delivery and takeaway orders placed on the ITC Hotels App using the multi-use promo code Independence.
Valid on August 13 - 15, 2022

Celebrate the Joy of Freedom
Save up to 50% on your stays on booking ITC Ora, Junea and equivalent brands at participating hotels.
Book before August 16, 2022 for stays up to August 31, 2022.

Saluting our Nation’s Heroes
We salute the valiant men and women of our Armed Forces with exclusive room rates and saving on food and beverage beverages.
Driving Value through Digitalisation

Brand/Guest Experience

One stop shop for all guest needs
Room Reservation | Restaurant Booking
Takeaway | Loyalty | Room Controls

CRM

Analytics & Insight driven personalisation

CRM + Loyalty
Opera PMS

Sabre Synxis-OTA, GCC, Marsha, GDS
360° Customer View

Guest Visibility & Acquisition
Guest Experience Enhancement

EzRMS

Guest Connect & Retention

Web/Mobility

Revinate

HRMS, BI, Infra, SAP

WelcomGem, IoT, SPA
Agri Business
**Agri Business – Q2 FY23**

**Segment Revenue**

3997 cr. ▲ 44.0%

**Segment Results**

345 cr. ▲ 16.6%

**Robust Growth in Revenue**

- **Segment Revenue up 44.0% YoY driven by wheat, rice and leaf tobacco exports**
  - Strategic sourcing support to Branded Packaged Foods Businesses – Wheat, Dairy and Spices

- **ITCMAARS** – a crop-agnostic ‘phygital’ full stack AgriTech platform being scaled up with 460+ FPOs in 9 states with about 1.8 lac farmer registrations till date

- Strategic focus on rapidly **scaling up Value-Added product portfolio** to enhance value capture across multiple crop value chains
  - World-class manufacturing facility^ at Mysuru for export of Nicotine & Nicotine derivative products to US/EU is making steady progress; expected to be commissioned in Q4 FY23
  - New Spices facility at Guntur expected to be commissioned shortly

---

*Metamarket for Advanced Agriculture and Rural Services

^ Being undertaken by ITC IndiVision Limited, the Company’s wholly owned subsidiary
ITCMAARS

**Advisory**
- Paddy Crop Pest & Disease Management
- (Rice Stem Borer)
- For management of Rice Stem Borer!
- *For the vector of these insects bore into the stem and cause damage from July to October.*

**Inputs**
- **Krishi samadhan kit**
- Customized crop kit based on climate, geography, soil profile, and crop calendar consisting of 1 unit of RUSA-101 IGR, 3 units of Caucho 9 ml and 1 unit of Prest 500 ml
- This krishi samadhan kit contains:

**Outputs**
- **Today’s Price**
- Today’s FPO Listings
- **Borrow Center**
- Select the bank and loan in which you are interested.
- **Services**
- ~1.8 lac Farmer registrations
- ~1.2 lac App downloads
- 50+ Tie-ups with partners

**ITCMAARS**
- 460+ FPOs
- 9 states
- ~1.8 lac Farmer registrations
- ~1.2 lac App downloads
- 50+ Tie-ups with partners
Paperboards, Paper & Packaging
Paperboards, Paper & Packaging – Q2 FY23

Growth Momentum Continues

Segment Revenue

2288 cr. ▲ 25.0%

Segment Results

630 cr. ▲ 54.0%

Paperboards & Specialty Paper

- Paperboards, Paper & Packaging Segment continues to deliver strong performance
- Robust growth in Revenue driven by higher realisation
  - Strong demand across end-user segments and exports
  - VAP^ segment sales grew at a rapid pace
- Sustainable products portfolio continues to be scaled up
- Investments in VAP capacity, pulp import substitution, cost-competitive fibre chain, decarbonisation of operations, data analytics and Industry 4.0 enabled margin expansion despite escalation in key input prices.

Packaging and Printing

- Robust growth witnessed across Cartons and Flexibles platforms
- State-of-the-art facility at Nadiad, Gujarat commissioned during the quarter

^Value Added Paperboards
Sustainable Packaging Solutions
New Growth Vector

Extrusion Coated Boards
Bio-based Coated Boards
Antimicrobial Coating

Laminating Base

Laminating Base

Oxyblock

Bio-based Coated Boards

Bioseal

Water, Oil & Grease Resistant Boards

Sustainable Products portfolio

H1 FY22

H1 FY23

>2x

ITC LSTC | External Collaborations
Financials
**Key Financials Q2 FY23**

*Standalone basis*

<table>
<thead>
<tr>
<th>Rs. Cr.</th>
<th>Q2 FY23</th>
<th>Q2 FY22</th>
<th>YoY growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Revenue</td>
<td>16,971</td>
<td>13,356</td>
<td>27.1%</td>
</tr>
<tr>
<td>Net Revenue</td>
<td>15,976</td>
<td>12,543</td>
<td>27.4%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>5,864</td>
<td>4,615</td>
<td>27.1%</td>
</tr>
<tr>
<td>PBT</td>
<td>5,939</td>
<td>4,880</td>
<td>21.7%</td>
</tr>
<tr>
<td>PAT</td>
<td>4,466</td>
<td>3,697</td>
<td>20.8%</td>
</tr>
</tbody>
</table>

*Strong performance continues across segments*
Segment Revenue Q2 FY23

<table>
<thead>
<tr>
<th>Rs. cr.</th>
<th>FY23</th>
<th>FY22</th>
<th>YoY growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) FMCG - Cigarettes</td>
<td>6954</td>
<td>5642</td>
<td>23%</td>
</tr>
<tr>
<td>- Others</td>
<td>4885</td>
<td>4036</td>
<td>21%</td>
</tr>
<tr>
<td>Total FMCG</td>
<td>11839</td>
<td>9678</td>
<td>22%</td>
</tr>
<tr>
<td>b) Hotels</td>
<td>536</td>
<td>295</td>
<td>82%</td>
</tr>
<tr>
<td>c) Agri Business</td>
<td>3997</td>
<td>2776</td>
<td>44%</td>
</tr>
<tr>
<td>d) Paperboards, Paper &amp; Packaging</td>
<td>2288</td>
<td>1830</td>
<td>25%</td>
</tr>
<tr>
<td>Total</td>
<td>18659</td>
<td>14579</td>
<td>28%</td>
</tr>
<tr>
<td>Less : Inter - Segment Revenue</td>
<td>1688</td>
<td>1223</td>
<td>38%</td>
</tr>
<tr>
<td>Gross Revenue from sale of products and services</td>
<td>16971</td>
<td>13356</td>
<td>27%</td>
</tr>
</tbody>
</table>

- **FMCG Others**
  - Segment Revenue up 21.0% YoY, at approx. 1.5x of Q2 FY20
  - Staples & Convenience Foods and Discretionary/OOH categories drive growth
  - ‘Fiama’ & ‘Vivel’ range of Personal Wash products performed well; Hygiene portfolio subdued but remains significantly above pre-pandemic levels
  - Education & Stationery Products Business continues to witness strong traction

- **Hotels**
  - ARR and Occupancy ahead of pre-pandemic levels

- **Agri Business**
  - Wheat, Rice & Leaf Tobacco exports drive growth

- **Paperboards, Paper & Packaging**
  - Strong demand across end-user segments
### Segment Results Q2 FY23

<table>
<thead>
<tr>
<th>Rs. cr.</th>
<th>FY23</th>
<th>FY22</th>
<th>YoY growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Segment Results</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) FMCG</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Cigarettes</td>
<td>4429</td>
<td>3583</td>
<td>24%</td>
</tr>
<tr>
<td>- Others</td>
<td>321</td>
<td>272</td>
<td>18%</td>
</tr>
<tr>
<td><strong>Total FMCG</strong></td>
<td>4750</td>
<td>3855</td>
<td>23%</td>
</tr>
<tr>
<td>b) Hotels</td>
<td>84</td>
<td>-48</td>
<td></td>
</tr>
<tr>
<td>c) Agri Business</td>
<td>345</td>
<td>296</td>
<td>17%</td>
</tr>
<tr>
<td>d) Paperboards, Paper &amp; Packaging</td>
<td>630</td>
<td>409</td>
<td>54%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5809</td>
<td>4512</td>
<td>29%</td>
</tr>
<tr>
<td>Less : i) Finance Cost</td>
<td>11</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>ii) Other un-allocable (income) net of un-allocable expenditure</td>
<td>-140</td>
<td>-378</td>
<td></td>
</tr>
<tr>
<td><strong>Profit Before Exceptional Items &amp; Tax</strong></td>
<td>5939</td>
<td>4880</td>
<td>22%</td>
</tr>
</tbody>
</table>

- **FMCG-Others:**
  - Segment EBITDA at 463 cr.
    - at 2.1x of Q2 FY20
    - EBITDA margin at 9.5%
      - -50 bps YoY; +170 bps QoQ; +280 bps vs. Q2 FY20
- **Hotels:**
  - Positive swing of 138 cr. Vs. LY
- **Paperboards, Paper & Packaging:**
  - Higher realisations, internal efficiencies & strategic interventions offset input cost inflation
ITC – A Global Exemplar in Sustainability
Impactful **Social Performance**

- **ITC e-Choupal**
  - 4 Million Farmers empowered

- **Afforestation**
  - Over 10,00,000 acres greened

- **Watershed Development**
  - Over 1.37 million acres covered

- **Livestock Development**
  - Over 20,73,000 milch animals covered

- **Solid Waste Management**
  - Well-being Out of Waste programme has covered ~20 million citizens

- **Women Empowerment**
  - over 1.05 lacs poor women benefitted

- **Skilling & Vocational Training**
  - Covering over 1.13 lacs youth

- **Primary Education**
  - Reaching over 8.9 lacs Children

- **Health & Sanitation**
  - Over 39,400 toilets built

- **Pioneer of Green Building movement in India**
  - 40 platinum rated green buildings
**Sustainability 2.0**

**REDUCE | RECYCLE | RESTORE**

---

**Strategic Interventions to Combat Climate Change**

- **De-Carbonization**
- **Climate Adaptation and Resilience**
- **Circularity**
- **Building Green Infrastructure**
- **Nature based solutions**
- **Inclusive Value Chains**

---

**Sustainability Targets 2030**

**Raising the Bar**

- **Renewable Energy**: 50%
- **Specific GHG Emissions**: 50% down
- **Recyclable Plastic Packaging**: 100%
- **Plastic Neutrality**: 100% Collection in FY22

---

**Water Security for All**

- **AWS Certification** for High Water Stressed Sites by 2035

- **Biodiversity & Agriculture**
  - 5x of ITC’s Net Consumption
  - 1 million acres
  - 3 million acres
  - 1.5 million acres
  - Biodiversity Conservation
  - Climate Smart Village
  - Social Farm and Forestry

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**Proactively work towards achieving ‘Net Zero’ emission status**

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**Supporting Sustainable Livelihoods: From 6 million to 10 million**
Sustainability – Highlights

• All Businesses aligned with 2030 targets

• Comprehensive set of policies & guidelines institutionalised

• Exceeded commitment on Plastic Neutrality; collected and sustainably managed over 54000 MT of plastic waste in FY22 across 35 states/UT

• The only enterprise in the world of comparable dimensions to have achieved and sustained the three key global indices of environmental sustainability of being ‘water positive’ (for 20 years), ‘carbon positive’ (for 17 years), and ‘solid waste recycling positive’ (for 15 years).

• Achieved A- Leadership score under CDP ratings - ahead of Asia & Global average in Climate change (B-) & Water Security (B)

• Sustained AA rating by MSCI for the 4th consecutive year - highest among global tobacco players

• Included in the Dow Jones Sustainability Emerging Markets Index - a reflection of being a sustainability leader in the industry
Q2 FY23 includes the impact of:
- Certain costs associated with Strategic Partner Agreement signed with PTC Inc.
- Higher employee costs and overheads in line with industry trends

Investments continue to be made towards capability building in strategic focus areas & infrastructure

Q2 FY23 comparable EBITDA margin @ upper-end of mid-tier IT cos.
A passion for Profitable growth...
in a way that is Sustainable...
and Inclusive.
## Links

<table>
<thead>
<tr>
<th>Product/initiative</th>
<th>Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bingo! on Instagram</td>
<td><a href="https://www.instagram.com/bingo_snacks/">https://www.instagram.com/bingo_snacks/</a></td>
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<tr>
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<tr>
<td>ITC Spearheading Water Stewardship</td>
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