

# **Nestlé Pakistan Limited**

# **Corporate Briefing Session**

**Lahore, 18<sup>th</sup> February 2022**



Good food, Good life

# Our business

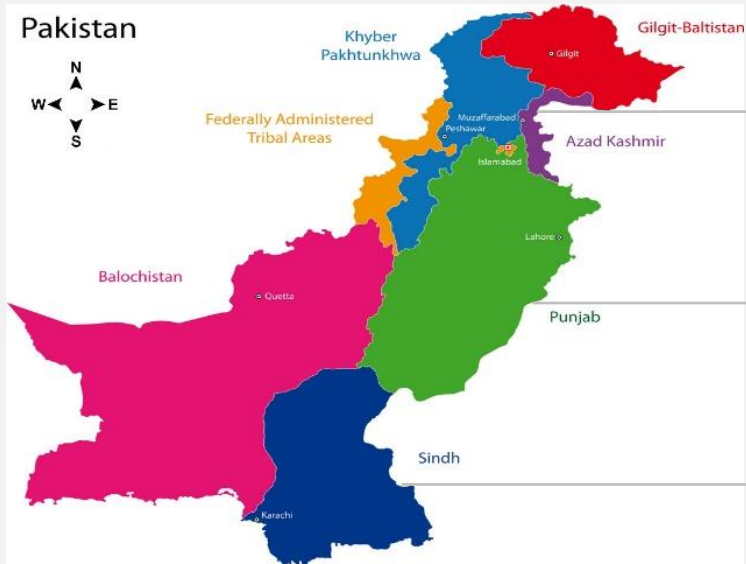
## Key Figures 2021

## Where

## What

Sales

PKR 133 bio

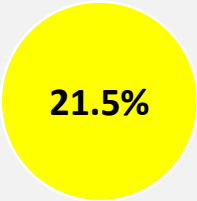
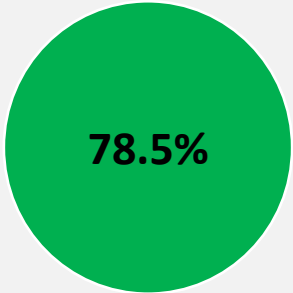


Exports: 1.4%

Dairy & Nutrition

Beverages

Others



\* Others include Chocolate

Employees

3,767

Factories

4

Top Brands



# Contribution to the rural economy



**PKR 28.2 bio milk  
purchase**



**72,500 farmers**



**Supporting ~ 3,060  
medium scale  
commercial farms**



**PKR 6.2bio  
Procurement of Fruits,  
Sugar and Wheat Flour**



**Promoting best farm  
practices (Chaunsa  
Project)**



# Our Purpose and Strategy



*Win in the core  
portfolio*

*Achieve  
efficiencies across  
the organization*

*Build future  
growth platforms*

*Develop agile &  
inclusive  
organization*

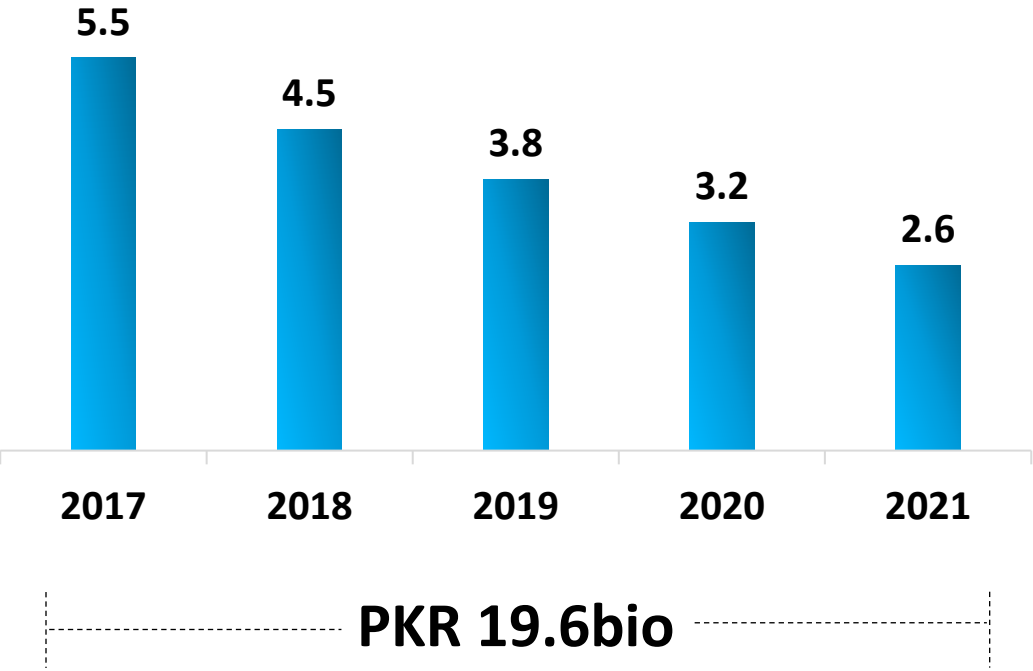
*“Unlock the power of food to enhance quality of life for  
everyone, today and for generations to come”*





# Investing for maximizing returns

Capex (PKR Bio)



# New launches 2021

## DAIRY



## JUICES & WATER



## COFFEE





# Our 2025 commitments



## Climate Action

20% reduction in carbon emissions vs 2018 baseline



## Sustainable Packaging

100% recyclable packaging  
1/3rd virgin plastic reduction



## Caring for Water

Regenerate 100% of the water used by Waters business and help create a positive water impact



## Sustainable Sourcing

20% of key ingredients sourced through regenerative agriculture





# Our path to Net Zero Carbon emissions





# Our Initiatives



## Climate Action

Saved 19,823 tCO2e

### Fresh milk value chain



Import of 5,000 high-yield cows



Plantation of 60,000 Moringa trees



Renewable energy and energy optimization



## Sustainable Packaging

### Packaging Transformation



86% packaging designed for recycling



224 tons of reduction through paper straws



200 tons of plastic waste managed through Clean Gilgit and Hunza Project



## Caring for Water

Regenerated 388,000 m3 of water

### Wastage Reduction



Drip Irrigation on 198 acres of land that helps reduce water needed for irrigation through a network of pipes



Smart soil sensors on 455 acres that help detect moisture level below surface and send real time data to farmers



# FY 2021 – Key Financial Highlights

**Sales (in PKR)**

**133.3 bn**

**Sales growth**

**+12.2%**

**Operating  
Profit Margin**

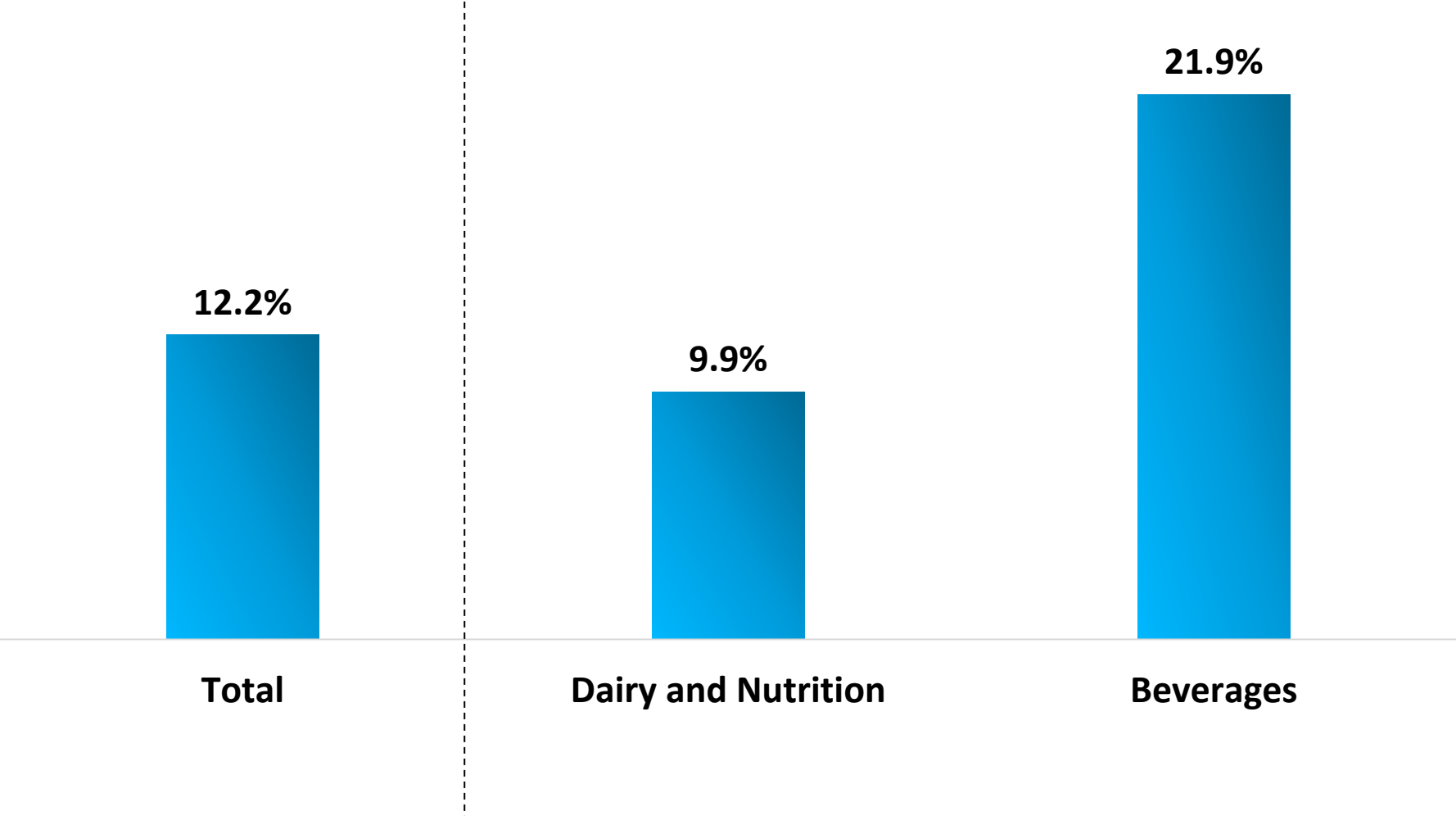
**16.2% of sales  
+267 bps**

**EPS  
(PKR/share)**

**281.5  
+43.7%**



# FY 2021 – Sales Growth





# Dairy and Nutrition - Key highlights

	FY 2021	FY 2020
Sales (PKR Bio)	104.6	95.1
Sales Growth	9.9%	6.2%
Operating profit margin	18.3%	16.3%

- Both powder and liquid portfolio posted good growth
- Significant increase in sales in e-commerce channel, pharmacies and modern trade
- Operating profit margin improved due to various savings initiatives, portfolio and pricing management and better absorption of fixed costs

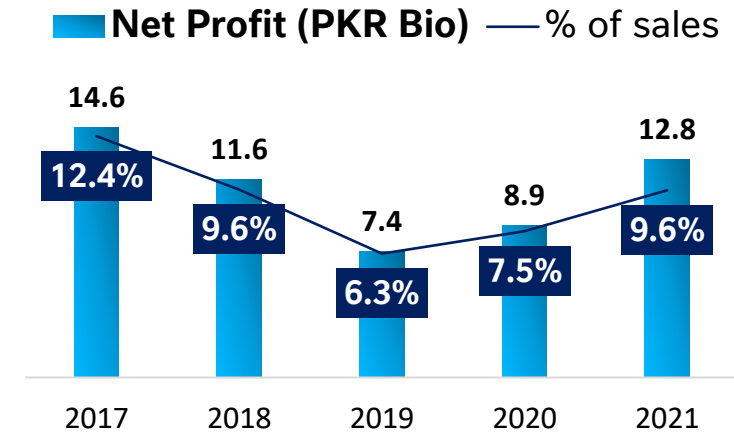
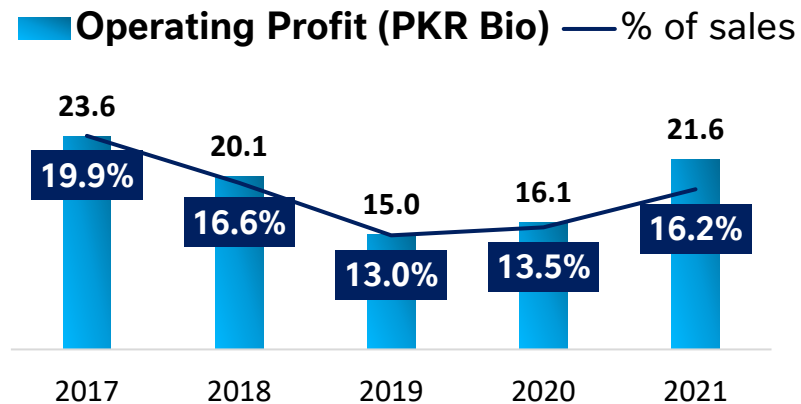
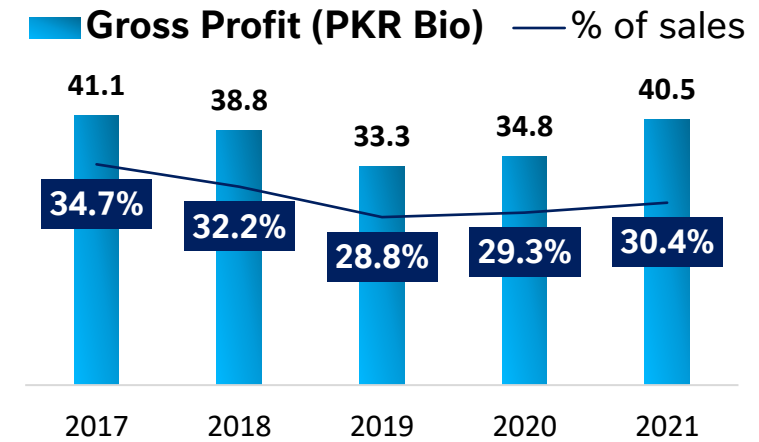
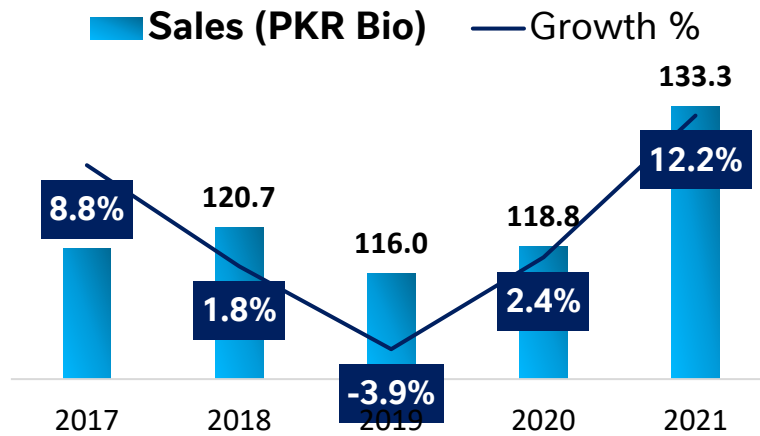


# Beverages - Key highlights

	FY 2021	FY 2020
Sales (PKR Bio)	28.7	23.6
Sales Growth	21.9%	10.3%
Operating profit margin	8.5%	2.0%
<ul style="list-style-type: none"> <li>Strong topline growth supported by focused brand building activities and new launches</li> <li>Gradual reduction in COVID related restrictions and lower base also had positive impact on growth</li> <li>Recovery efforts on operating profit margin to continue through savings initiatives, portfolio and pricing management</li> </ul>		



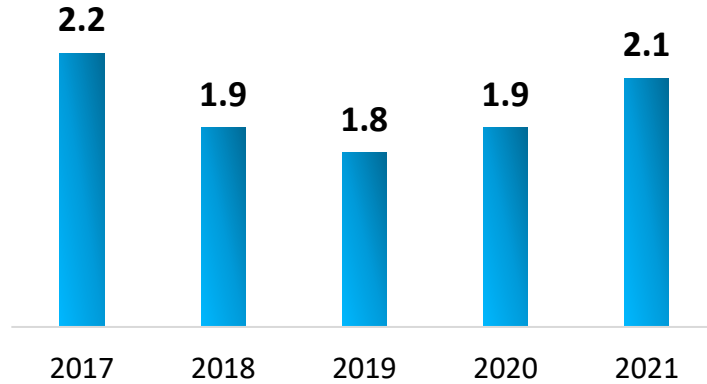
# Journey of recovery continues ...



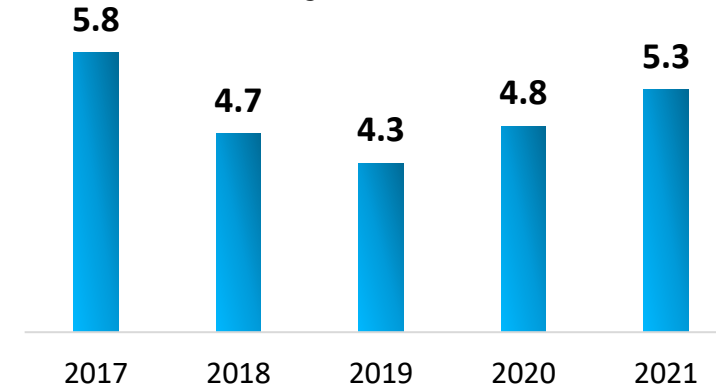


# ... with continuous improvement in other areas

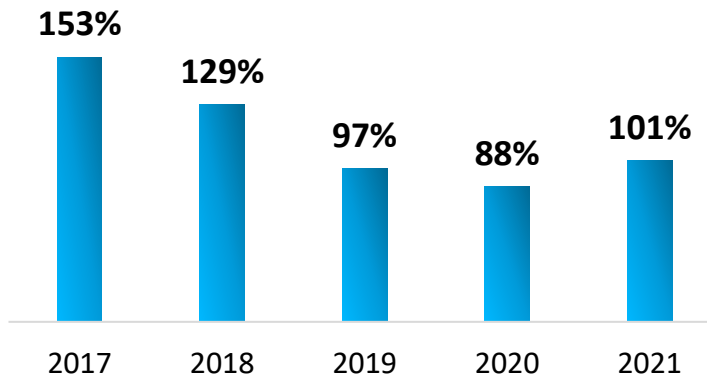
**Total Asset Turnover Ratio**



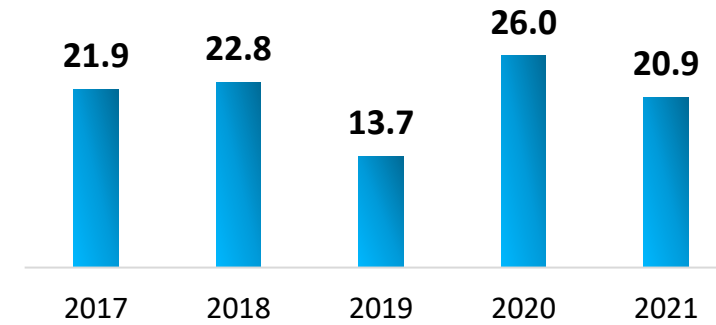
**Inventory Turnover Ratio**



**ROCE**



**Cash generated from operations  
(PKR Bio)**



Q&A

