

## Marico – Information Update for Q4FY25 (Quarter ended March 31, 2025)

### Executive Summary: Consolidated Results

Particulars (₹ Cr)	Q4FY25	YoY Growth	FY25	YoY Growth
Revenue from Operations	2,730	20%	10,831	12%
EBITDA	458	4%	2,139	6%
EBITDA Margin (%)	16.8%	Down ~260 bps	19.7%	Down ~125 bps
Profit After Tax (excl. one-offs)	343	8%	1,593	8%
Reported Profit After Tax	343	8%	1,629	10%
India Volume Growth (%)		7%		5%
International Business (% CCG)		16%		14%

In Q4FY25, Revenue from Operations was at ₹2,730 crore, up 20% YoY, with underlying volume growth of 7% in the India business and constant currency growth of 16% in the international business. Consolidated and India revenue growth, as well as underlying volume growth in the India business, stood at a 14-quarter high.

In FY25, Revenue from Operations was at ₹10,831 crore, up 12% YoY, with underlying volume growth of 5% in the India business and constant currency growth of 14% in the international business.

During Q4, consumer sentiment remained stable amidst improving demand in rural and mixed trends among mass and premium urban segments. Both HPC and Foods segments exhibited steady growth vis-à-vis the preceding quarter.

The India business continued to deliver sequential improvement in volume growth in this quarter. We witnessed the transient impact of hyperinflation and resultant steep price increases in core portfolios, but maintained robust momentum in the new businesses. **Offtakes remained strong, with ~95% of the business gaining or sustaining market share and ~80% of the business gaining or sustaining penetration, both on MAT basis.**

**India revenues stood at ₹2,068 crore, up 23% YoY**, aided by price hikes in core portfolios in response to elevated input costs. Alternate channels continued to gain salience vis-à-vis General Trade.

The International business delivered another stellar quarter and closed ahead of internal targets. Bangladesh sustained its strong momentum, posting double-digit constant currency growth. Vietnam was muted amidst sluggishness in some of the key categories. MENA and South Africa continued their high-paced growth trajectory. The business charted a resilient topline and profitability performance despite the impact of currency headwinds in key markets (translating to ~2% impact on consolidated EBITDA in FY25).

**Gross margin contracted by ~300 bps YoY**, primarily impacted by the rise in copra and vegetable oil prices, which was partly offset by pricing interventions in key portfolios. **A&P spends were up 35% YoY in Q4 (up 18% in FY25), in line with our strategic intent to continually strengthen our franchises and accelerate diversification. Consequently, EBITDA was up 4%, as EBITDA margin stood at 16.8%, down ~260 bps. PAT was up 8% YoY.**

**At its meeting held on May 02, 2025, the Board of Directors recommended a final dividend of ₹7.00 per equity share of ₹1 each on its paid-up equity share capital of ~₹129.5 crores.**

Other highlights relating to the quarterly performance are as follows:

- **Parachute Rigids registered 1% volume decline**, witnessing transient sluggishness due to consumption titration (typical during hyperinflationary cycles) amidst steep increase in consumer pricing and the impact of ml-age reduction in select packs. **Adjusting for ml-age reduction, the brand registered low single digit volume growth. The brand gained ~70bps market share on a MAT basis. The brand logged 22% revenue growth**, aided by pricing interventions taken during the year. While copra prices are at unprecedented highs, moderation in prices is anticipated in the coming months. **The brand posted 2% volume growth and 13% revenue growth in FY25.** We expect a pick up in volume growth as consumer pricing eases during the course of FY26.
- **Value-Added Hair Oils grew by 1% in value terms**, charting a gradual recovery on a sequential basis **led by steady performance in the mid and premium segments of the portfolio.** Offtake growth trends across these franchises bodes well for the coming year. **The portfolio logged ~120 bps gain in value market share on a MAT basis.** We expect

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the improving growth trajectory to sustain through next year, supported by sustained ATL investments and focused brand activations.

- **Saffola Edible Oils posted 26% growth in value terms. The brand recorded a low single-digit volume decline amidst elevated pricing in response to elevated vegetable price tables.** The brand continued to champion mindful consumption by upholding the “Less Oil, But The Right Oil” ideology, in line with its commitment to helping consumers make healthier lifestyle choices. The brand posted low single digit volume growth and 13% revenue growth in FY25.
- **Foods recorded robust 44% value growth YoY and crossed ₹900 cr. in revenues in FY25. Saffola Oats** grew in double digits in FY25 and gained market share on MAT basis, thereby retaining its position as the #1 Oats brand. During the quarter, we launched **Saffola Cuppa Oats**, a 4-minute ready-to-eat offering with a unique blend of oats, millets, and crunchy multigrain bites. **True Elements** and the **plant-based nutrition portfolio of Plix** maintained their accelerated growth momentum.
- **Premium Personal Care also** sustained its strong momentum during the quarter, led by the Digital-first portfolio. The Digital-first portfolio, comprising Beardo, Just Herbs and the personal care portfolio of Plix, **exited FY25 at ~750 cr. ARR, scaling up well-ahead of aspirations.**
- **The composite revenue share of Foods and Premium Personal Care in the India business stood at ~22% in FY25,** exhibiting steady progress towards the portfolio diversification objective.
- Among key inputs, copra prices rose by 14% sequentially (~48% YoY in FY25), ahead of internal forecasts, and vegetable oil prices were firm sequentially (up ~25% YoY in FY25). Crude oil derivatives remained rangebound. We continued to prioritize the expansion of our consumer franchises in the current environment, while judiciously leveraging the pricing power of these franchises in the near term.
- In the International business, **Bangladesh posted 11% CCG** underscoring the resilience of the business model in a challenging macro environment. The fundamentals and medium-term growth construct of the business remain intact. **Vietnam had a flattish quarter**, but is expected to chart a gradual pickup in the coming quarters. **MENA continued its robust growth momentum and delivered 47% CCG**, with both the Gulf region and Egypt recording strong growth. **South Africa registered 13% CCG** mainly led by the Hair Care segment. **NCD and Exports posted 16% growth.**

### Outlook

In FY25, the FMCG sector witnessed steady demand trends, supported by gradual recovery in rural sentiment and stable urban consumption. The year was also marked by rising commodity prices, which drove pricing growth across categories. The uptrend in rural growth was supported by a healthy monsoon season, higher MSPs and continued government spending. Urban consumption trends were a mixed bag, with healthy sentiment prevailing among upper-middle and affluent segments, while bouts of elevated retail and food inflation during the year weighed on mass urban consumption. Alternate channels such as Modern Trade and E-commerce continued gaining traction, even as General Trade remained under pressure.

In the given context, the India business delivered strong double-digit revenue growth in line with aspirations as the core portfolios posted a resilient and competitive performance amidst sharp input cost inflation, while the new businesses maintained their strong scale up momentum.

We expect **gradually improving growth trends in the core categories** on the back of moderating trends in retail and food inflation as well as promise of a healthy monsoon season. This will be further aided by our ongoing initiatives to support select 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 in the medium term through a much sharper and targeted portfolio and SKU strategy in each channel.

Sustained investment towards the accelerated scale up of our **Foods and Premium Personal Care portfolios** has not only resulted in a visible shift in the revenue construct of the India business, but also enabled differential growth outcomes amidst relatively slower demand in mass consumption-led franchises over the past few quarters. We will continue to **aggressively diversify the portfolio through these portfolios** in line with our medium-term strategic priorities. **Foods stood at 5x of FY20 revenues in FY25, surpassing the ₹900 crore mark. We aim to grow Foods at 25%+ CAGR to ~8x of FY20 revenues (~2x of FY24 revenues) in FY27. The Digital-first portfolio clocked ARR of ₹750 crore on exit basis in FY25,**

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surpassing aspirations for the year. We expect to scale this portfolio to ~2.5x of FY24 ARR (earlier ~2x of FY24 ARR) in FY27. Consequently, we expect the India revenue share of the Foods and Premium Personal Care portfolios to expand to ~25% by FY27.

The rapid scale up of these portfolios has been accompanied by significant improvement in their profitability, resulting in their share of India Net Contribution (NC) moving to double digits (~5x of FY22 levels). This underscores the profitable and sustainable growth focus of the diversification strategy. We will continue to focus on driving consistent improvements in profitability as constituent franchises of the Foods and Digital-First portfolios attain critical mass. We have effected structural GM expansion of ~1000 bps in Foods over FY24 and FY25. We expect gradual improvement in gross and operating margins of the Foods portfolio as we scale up over the medium term. Among Digital-first brands, Beardo closed in on double-digit EBITDA margin this year. Plix delivered low single digit EBITDA margin this year. We aim to replicate this playbook and achieve double-digit EBITDA margin in the portfolio in FY27.

The International business has navigated headwinds, including macroeconomic volatility and currency devaluation in select markets. While the Bangladesh and Vietnam businesses remain strong anchors, the robust momentum in the MENA and South Africa businesses has visibly strengthened the revenue construct of the overall international business. This also reflects in the steadily reducing topline and bottomline dependence on the Bangladesh business. We have also made visible strides towards premiumisation of our portfolios across markets through innovation and expansion into premium personal care categories such as shampoos, skin care, hair styling/ care (ex-hair oils) and baby care. These portfolios have scaled at 24% CAGR over FY21-25 period and we aim to deliver 25%+ growth in the medium term. As a result, their revenue share in the International business rose from ~20% in FY21 to ~29% in FY25. 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 in the International business 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.

Pursuant to the strategic objectives set at the start of this year, we have delivered on most counts, in addition to diversification of the portfolio. The India business has posted marked improvement in underlying volume growth and double-digit revenue growth in FY25. The international business has delivered double-digit growth in constant currency terms. Looking ahead, we remain committed to investing in brand building consistently in line with our strategic vision to strengthen the core and accelerate differentiated growth across new franchises. The business delivered ~20% operating margin in FY25, amid escalating input cost inflation in the second half of the year. Despite transient input cost headwinds in the near term, we expect to sustain the double-digit revenue growth momentum and will strive to deliver double-digit operating profit growth in FY26.

Owing to the strengthening growth construct of the business, we maintain our aspiration to deliver double-digit revenue growth in the medium term through consistent outperformance vis-à-vis the category and market share gains in the India core portfolios, accelerated growth in the Foods and Premium Personal Care and double-digit constant currency growth in the International business. We also expect operating margin to inch up over the medium term with leverage benefits as well as premiumisation of the portfolios across both the India and International businesses.

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Note:

- 1) Net Contribution (NC) is calculated as Net Revenues less all variable costs and marketing expenses.

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### **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](http://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 members of the financial community.

### **Marico Investor Relations Team**

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