

Nestlé Pakistan Limited

Corporate Briefing Session

Lahore, 17th April 2023



Our business

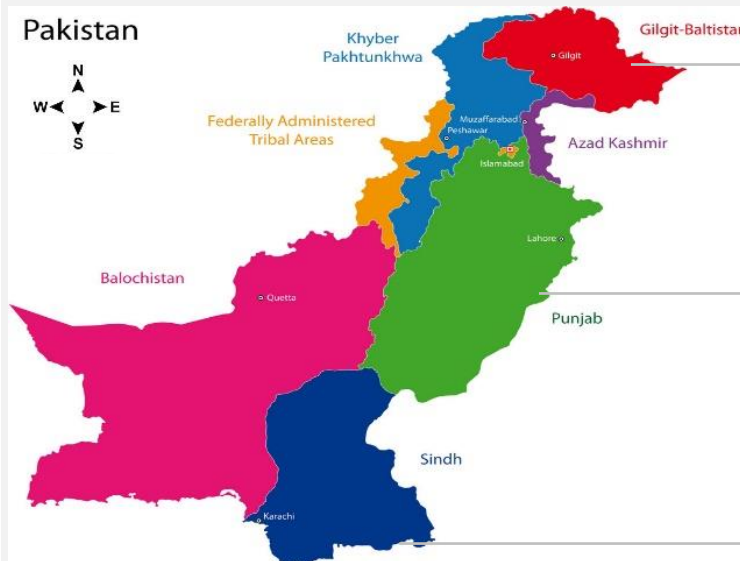
Key Figures 2022

Where

What

Sales

PKR 163 bio

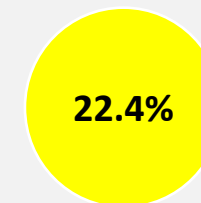
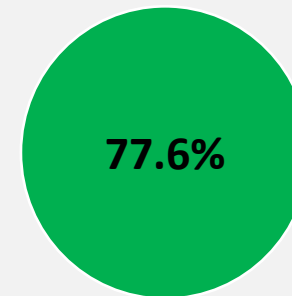


Direct Key accounts: 10%
Exports : 2%

Dairy & Nutrition

Beverages

Others



* Others include Chocolate

Employees

Factories

Top Brands

3,734

4



Our Purpose and Strategy

DELIVER SUSTAINABLE GROWTH

Win in the
Core Portfolio



Build
Future Pillars



Drive
Efficiency

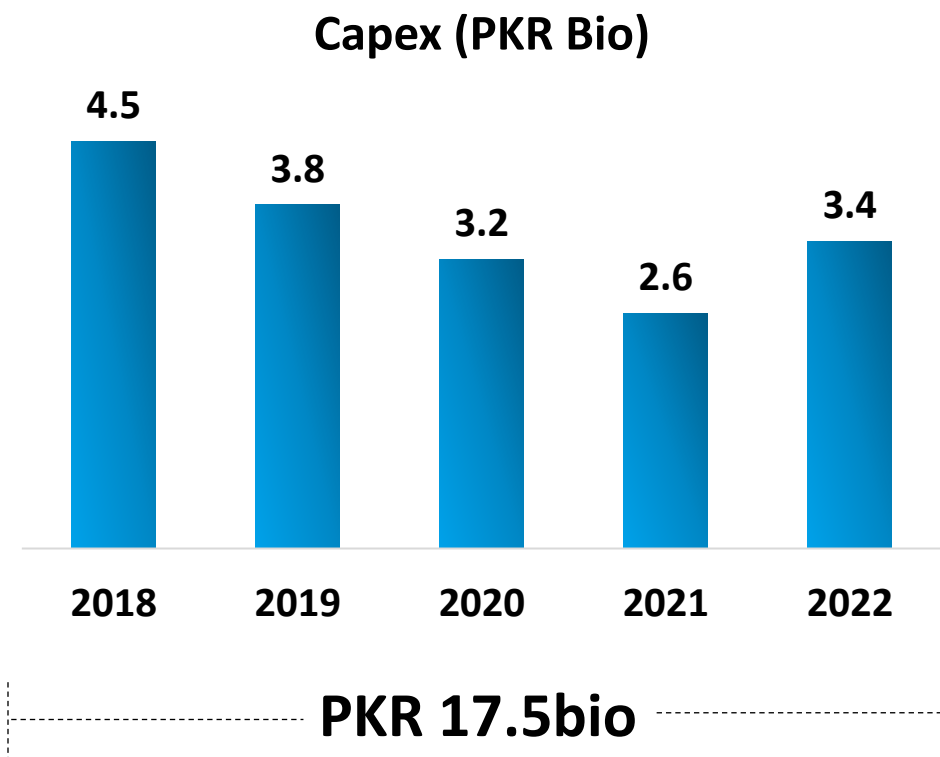


Develop Agile and Diverse
Teams



Lead sustainability agenda in the market to be recognized as a force for good

Investing for maximizing returns



New launches 2022

DAIRY



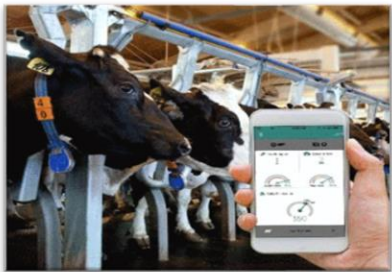
Beverages and others



Nutrition



Contribution to the rural economy



PKR 32.7bio milk purchase



59,700 farmers



Supporting ~ 3,256 medium scale commercial farms



PKR 4.9 bio Procurement of Fruits, Sugar and Wheat Flour



For the Planet



Efficient water use



Promoting best farm practices (Chaunsa Project)



Driving for 100% recyclable packaging



Our Sustainability Pillars and 2025 Commitments



Climate Action

20% reduction in carbon emissions vs 2018



Sustainable Packaging

- 95%+ recyclable packaging with the commitment to reach 100%
- 1/3rd virgin plastic reduction vs 2018



Caring for Water

Have a net positive impact for our Waters business



Responsible Sourcing

- 7% of Dairy volume
- 20% of NN Cereals volume



Our path to net zero carbon emissions: Regeneration for future generations




Our major initiatives in 2022




Climate Action

SAVED 57,037 TCO2E*


Fresh milk value chain



Import of 2,300 high-yield cows



Plantation of 25,000 Moringa trees



Renewable energy and energy optimization



Sustainable Packaging

Packaging transformation



89% (as per target) packaging designed for recycling



207 tons reduction in virgin plastic




780 tons collected and managed through Clean Gilgit Baltistan Project




Caring for Water

REGENERATED 58*% (AS PER 100% TARGET)

Wastage reduction



Drip irrigation on 139 acres of land that helps reduce water wastage



Smart soil moisture sensors on 548 acres

*41,377 tCO2e from Agri and 15,660 tCO2e from manufacturing



FY 2022 financial results

Sales (in PKR)

162.5 bn

Sales growth

+21.9%

**Operating Profit
Margin**

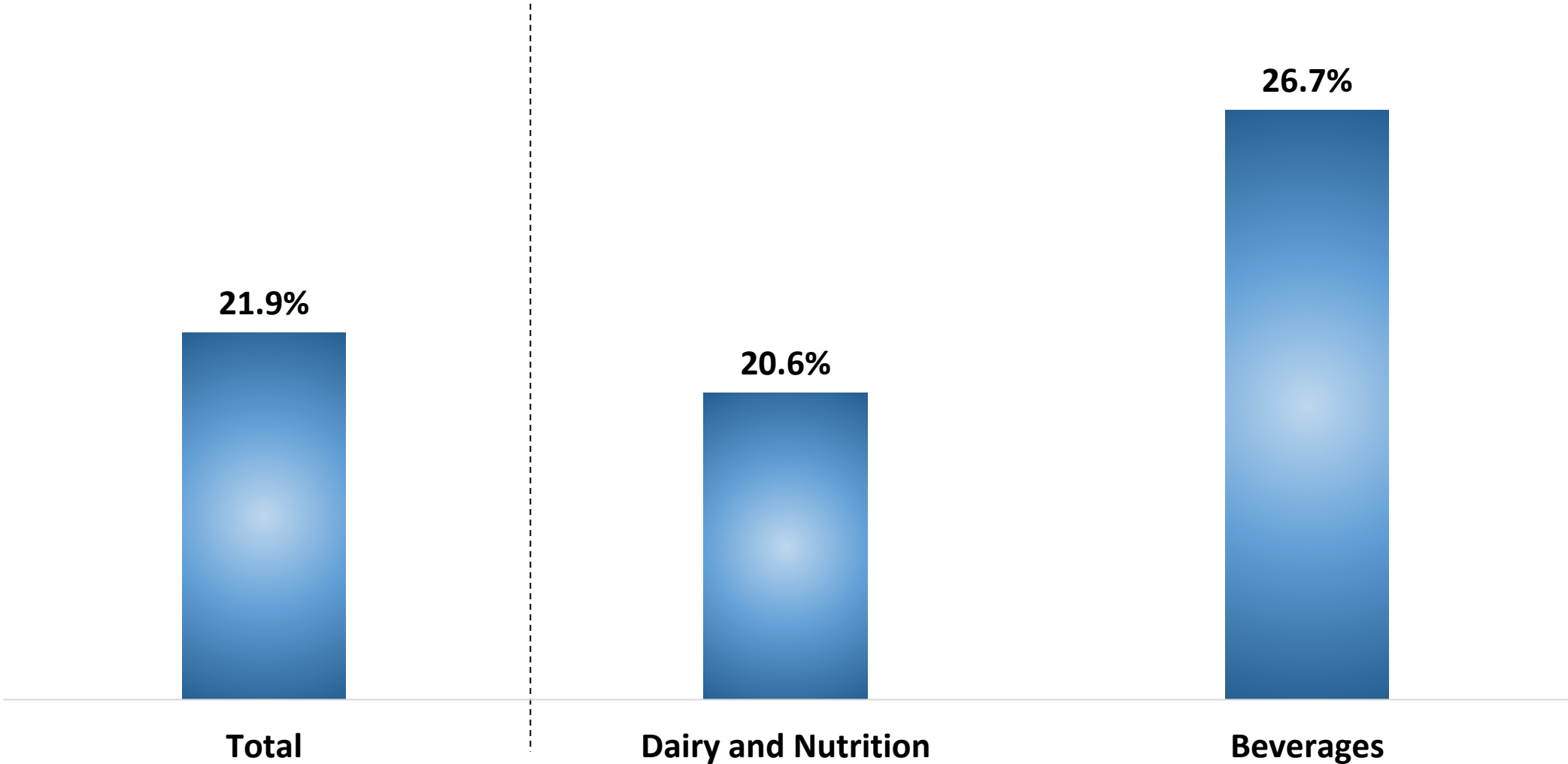
16.5% of sales
+30 bps

EPS (PKR/share)

331.9
+17.9%



Sales growth – FY 2022



Key highlights – Dairy and Nutrition

	FY 2022	FY 2021
Sales (PKR Bio)	126.1	104.6
Sales Growth	20.6%	9.9%
Operating profit margin	18.9%	18.3%

- Strong growth across the portfolio
- Excellent boost in Nutrition portfolio. 2x growth in e-commerce channel.
- Operating profit margin improved due to portfolio mix, better absorption of fixed costs and cost saving initiatives



Key highlights – Beverages

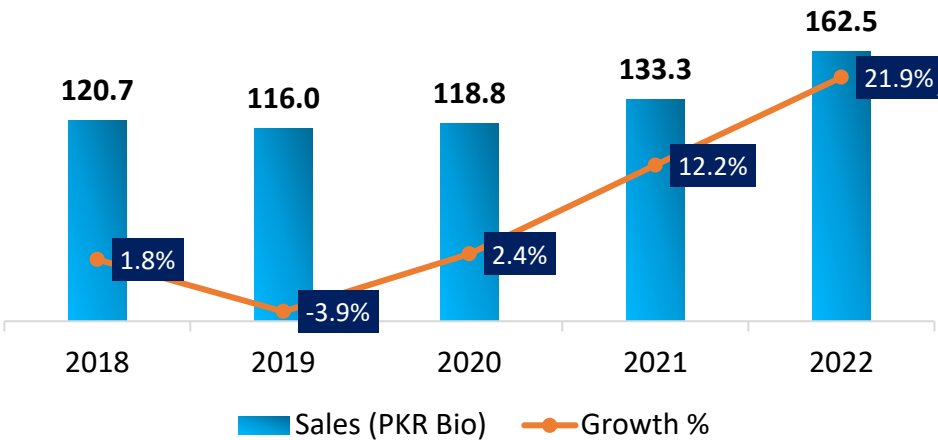
	FY 2022	FY 2021
Sales (PKR Bio)	36.4	28.7
Sales Growth	26.7%	21.9%
Operating profit margin	8.2%	8.5%

- Strong double-digit growth led by Coffee and waters
- New launches in Fruita vitals and Nescafe RTD supported the growth
- Operating profit margin deteriorated in the Coffee and Milo segments due to Rupee devaluation and increase in import duties

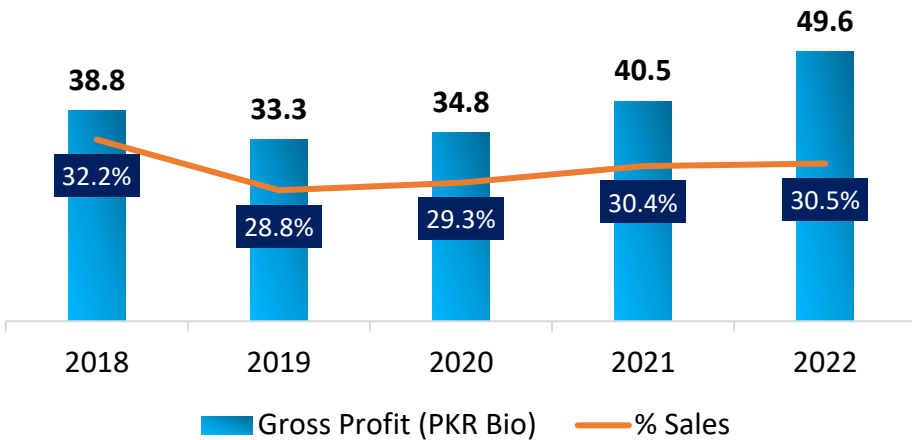


Delivering growth and profit in a challenging year

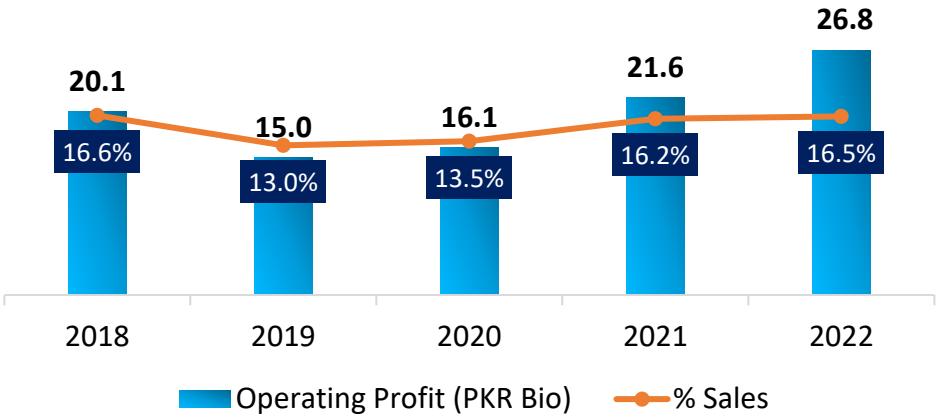
Sales



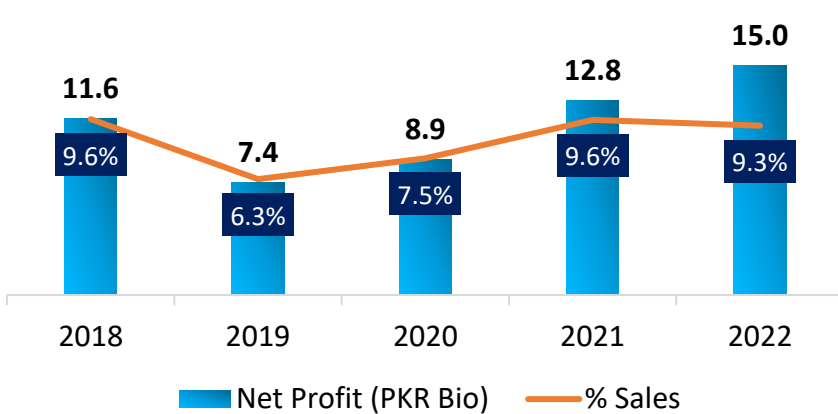
Gross Profit



Operating Profit

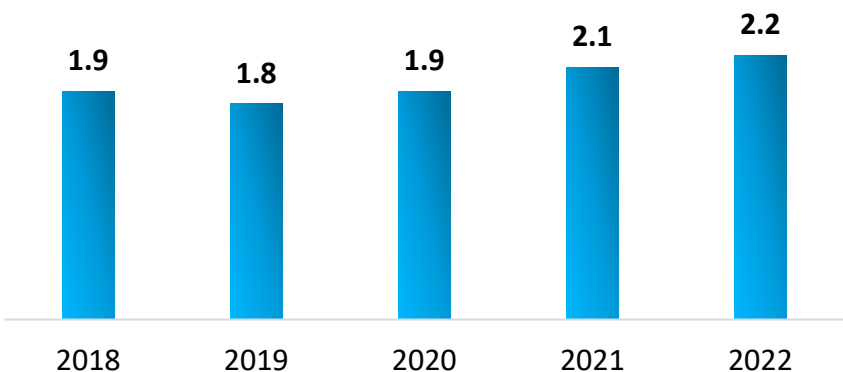


Net Profit

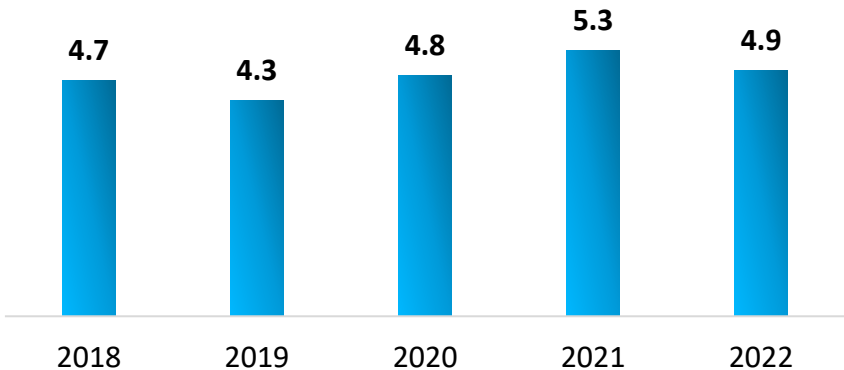


Generating efficiencies across the value chain

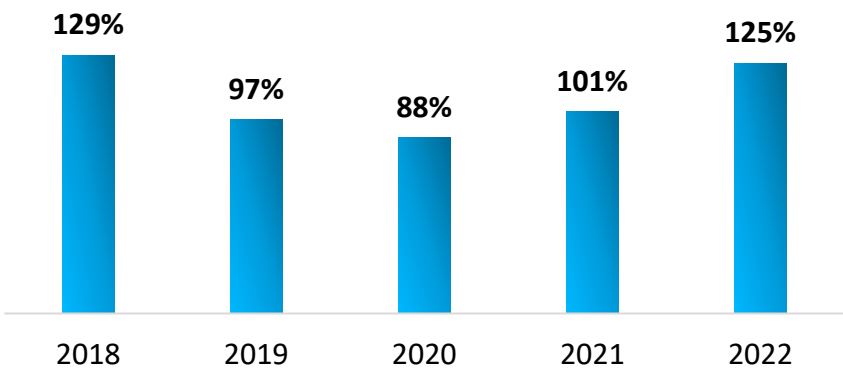
Asset Turnover ratio



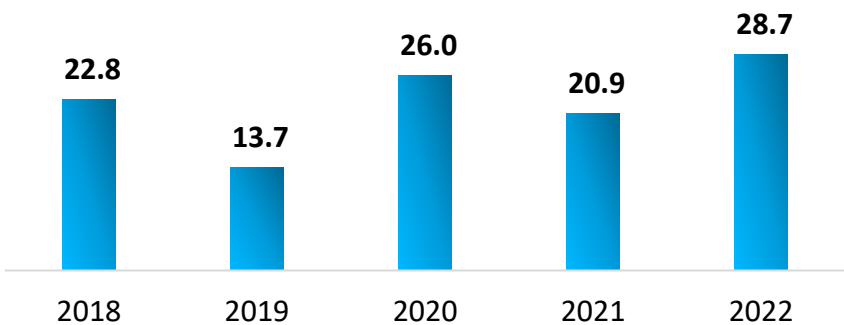
Inventory Turnover ratio



ROCE



Cash Generated From Operations



Q&A

