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Marico's Perundurai unit received Platinum rating as per GreenCo Rating System by CII-Godrej Green Business Centre.

Marico ranked in the Top 10 BSE 100 Indian Companies for exemplary corporate governance

Marico is recognized for Excellence in Corporate Governance by 15th ICSI National Awards

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Saugata Gupta honoured with Best CEO-Private Sector at Forbes India Leadership Awards 2019

Parachute featured in The Economic Times Brand Equity 100 Most Trusted Brands 2020'

Livon has won the Bronze Award for Branded Content at the ET Brand Equity Shark Awards 2020 for the #FabOnWithLivon campaign

Marico was presented with 'Milestone Merit Award' for its outstanding customer orientation and quality management by the Indian Merchants Chamber (IMC).

Marico was presented with the Milestone Merit Award in the leadership and workforce categories by the IMC Ramkrishna Bajaj National Quality Award

Marico Pondicherry factory recognized with Emerging Leaders Award for Business Excellence in Operations Management Category by CII

Marico was recognised with the 'Leader Award' by Frost & Sullivan and The Energy and Resources Institute (TERI) – Sustainability 4.0 Awards 2019

The Food Safety and Standards Authority of India (FSSAI) awarded Marico the 'Eat Right Awards' in the Community Outreach, Professional and Product categories.

Marico CQA team received a Special Recognition at the 6th CII National Excellence Practice Competition 2018 in the Services & Manufacturing Category

Saugata Gupta, MD & CEO, was recognised as one of India's Most Valuable CEOs in the large companies category by Business World

Marico recognised with Food Safety Kaizen Award by CII

Saffolalife won Silver Media Abby for 'Innovative use of print' and Nihar Shanti Amla won Bronze Media Abby for 'Cause Marketing' in 2019

Marico won 9 awards at E4M Play 2020 for brand campaigns across Livon, Set Wet, Hair & Care and Saffolalife

Marico conferred with Food Safety & Quality Awards by CII for Performance Excellence in Quality and Food Safety management across its value chain

Marico Limited – Q2FY21 Results

Double digit volume growth in the India Business

8% revenue contribution from E-Commerce

Bangladesh delivers robust 16% constant currency growth

Strong PAT growth of 15% on a like-to-like basis

In Q2FY21, **Revenue from Operations grew by 9% YoY** to INR 1,989 crores (USD 270 million), with a **robust underlying domestic volume growth of 11%** and a **constant currency growth of 7%** in the international business. With improving consumer sentiment and supply chain operations at near pre-COVID levels, majority of the Company's portfolio came back to healthy growth on a year-on-year basis.

Input costs witnessed inflationary trend, however the impact was contained through aggressive cost saving initiatives thereby enabling an **improvement of EBITDA margins to 19.6%**. As a result, **EBITDA and like-to-like PAT grew by 10% and 15% respectively**. Reported PAT was up 7% after accounting for a one-time exceptional item (post tax impact of INR 21 crores).

Overall, Advertising & Sales Promotion spend was back to pre-COVID levels at 9.5% of sales, as the Company remained invested behind brand building in relevant categories.

Traditional channels continued to outperform with rural growing ahead of urban, while in the new-age channels, strong acceleration continued in E-Commerce. Modern Trade remained subdued and CSD continued to witness steep decline.

Saffola Honey, launched in the previous quarter, garnered 8% market share in Modern Trade within three months of its launch. The Company launched proprietary Ayurvedic recipes inspired by the traditional recipe of "Kadha" and "Haldi Doodh" with the launch of the **Saffola ImmuniVeda range** in select channels of Modern Trade and E-Commerce. To further strengthen its play in immunity boosting products category, the Company forayed into the chyawanprash segment with the launch of **Saffola Arogyam Chyawan Amrut** – an enhanced version of traditional chyawanprash with added ingredients of Ayush Kwath herbs, Ashwagandha, Turmeric, Giloy and Amla. The product will be gradually scaled up across channels.

With lockdown restrictions having significantly eased across the country, the Company will strive to sustain the momentum and aim to deliver an **8-10% volume growth in the balance part of the year. The Company expects operating margins to be 20% plus for FY21**. Over the **medium term**, the Company shall endeavor to deliver an 8-10% growth, growing the core franchises and scaling up the Foods business. With focus on gaining and defending market share, we expect to maintain threshold operating margin of 19% over the medium term.

Other updates:

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Marico (BSE: 531642, NSE: "MARICO") is one of India's leading consumer products companies, in the global beauty and wellness space. During 2019-20, Marico recorded a turnover of about INR 73.1 billion (USD 1.03 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, Hair & Care, Parachute Advanced, Nihar Naturals, Mediker, Kaya Youth O2, Coco Soul, Revive, Set Wet, Livon, Veggie Clean, KeepSafe, Travel Protect, House Protect, Beardo. The international consumer products portfolio contributes to about 23% of the Group's revenue, with brands like Parachute, Parachute Advanced, HairCode, Fiancée, Caivil, Hercules, Black Chic, Code 10, Ingwe, X-Men, Mediker SafeLife, Thuan Phat and Isoplus.

Business Unit-wise details have been given on the next page. More details are available in the Information Update issued today and posted on the Company's website www.marico.com

Media Release



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Marico's India Business recorded a turnover of **INR 1,508 crore**, up 8% on a year-on-year basis, with an underlying volume growth of 11%. The operating margin was slightly lower YoY at 20.7% in Q2FY21 vs 21.0% in Q2FY20, as the Company optimized brand building spends in non-core portfolios and drove a variety of cost saving initiatives to help tide over input cost headwinds.

Parachute Rigids posted a robust 10% volume growth backed by strong brand equity and accelerated loose to branded conversions. The brand also reinforced its hygienic processing and safety credentials in the minds of consumers with the "Untouched by Hand" campaign launched in the previous quarter.

Saffola refined edible oils grew by a stellar 20% in volume terms, building significantly on increased penetration and strong brand values, coupled with increased relevance of healthy cooking. The brand has seen a significant impetus with 62% of the growth coming from enhanced penetration.

The **Foods** portfolio delivered an exponential growth of 55% in value terms with the base business of Oats franchise growing by 45% year-on-year. The brand continues to attract new consumers and drive higher retention as about 60% of the growth came from increased household penetration.

Value Added Hair Oils category has returned to growth trajectory after a lockdown-affected Q1. The portfolio posted a resilient 4% volume growth. **Nihar Naturals Shanti Amla Badam** led growth, while recent innovations **Parachute Advanced Aloe Vera Enriched Coconut Hair Oil** and **Nihar Naturals Shanti Jasmine** saw healthy traction. Expanding our presence in the in the non-sticky hair oil space, **Nihar Naturals Almond** was launched in select states.

The **Premium Personal Care** portfolios of Premium Hair Nourishment, Male Grooming and Premium Skin Care showed some recovery sequentially, but recorded drops year-on-year.

The **Hygiene** segment has contributed about 1.5% to the turnover in H1, while the Company has witnessed some cooling off in the accelerated demand in this category immediately following the onset of the pandemic.

Marico's **International business** grew by 7% in Q2FY21 in constant currency terms. The operating margin in the international business expanded to 23.1% in Q2FY21 vs 21.5% in Q2FY20, given aggressive cost management across all geographies.

Bangladesh (49% of the International Business) grew by 16% in constant currency terms, led by healthy growth in the non-Coconut Oil business. The contribution of non-Coconut Oil portfolio in Bangladesh increased to 35% of the total business from circa 25% in FY18. Parachute Coconut Oil grew by 8% in constant currency terms on the back of its dominant market share, distribution, brand strength and consumption growth.

South East Asia (26% of the International Business) de-grew by 4% in constant currency terms, with Vietnam posting a decline of 6% in constant currency terms as the Home and Personal Care segment slowed down. Vietnam is seeing signs of revival in the personal care category and the Company is optimistic of exiting the year with meaningful growth.

South Africa (7% of the International Business) had a good quarter on the back of buoyancy in the health care portfolio.

Other territories recovered sequentially but posted modest declines on a year-on-year basis.

Saugata Gupta, MD & CEO commented, "The sector has witnessed some green shoots of revival in consumer sentiment with the gradual easing of lockdown restrictions imposed to curb the ongoing COVID-19 pandemic. Moreover, the inherent strength of our trusted franchises and deep distribution network have allowed the Company to deliver a strong Q2 with broad based double-digit volume growth in the domestic business and a stable performance overseas. The pandemic has led to some perceivably lasting changes in consumer behaviour, opening up exciting opportunities especially in the healthy foods and immunity-boosting categories. While staying on course in our core portfolios, we have been aggressively strengthening our play in fulfilling these evolving needs of our consumers through a bouquet of launches in these newer segments. The Company will continue to rely on executional excellence and agility to grow its existing portfolios as well as scale up new bets in order to deliver steady and profitable volume-driven growth over the medium term."