August 5, 2024

The Secretary,
Listing Department,
BSE Limited,
1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 531642

The Manager,
Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, C-1 Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051
Scrip Symbol: MARICO

Dear Sir/Madam,

Sub: Information Update for the quarter ended June 30, 2024

Please find enclosed the Information Update along with an earnings presentation on the un-audited consolidated financial results of the Company (i.e. Marico Limited and its Subsidiaries) for the quarter ended June 30, 2024.

The same is being made available on the website of the Company at:
http://marico.com/india/investors/documentation/quarterly-updates

This is for your information and records.

Thank you.

For **Marico Limited**

VINAY M A
Digitally signed by VINAY M A
Date: 2024.08.05 13:53:35 +05'30'

Vinay M A
Company Secretary & Compliance Officer

Encl.: As above

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Q1 FY25 Results

AUGUST 2024

Safe Harbour Statement

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as ‘expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should’ and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward-looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward-looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.

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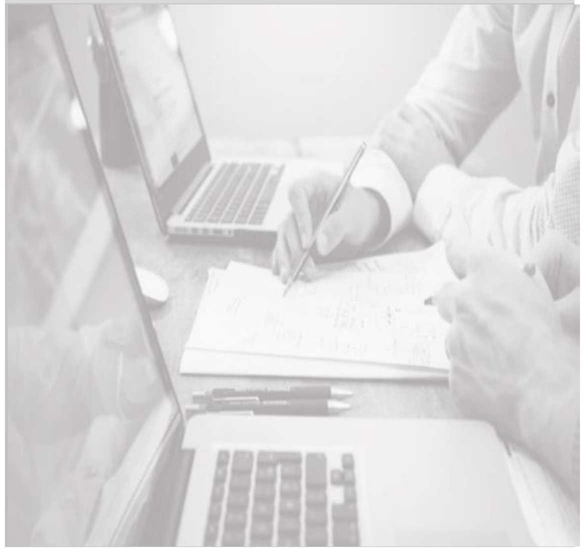
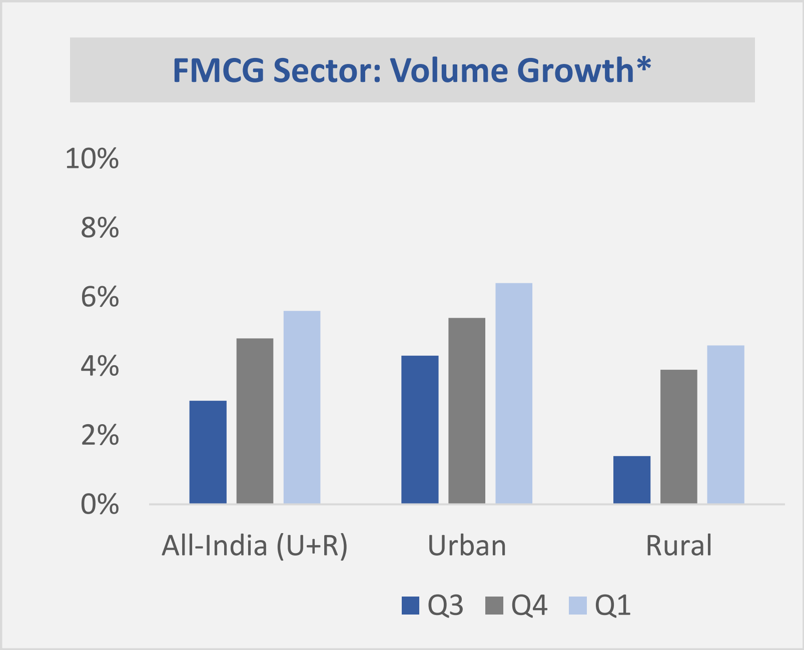
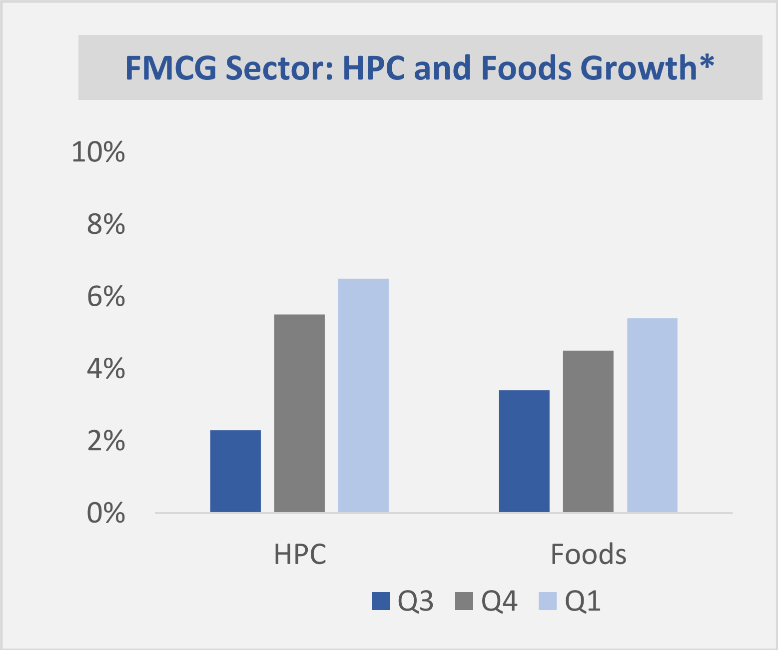


Gradual improvement in volume trends across the board; YoY pricing turns flattish





Stable retail inflation, but food inflation at elevated levels

Monsoon tracking healthily; however spatial distribution skewed

Budgetary allocations likely to boost rural consumption

Urban trajectory stable; rural looks promising;
Pick up in HPC more pronounced vis-à-vis Foods in the last 6 months

Figures above represent 2-yr CAGRs to arrive at normalized growth.

Source: Nielsen

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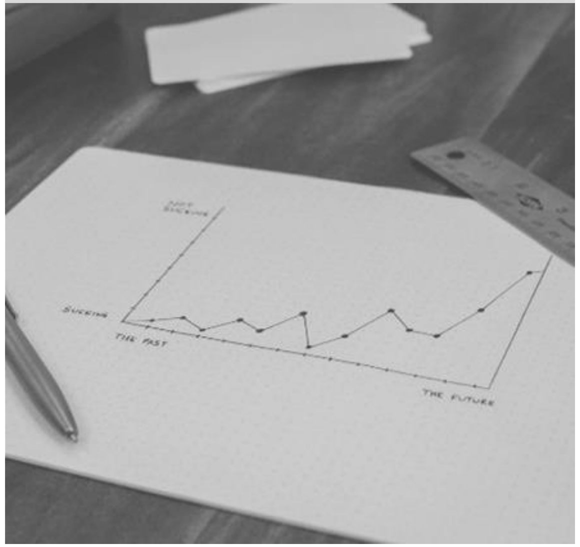

Revenue growth strengthens on the back of improving volumes and favorable pricing

Q1 FY25 (YoY)

Domestic
4%
Volume Growth

International
10%
Constant Currency Growth

Consolidated
7%
Revenue Growth

23.7%
Consolidated EBITDA Margin

9%
Consolidated EBITDA Growth

12%
Consolidated PAT Growth (excl. one-offs)

Domestic Revenues at ₹1,962 cr. , up 7% YoY
Consolidated revenue growth to continue uptrend through the year.
More than 90% of the domestic business *either gained or sustained* ***market share and penetration*** *on MAT basis.*

~230bps
Gross Margin expansion YoY

13%
YoY Increase in A&P spends

~50bps
EBITDA Margin expansion YoY

Positive momentum in PCNO & Saffola Oils | VAHO expected to recover ahead

Parachute Coconut Oil
(34% of Domestic Revenues)

2%
Volume Growth

6%
Value Growth

Saffola Edible Oils
(16% of Domestic Revenues)

Mid single-digit volume growth

(1%)
Value Growth

Value Added Hair Oils
(22% of Domestic Revenues)

Mid and Premium segments fared relatively better

(5%)
Value Growth

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Robust quarter for Foods | Annualized run rate at ~₹800 cr.

Q1 Value Growth

37%

Premium Personal Care: Continues strong show

Serums | Male Grooming | Skin Care

~₹300 cr. Q1 ARR

Digital-First Brands

₹550-600 cr. Expected FY25 Exit ARR

Collaboration with Kaya to advance play in science-backed personal care

Kaya offers a portfolio of dermatologist-recommended products, ranging from daily essentials to specialized solutions for acne, brightening, sun care, anti-ageing and hair care.

Marico has exclusive rights to scale up Kaya's range of efficacy-based personal care products outside of its clinics.

Potential ₹100 cr. revenue opportunity for Marico in 4-5 years – added growth driver for the Premium Personal Care led Digital Business

To further accelerate the portfolio diversification and premiumization of the domestic business

Project SETU: Kick-off in Q1FY25 across key markets

6

Launch states in Q1

Launch states comprise a mix of higher MS ('Diversify') and lower MS ('Transform') states

Building core portfolios as well as new businesses of Premium Personal Care & Foods in new outlets

Distribution being driven along with execution of visibility elements

Garnered positive response from General Trade channel partners

Strong performance across key markets | MENA and SA outperform

Bangladesh

10%
Q1 CCG

Maintains growth momentum

South-East Asia

Flat
Q1 CCG

Recovery in Vietnam subdued by decline in Myanmar

MENA

20%
Q1 CCG

Led by robust growth in Egypt

South Africa

28%
Q1 CCG

Ethnic Hair Care outperforms

International business records 10% CCG in Q1

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CCG – Constant Currency Growth

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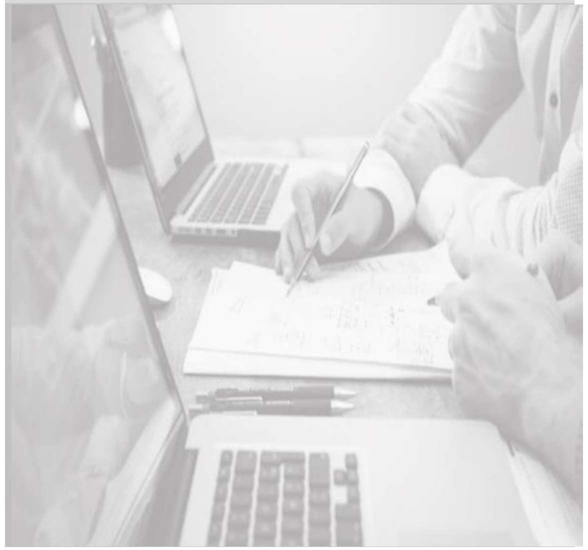


Staying True to the 4Ds

Unlock the next leg of growth through…

Diversification

Distribution

Digital

Diversity

…..and continue to maintain focus on

Grow the Core

Cost Management

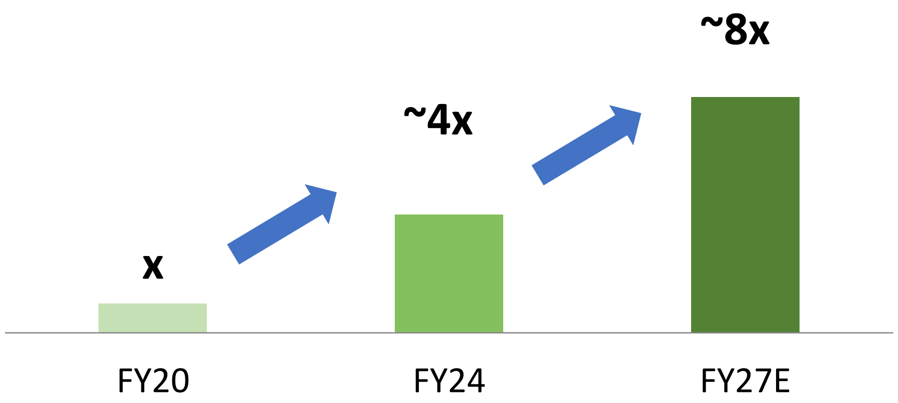
ESG Commitments

Diversification remains a key priority: Profitable Scale up in Foods to continue

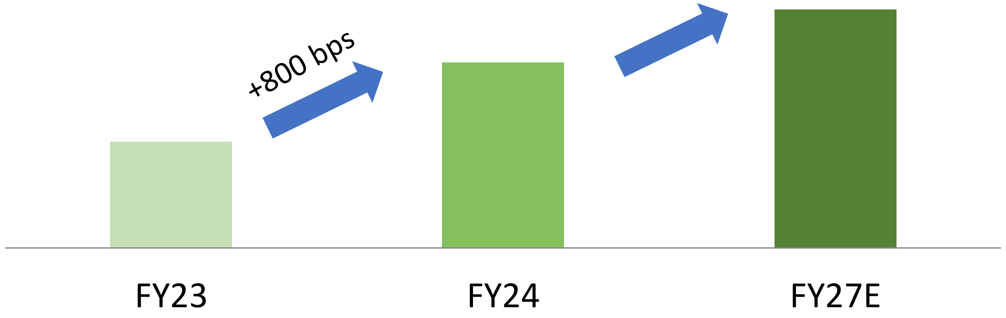
***Foods portfolio** to be*
***2x of FY24 scale** in FY27*

*Aim to **drive consistent improvements in profitability***
as constituent franchises attain critical mass

Foods Revenues (in ₹ cr.)



Foods Gross Margin (%)



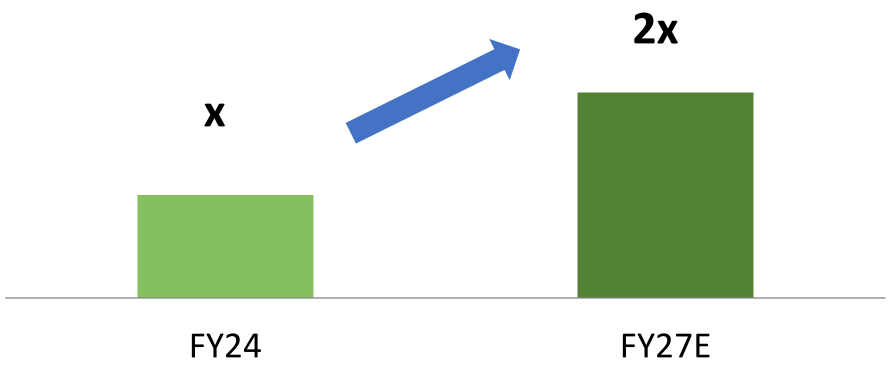
Foods poised for 20%+ CAGR
after successful initiatives towards refinements in supply chain and GTM during FY24

Focused initiatives led to
***robust ~800 bps GM expansion** in FY24*

Diversification remains a key priority: Digital Business to leverage enhanced capabilities

*Exit ARR of Digital-First brands expected to be **2x of FY24 ARR in FY27***

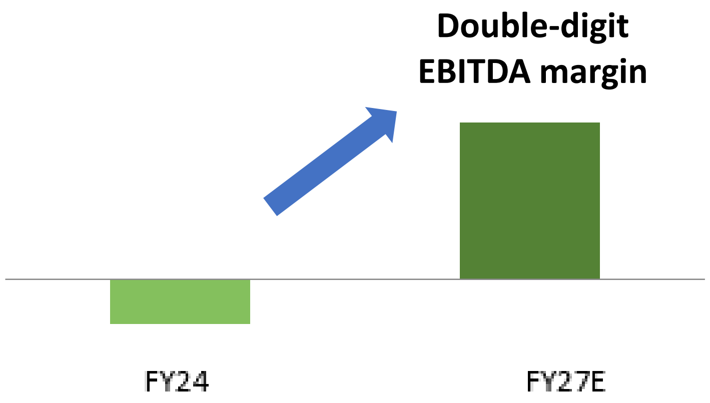
Digital-first brands exit ARR (in ₹ cr.)



***Beardo** scales by ~3x since FY21;*
***Just Herbs** crossed INR 1bn ARR in FY24;*
***Personal Care play in Plix** gaining traction*

*Aim for **Double Digit EBITDA margin** in Digital-first brands in FY27*

Digital-first brands EBITDA Margin (%)



***Beardo** on course to deliver*
double digit EBITDA margin in FY25;
*Minimal cash burn in **Just Herbs and Plix***

Project SETU: Drive growth in GT through transformative expansion in Direct Reach

3-Year Phased Plan

FY24	→	FY27
1mn Direct reach	→	**1.5mn** Direct reach
~5.8x* Total : Direct Reach	→	**~4x** Total : Direct Reach

A **fit for purpose** and **fit for future GTM Model**

SETU

To drive **profitable growth** and **competitive advantage**

Market share Gain across categories in rural and urban

Better Assortment in urban stores – diversification & premiumisation

**Represents the ratio between Marico's total reach (currently 5.8mn outlets) and direct reach (currently~1mn outlets).*

Project SETU: Resource re-allocation to fund coverage improvement & demand generation

Project SETU will be cost neutral

Source

BTL & Channel Spends

Optimize Wholesale channel spends (indirect distribution cost) & Promotional spends in Organised Trade

Reduce Wastage

Savings from reducing supply chain costs and improving efficiencies

SETU

₹ 80-100 Cr.

Expected outlay till FY27

Investments

Coverage & Infra Improvement Costs

Scaled up sales force, distributor commercials, process simplification

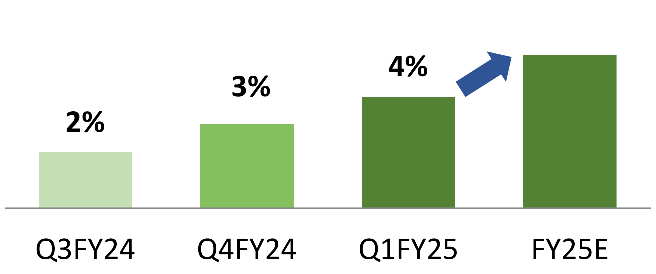
Demand Generation

In-store visibility & rural demand generation

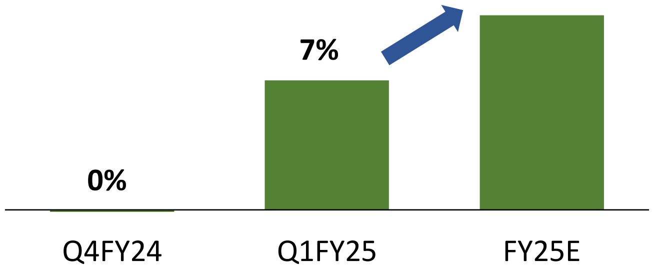
Aiming for robust revenue-led earnings growth in the near & medium term

India Business – Improving trajectory

Volume Growth

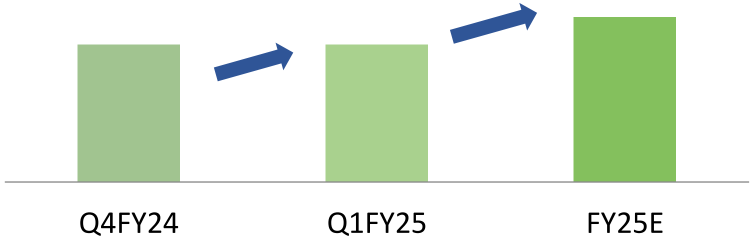


Revenue Growth



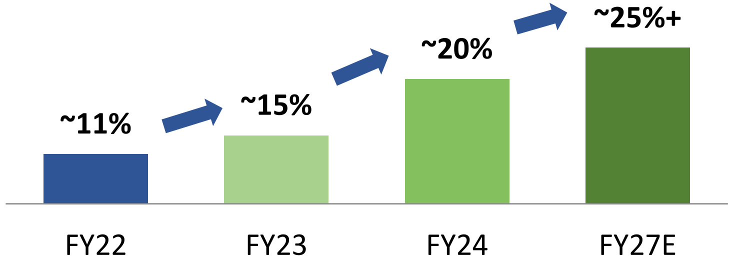
International Business (CCG) - Going Strong

Retain double-digit CCG momentum



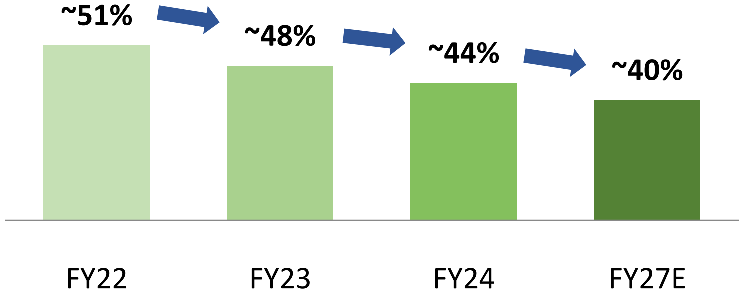
India Business – Robust Diversification Journey

Foods & Premium Personal Care - Revenue Share(%)



International Business – Reducing Bangladesh Share

Bangladesh Revenue Share in International Business (%)



Domestic revenue growth to trend higher with pricing & volume growth gradually picking up; Aggressive diversification to continue

Bangladesh to maintain double digit momentum; MENA & South Africa scaling up – broad basing of the business in progress

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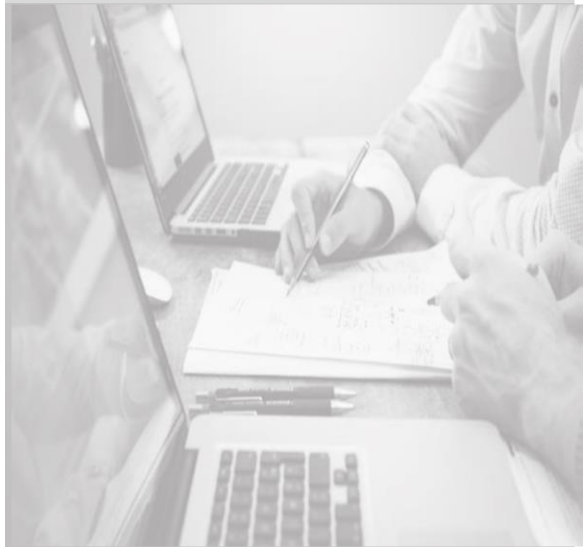
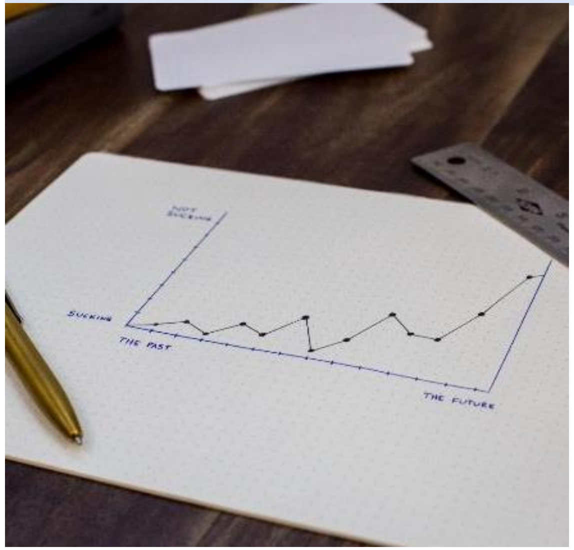




Consolidated Profit & Loss Statement

(in ₹ cr.)

Particulars	Q1FY25	Q1FY24	Change (%)	FY24	FY23	Change (%)
Revenue from Operations	**2,643**	**2,477**	**7%**	**9,653**	**9,764**	**-1%**
Material Cost	1,262	1,239	**2%**	4,748	5,351	**-11%**
ASP	240	212	**13%**	952	842	**13%**
Employee Cost	203	181	**12%**	743	653	**14%**
Other Expenses	312	271	**15%**	1,184	1,108	**7%**
EBITDA	**626**	**574**	**9%**	**2,026**	**1,810**	**12%**
EBITDA Margin	23.7%	23.2%	50 bps	21.0%	18.5%	245 bps
PBT excl. one-offs	**605**	**553**	**9%**	**1,937**	**1,715**	**13%**
Reported PAT	**464**	**427**	**9%**	**1,481**	**1,302**	**14%**
Recurring PAT	**464**	**416**	**12%**	**1,470**	**1,280**	**15%**

Annexure 1: Operating Margin Structure for Marico Limited (Consolidated)

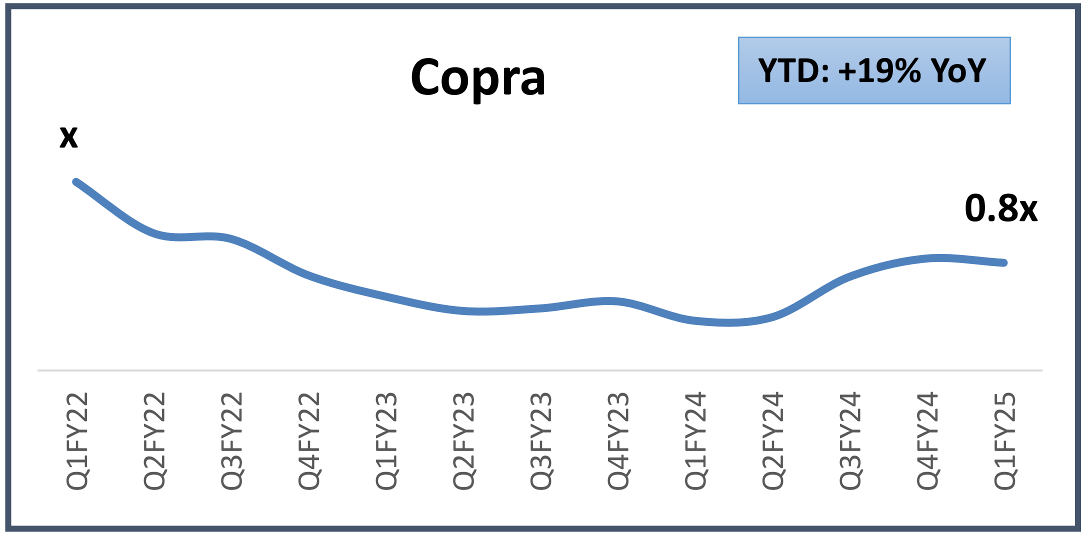
(as a % of Revenues)	Q1FY25	Q4FY24	Q1FY24	FY24	FY23
Material Cost (Raw + Packaging)	47.7%	48.4%	50.0%	49.2%	54.8%
Advertising & Sales Promotion (ASP)	9.1%	9.9%	8.6%	9.9%	8.6%
Personnel Costs	7.7%	8.2%	7.3%	7.7%	6.7%
Other Expenses	11.8%	14.1%	10.9%	12.3%	11.3%
PBDIT margins	23.7%	19.4%	23.2%	21.0%	18.5%
PBDIT before ASP	32.8%	29.3%	31.7%	30.9%	27.2%

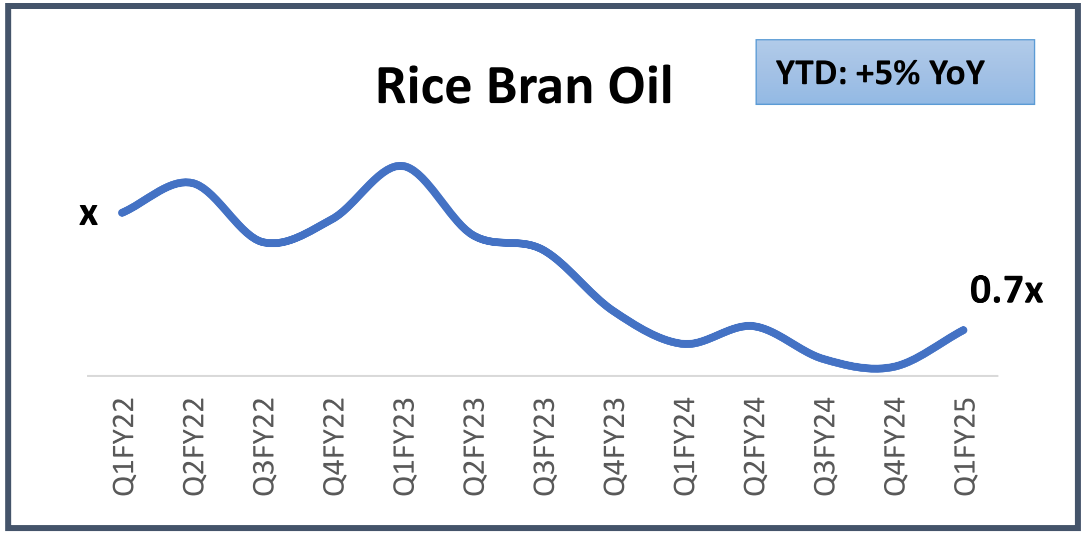
Annexure 2: Working Capital

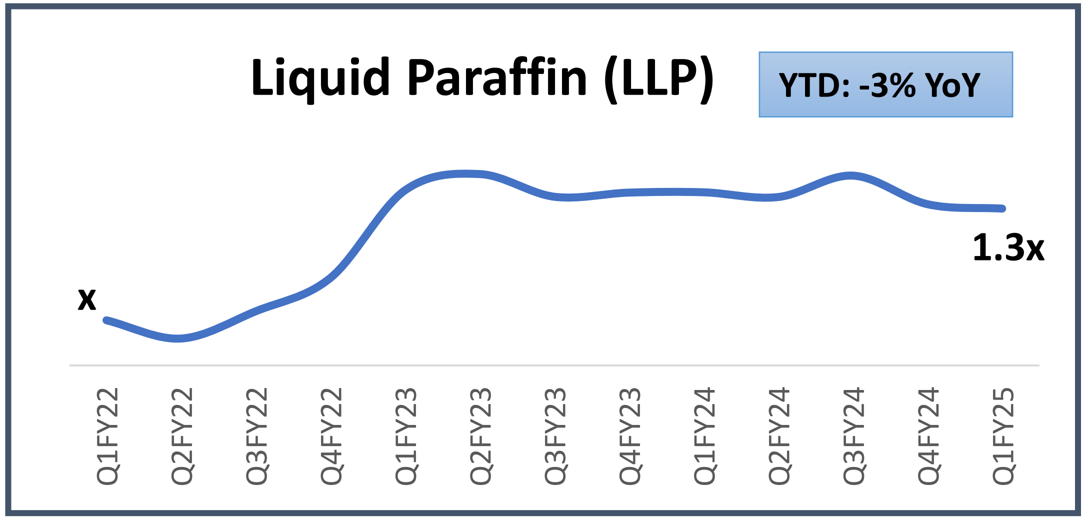
Particulars	Q1FY25	Q4FY24
Debtors Turnover (Days)	38	46
Inventory Turnover (Days)	47	52
Net Working Capital (Days)	28	36

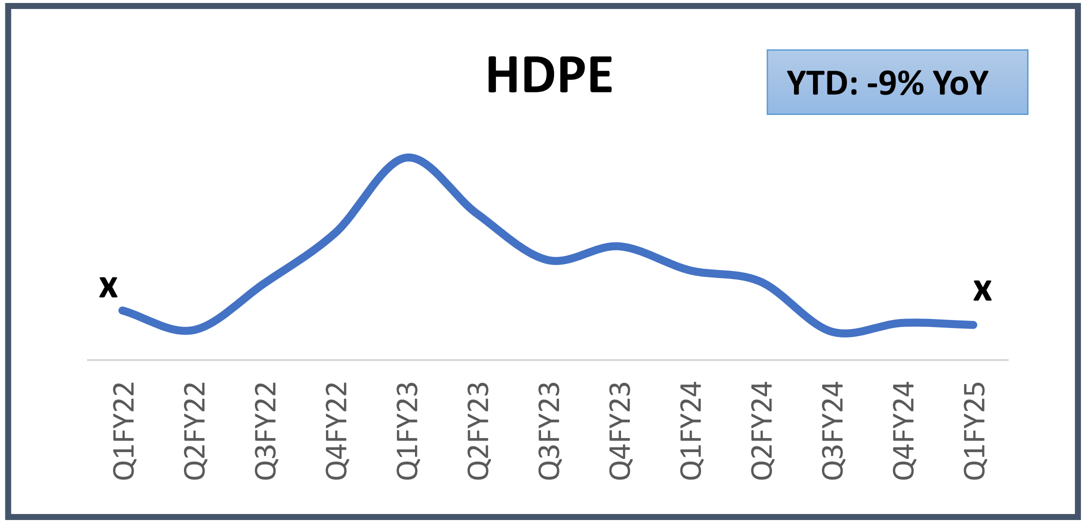
Note: The Company has maintained healthy working capital ratios through the year.

Annexure 3: Movement of Key Raw Material Prices









**The charts above exhibit the trend of average market prices on a quarterly basis and do not represent Marico's actual purchase prices.*

Annexure 4: Market Shares in Key Categories in the India Business - MAT Jun'24

Franchise	~MS%	Rank
^ Coconut Oil Franchise	64%	1st
^ Parachute Rigids within Coconut Oil	55%	1st
* Saffola Oats	41%	1st
* Value Added Hair Oils	27%	1st
^ Post wash Leave-on Serums	49%	1st
* Hair Gels/Waxes/Creams	51%	1st

^ Volume Market Share * Value Market Share

Annexure 5: ESG Performance Snapshot (Q1 FY25)




Emissions & Energy

- **79%** reduction in GHG emission intensity (Scope 1+2)
- **67.4%** Renewable energy share (thermal + electrical)
- **~4800 tco2e** of emission savings due to sustainable packaging projects

Water Stewardship

- **55% reduction** in water consumption intensity as compared to base year
- **2.5x water conservation potential** created in Jalgaon as compared to operational consumption.

Circular Economy

- **95.3%** recyclable packaging share by weight
- **27,986 MT** of post-consumer plastic waste collected and recycled/co-processed till date

Responsible Sourcing

- **82%** critical vendors have completed Level 1 (Educate) of Samyut**,** Marico’s Responsible Sourcing program
- **26%** critical vendors have completed Level 2 (Evaluate)

Social Value Creation

- **>1.5 lac trees** plantation initiated under afforestation programme
- **16 lac lives** (cumulative) impacted through community sustenance initiatives conducted around our manufacturing units

Click here to access a brief profile on Marico’s ESG program

Annexure 6: Recent ESG Recognitions

Marico has received the prestigious **Global CSR, Sustainability and ESG Awards 2024** from Brand Honchos in the category of *Best Water Management Initiative of the Year*

Marico's Parachute Kalpavriksha Foundation has been honoured with a **'7-Star Rating'** and recognized in the **'Social Responsibility Category** at the 9th International Best Practice Competition (IBPC)

Annexure 7: Awards and Recognitions

Marico has been awarded as one of the **Top Companies for 2024, by LinkedIn.**

Marico's Guwahati unit received the prestigious **'IMC RBNQA Milestone Merit Award'** in the Manufacturing, Operations, and Workforce categories **by IMC RBNQA.**

Marico's Pondicherry unit was honoured with the prestigious **'IMC Ramkrishna Bajaj National Quality Award'** in the manufacturing category by **IMC RBNQA.**

Marico has been recognised as the **'Advertiser of the Year'** award at the **10th edition of the e4m Prime Time Awards.**

make a difference

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Investor Relations Contact:
Harsh Rungta | Head – M&A and Investor Relations | ***harsh.rungta@marico.com***

Thank You

Marico – Information Update for Q1FY25 (Quarter ended June 30, 2024)

Executive Summary: Consolidated Results

Particulars (₹ Cr)	Q1FY25	YoY Growth
Revenue from Operations	2,643	7%
EBITDA	626	9%
EBITDA Margin (%)	23.7%	Up 50 bps
Profit After Tax (excl. one-offs)	464	12%
Domestic Volume Growth (%)		4%
International Business (% CCG)		10%

In Q1FY25, Revenue from Operations was at ₹2,643 crore, up 7% YoY, with underlying volume growth of 4% in the domestic business and constant currency growth of 10% in the international business.

During the quarter, **overall FMCG volume trends in India continued to exhibit gradual improvement on a 2-year CAGR basis**, with the trajectory in rural bearing more promise, while urban was stable. Pricing growth for the sector turned flattish on a YoY basis. Both **HPC and Foods witnessed an uptick**, although the pickup over the last 6 months has been more pronounced in the former. Premium segments continued to outpace mass segments, while **alternate channels gained salience** vis-à-vis General Trade (GT).

The **sequential uptick in volume growth in the domestic business reflected the improving demand context**, even after absorbing the impact of ongoing stock adjustments implemented in select GT sub channels to support distributor ROIs as well as to enable smoother direct reach expansion through Project SETU. Offtakes remained healthy across key portfolios with **more than 90% of the business either gaining or sustaining market share and penetration, both on a MAT basis. Domestic revenue was ₹1,962 crore, up 7% YoY**, as volume growth was supplemented by price hikes in the Coconut Oil portfolio, which more than offset the residual base impact of pricing cuts in the Saffola Oils portfolio.

Q1FY25 marked the execution of Phase 1 of Project SETU in six states representing a mix of stronghold and opportunity markets. The initial results have been very promising with direct coverage expansion in urban and rural markets. These new outlets have responded well to the core and new portfolios. During FY25, we will scale up Phase 1 markets as well as expand into more states. In addition to **improved direct reach and weighted distribution, we expect Project SETU to drive market share gains across categories in urban and rural markets, as well as enhance assortment levels in urban stores, thereby enabling diversification & premiumisation in the domestic business**.

The **International business sustained its double-digit constant currency growth momentum** with each of the key markets delivering broad based growth.

Gross margin expanded by 230 bps YoY, owing to benign input costs and favorable portfolio mix. **A&P spends was up 13% YoY,** as the Company sustained focus on strategic brand building of core and new businesses. **EBITDA margin stood at 23.7%, up 50 bps YoY and EBITDA grew by 9%. PAT (excluding one-offs) was up 12%,** due to lower Effective Tax Rate (ETR) in the quarter and also after excluding the one-off gain on sale of fixed assets (classified under 'Other Income') in the base quarter. Reported PAT growth was at 9%. **ETR is expected to be at ~22.5% in FY25.**

Other highlights relating to the quarterly performance are as follows:

- **Parachute Rigids registered 2% volume growth. Volume offtakes grew 8% during the quarter**, which was reflective of the **consistent market share and penetration gains witnessed by the brand.** The reported volume growth, however, was impacted by the aforesaid stock adjustments in GT. The brand asserted its stronghold in the category with **~100 bps gain in market share during the quarter. We expect a pickup through the rest of the year** in view of the visibly encouraging trends in market share, penetration and offtakes. **The volume market share of the composite Coconut oil portfolio (including flanker brands) reached highest-ever levels at ~64% on MAT basis.**

 For further information / clarification, contact Marico on Tel (91-22) 6648 0480, E-mail: investor@marico.com

- **Value-Added Hair Oils declined 5% in value terms** amidst persistent sluggishness and competitive headwinds in the bottom of the pyramid segment. **Secondary sales and offtakes grew in low single digits during the quarter. Mid and premium segments of franchise continued to fare relatively better**. **The value market share of the franchise was up ~60 bps during the quarter and consolidated at 27% on MAT basis. We aim to chart a recovery during the course of this year** on the back of concerted actions initiated in the bottom of the pyramid segment of the portfolio and gradually improving rural consumption sentiment in mass BPC categories.
- **Saffola Edible Oils delivered mid-single digit volume growth** as input and consumer pricing remained stable. **Revenue declined marginally on a year-on-year basis,** due to the last leg of pricing corrections not factoring in the base. As the pricing base entirely catches up from the next quarter, revenue growth will track in line with volume growth.
- **Foods posted robust 37% value growth YoY. Saffola Oats** delivered 20%+ growth, while the relatively **newer franchises also scaled up** on expected lines. We launched **Saffola Muesli with Flavour Pops** during the quarter, aiming to leverage the brand's equity in the breakfast segment. The differentiated flavour pops format was introduced in three scrumptious variants of ***Kesar Crunch, Berry Crunch and Choco Crunch***. **True Elements** and the **plant-based nutrition portfolio of Plix** maintained their accelerated growth momentum.
- **Premium Personal Care** sustained its strong growth trajectory during the quarter, led by the Digital-first portfolio**. Beardo continued to scale well and is on course to deliver double-digit EBITDA margin this year. Just Herbs** and the **personal care portfolio of Plix** continued to gain traction.
- **Copra prices stayed firm in line with forecasts, while edible oil and crude oil derivatives remained rangebound**. As forecasts in edible and crude oil exhibit a mild upward bias, **we will exercise the pricing power of our key franchises judiciously to alleviate any input cost pressures during the year.**
- Within the International business, **Bangladesh registered 10% CCG** (constant currency growth) as the business stayed resilient and sustained its momentum. **South-East Asia was flat in CC terms,** as the recovery in HPC demand in Vietnam was offset by a weak quarter in Myanmar. **MENA delivered 20% CCG** with both the Gulf region and Egypt faring well. **South Africa registered 28% CCG** driven by the ethnic hair care segment. **NCD and Exports posted 14% growth**.
- The EBITDA margin of the **domestic business** was at **23.9%, up ~20 bps YoY**, and that of the **International business** was at **31.6%, up ~200 bps YoY**.

Collaboration with Kaya in science-backed personal care - INR 100 cr. revenue potential over the next 4-5 years

Earlier this month, the Company announced that it will collaborate with renowned dermatological solutions provider, Kaya Limited, to advance its play in science-backed personal care. Under this arrangement, the Company will have exclusive rights to scale up Kaya's range of efficacy-based personal care products outside of its clinics. **This key strategic initiative presents a INR 100 cr. revenue opportunity over the next 4-5 years** and will **add another growth lever to Marico's Premium Personal Care led Digital Business**, thereby further accelerating the portfolio diversification agenda of the India business.

Outlook

After the positive start to the year, we expect sectoral volume trends to sustain the improving trajectory, aided by stable retail inflation, a healthily progressing monsoon season and Government's budgetary allocations towards boosting the rural economy. However, elevated food inflation and spatial distribution of rainfall will be key factors to be monitored.

Amidst the backdrop of improving macro-indicators, we expect a **gradual uptick in the growth of our core categories in the domestic business** through the ongoing initiatives to enhance the profitability of our General Trade (GT) channel partners and transformative expansion in our direct reach footprint under **Project SETU**. We also continue to draw confidence from **healthy offtakes, penetration and market share gains in our key portfolios**. We will continue our focus on driving **differential growth in our urban-centric and premium portfolios** through the organized retail and E-Commerce channels. Therefore, we expect to deliver consistent and competitive growth over the medium term through a much sharper and targeted portfolio and SKU strategy in each channel.

Marico – Information Update for Q1FY25 (Quarter ended June 30, 2024)

Sustained investment towards driving accelerated growth in new businesses has led to a significant shift in the revenue construct of the domestic business since FY20. We will continue to **aggressively diversify the portfolio through the scale up of Foods and Premium Personal Care portfolios**, while improving profitability parameters in line with our medium-term strategic priorities. After successful initiatives towards refinements in supply chain and GTM during FY24, **we aim to grow Foods at 20-25%+ CAGR to 2x of FY24 revenues in FY27**. The Digital-first portfolio is **expected to exit FY25 at an ARR of INR 550-600 cr.** and scale to **2x of FY24 ARR in FY27**. **Consequently, we expect the domestic revenue share of the Foods and Premium Personal Care portfolios to expand to ~25% by FY27.**

We will also focus on driving consistent improvements in profitability as constituent franchises of the Foods and Digital-First portfolios attain critical mass. After the structural **GM expansion of ~800 bps in FY24, we expect a gradual improvement in gross and operating margins of the Foods portfolio as we scale over the medium term**. We are on course to deliver **double-digit EBITDA margin in Beardo this year**. We will aim to replicate the Beardo playbook as we scale the Digital-first franchises and **achieve double-digit EBITDA margin in the portfolio in FY27**.

The International business has grown from strength to strength in the face of transient macroeconomic and currency devaluation headwinds in select regions. While Bangladesh and Vietnam have led from the front, the strong growth momentum in the MENA and South Africa businesses has visibly strengthened the broad-based construct and offers margin upside over the medium term. This has resulted into visible geographical diversification in the overall international business, reflecting in the **reducing dependence on the Bangladesh business.** We will continue to invest aggressively towards diversifying the portfolio, expanding the total addressable market and driving market share gains in each of the markets. We aim to **maintain the double-digit constant currency growth momentum over the medium term.**

We will also **continue to scout for inorganic growth opportunities** that offer meaningful potential to consolidate our competitive position in existing categories, expand the total addressable market in existing geographies or access markets of interest, thereby adding visible levers to drive long term value creation.

We expect consolidated revenue growth to trend upwards during the course of the year, on the back of an improving trajectory in domestic volume growth, a favorable pricing cycle in key domestic portfolios and healthy growth momentum in the International business. We will continue to drive steady progress towards our key strategic objectives in the domestic as well as the International businesses and aim to deliver **revenue-led earnings growth in FY25**.

In the medium term, we aim to deliver **double-digit revenue growth** through **consistent outperformance vis-à-vis the category and market share gains in the domestic core portfolios, accelerated growth in the Foods and Premium Personal Care** and **double-digit constant currency growth in the International business**. We expect **operating margin to inch up over the next few years** with leverage benefits as well as premiumisation of the portfolios across both the India and International businesses.

Marico – Information Update for Q1FY25 (Quarter ended June 30, 2024)

Mode of Issue of this update

We have issued this Information Update, first to the Stock Exchanges, posted it on Marico's website and then sent it to the financial community members who are on Marico's regular mailing list.

We recommend that readers refer to the Marico Group financials to get a better appreciation of the business performance. A copy of the latest Annual Audited Financial Results of Marico Limited (Standalone and Consolidated) is available on Marico's website.

Disclosure of Information, Communication with Investors / Analysts / Financial Community

Marico issues fresh information updates, like the one you are reading now, on the day it declares its Quarterly Financial Results. Some forward-looking statements on projections, estimates, expectations, outlook etc. are included in such updates to help investors/ analysts get a better comprehension of the Company's prospects and make informed investment decisions.

Actual results may, however, differ materially from those stated on account of factors such as changes in government regulations, tax regimes, economic developments within India and the countries within which the Company conducts its business, exchange rate and interest rate movements, impact of competing products and their pricing, product demand and supply constraints.

All the aforesaid information is also available on Marico's Website: www.marico.com. In view of this, information contained in such updates is made public and thus not therefore constitute unpublished price sensitive information under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Marico holds periodic meetings/ conference calls, from time to time, with individual members of the financial community.

Marico Investor Relations Team

Harsh Rungta Head – M&A and Investor Relations (harsh.rungta@marico.com)

Marico Limited – Q1FY25 Results

Consolidated Revenue grew 7%
Domestic Volume Growth moves up to 4%
Foods and Digital-first portfolios sustain accelerated scale up
International business delivers broad-based 10% CCG
EBITDA up 9% YoY; PAT up 12% YoY on like-to-like basis

In Q1FY25, Revenue from Operations was at ₹2,643 crore, up 7% YoY, with underlying volume growth of 4% in the domestic business and constant currency growth of 10% in the international business.

During the quarter, **overall FMCG volume trends in India continued to exhibit gradual improvement on a 2-year CAGR basis**, with the trajectory in rural bearing more promise, while urban was stable. Both HPC and Foods witnessed an uptick, although the pickup over the last 6 months has been more pronounced in the former. Premium segments continued to outpace mass segments, while alternate channels gained salience vis-à-vis General Trade (GT).

Domestic revenue was ₹1,962 crore, up 7% YoY, as volume growth was supplemented by price hikes in the Coconut Oil portfolio, which more than offset the residual base impact of pricing cuts in the Saffola Oils portfolio. **Offtakes remained healthy across key portfolios with more than 90% of the business either gaining or sustaining market share and penetration, both on a MAT basis.**

Q1FY25 marked the execution of Phase 1 of Project SETU in six states representing a mix of stronghold and opportunity markets. The initial results have been very promising with direct coverage expansion in urban and rural markets. During FY25, we will scale up Phase 1 markets as well as expand into more states.

The International business sustained its double-digit constant currency growth momentum with each of the key markets delivering broad based growth.

Gross margin expanded by 230 bps YoY. A&P spends was up 13% YoY. **EBITDA margin stood at 23.7%, up 50 bps YoY and EBITDA grew by 9%. PAT (excluding one-offs) was up 12%**, due to lower Effective Tax Rate (ETR) in the quarter and also after excluding the one-off gain on sale of fixed assets (classified under 'Other Income') in the base quarter. Reported PAT growth was at 9%. ETR is expected to be at 22.5% in FY25.

Domestic Business

Parachute Rigids registered 2% volume growth. Volume offtakes grew 8% during the quarter. The brand asserted its stronghold in the category with ~100 bps gain in market share during the quarter. The volume market share of the composite Coconut oil portfolio reached highest-ever levels at ~64% on MAT basis.

Value-Added Hair Oils declined 5% in value terms amidst persistent sluggishness and competitive headwinds in the bottom of the pyramid segment. Mid and premium segments of franchise continued to fare relatively better. The value market share of the franchise was up ~60 bps during the quarter and consolidated at 27% on MAT basis.

Saffola Edible Oils delivered mid-single digit volume growth as input and consumer pricing remained stable.

Foods posted robust 37% value growth YoY. Saffola Oats delivered 20%+ growth, while the relatively newer franchises also scaled up on expected lines. True Elements and Plix maintained their accelerated growth momentum.

Premium Personal Care sustained its strong growth trajectory during the quarter, led by the Digital-first portfolio. Beardo continued to scale well and is on course to deliver improved profitability in line with expectations. Just Herbs and the Personal Care portfolio of Plix continued to gain traction.

Marico has been awarded as one of the Top Companies for 2024, by LinkedIn.

Marico's Guwahati Operations has received the prestigious 'IMC RBNQA Milestone Merit Award' in the Manufacturing, Operations, and Workforce categories by IMC RBNQA.

Marico's Pondicherry Operations was honoured with the prestigious 'IMC Ramkrishna Bajaj National Quality Award' in the manufacturing category by IMC RBNQA.

Marico has been recognised as the 'Advertiser of the Year' award at the 10th edition of the e4m Prime Time Awards.

Earlier this month, the Company announced that it will collaborate with renowned dermatological solutions provider, Kaya Limited, to advance its play in science-backed personal care. Under this arrangement, the Company will have exclusive rights to scale up Kaya's range of efficacy-based personal care products outside of its clinics. This key strategic initiative presents a ₹100 cr. revenue opportunity over the next 4-5 years and will add another growth lever to Marico's Premium Personal Care led Digital Business.

International Business

Bangladesh registered 10% CCG (constant currency growth) as the business stayed resilient and sustained its momentum. **South-East Asia was flat in CC terms**, as the recovery in HPC demand in Vietnam was offset by a weak quarter in Myanmar. **MENA delivered 20% CCG** with both the Gulf region and Egypt faring well. **South Africa registered 28% CCG** driven by the ethnic hair care segment. **NCD and Exports posted 14% growth**.

Outlook

Amidst the backdrop of improving macro-indicators, **we expect a gradual uptick in the growth of our core categories in the domestic business** through the ongoing initiatives to enhance the profitability of our General Trade (GT) channel partners and transformative expansion in our direct reach footprint under Project SETU.

We will **continue to aggressively diversify the portfolio** through the scale up of Foods and Premium Personal Care portfolios, while improving profitability parameters in line with our medium-term strategic priorities. After successful initiatives towards refinements in supply chain and GTM during FY24, we aim to grow Foods at 20-25%+ CAGR to 2x of FY24 revenues in FY27. **The Digital-first portfolio is expected to exit FY25 at an ARR of ₹550-600 cr. and scale to 2x of FY24 ARR in FY27**. Consequently, we expect the domestic revenue share of the Foods and Premium Personal Care portfolios to expand to ~25% by FY27.

After the structural GM expansion of ~800 bps in FY24, we expect a gradual improvement in gross and operating margins of the Foods portfolio as we scale over the medium term. We are on course to deliver double-digit EBITDA margin in Beardo this year. We will aim to replicate the Beardo playbook as we scale the Digital-first franchises and achieve double-digit EBITDA margin in the portfolio in FY27.

The International business has grown from strength to strength in the face of transient macroeconomic and currency devaluation headwinds in select regions. While Bangladesh and Vietnam have led from the front, the strong growth momentum in the MENA and South Africa businesses has visibly strengthened the broad-based construct and offers margin upside over the medium term. This has resulted into visible geographical diversification in the overall international business, reflecting in the reducing revenue dependence on Bangladesh business. We will aim to maintain the double-digit constant currency growth momentum over the medium term.

We expect consolidated revenue growth to trend upwards during the course of the year, on the back of an improving trajectory in domestic volume growth, a favorable pricing cycle in key domestic portfolios and healthy growth momentum in the International business. We will continue to drive steady progress towards our key strategic objectives and aim to deliver revenue-led earnings growth in FY25.

Saugata Gupta, MD & CEO, commented, *"The new fiscal has started on a promising note for both the domestic and international businesses with revenue growth visibly turning a corner. We expect to sustain the improving trajectory in the core domestic business on the back of consistent market share and penetration gains coupled with the ongoing initiatives to revive growth in traditional trade and expand direct reach under Project SETU. We will also maintain steadfast focus on the profitable scale up of the Foods and Digital-first brands. The international business has been veritably consistent over the last few years and is expected to maintain its double-digit constant currency growth momentum. We will aim to deliver on each of the key performance parameters and drive healthy revenue-led earnings growth in the near and medium term."*

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