

October 5, 2021

The Secretary,
Listing Department,
BSE Limited,
1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
Scrip Code: 531642

The Manager,
Listing Department,
The National Stock Exchange of India Limited,
Exchange Plaza, C-1 Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400051
Scrip Symbol: MARICO

Subject: Quarterly Update – Q2 FY2021-22

Dear Sir/Madam,

Please find enclosed an update on the operating performance and demand trends witnessed during the quarter ended September 30, 2021. The same will also be made available on the website of the Company shortly.

This will be followed by a detailed Information Update once the Board of Directors of the Company approves the un-audited consolidated and standalone financial results for the quarter and half year ended September 30, 2021.

Thank you.

Yours faithfully,

For **Marico Limited**

Pawan Agrawal
Chief Financial Officer

Encl.: As above



Quarterly Update: Q2 FY22

This update seeks to provide an overall summary of the operating performance and demand trends witnessed in the quarter ended 30th September, 2021. A detailed Information Update will follow this once the Board approves the financial results for Q2 FY22.

During the quarter, the sector witnessed improving demand trends as mobility levels increased with reducing COVID infections and accelerated vaccination drives. Discretionary categories and out-of-home consumption also visibly picked up.

In the India business, we witnessed healthy consumer sentiment across our categories. **Revenue growth in the quarter was in the low twenties, with volume growth close to double-digits on a 2-year CAGR basis. Parachute Coconut Oil** delivered in line with medium term aspirations. **Value Added Hair Oils** posted double-digit volume growth. Within the **Saffola franchise, Saffola Edible Oils** had a muted quarter, largely due to volatility in edible oil prices leading to trade destocking and partly owing to lower in-home consumption. **Foods**, on the other hand, continued to grow smartly and remained on course to clock INR 5 billion in revenues this year. **Premium Personal Care** portfolios grew handsomely, albeit on a low base. The digital-first brands, **Beardo** and **Just Herbs**, performed in line with expectations.

The International business delivered **double digit constant currency growth** as we witnessed positive trends in all markets, except Vietnam. Vietnam, where a large part of our portfolio is of a discretionary nature, was in the grip of a severe COVID surge and stringent lockdown restrictions.

Among key inputs, copra prices corrected further, crude remained firm, while edible oil prices oscillated at higher levels. Gross margin is expected to improve marginally from the previous quarter, but will be under pressure on a year-on-year basis due to much higher input costs over the last year. Operating margin is also expected to contract on a year on year basis given the arithmetic effect of significant pricing growth in the topline. As a result, the Company expects modest bottom line growth in the quarter.

After a lukewarm response to Saffola Arogyam Chyawan Amrut, we reworked the mix of the product and launched **Saffola Immuniveda Chyawanprash** during the quarter. The product is available across e-commerce, modern trade and general trade channels all over India, as well as the [Saffola Store](#) direct-to-consumer portal.

The Company maintains its aspiration of delivering sustainable and profitable volume-led growth over the medium term, enabled by the strengthening brand equity of its core franchises and new engines of growth reaching critical mass.

About Marico:

Marico (BSE: 531642, NSE: "MARICO") is one of India's leading consumer products companies in the global beauty and wellness space. During FY 2020-21, Marico recorded a turnover of about INR 80.5 billion (USD 1.1 billion) through its products sold in India and chosen markets in Asia and Africa.

Marico touches the lives of 1 out of every 3 Indians, through its portfolio of brands such as Parachute, Saffola, Saffola FITTIFY Gourmet, Saffola ImmuniVeda, Saffola Arogyam, Saffola Mealmaker, Hair & Care, Parachute Advansed, Nihar Naturals, Mediker, Kaya Youth O2, Coco Soul, Revive, Set Wet, Livon, Veggie Clean, KeepSafe, Travel Protect, House Protect and Beardo. The International consumer products portfolio contributes to about 23% of the Group's revenue, with brands like Parachute, Parachute Advansed, HairCode, Fiancée, Caivil, Hercules, Black Chic, Code 10, Ingwe, X-Men, Mediker SafeLife, Thuan Phat and Isoplus.

Marico Limited

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