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

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

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

Marico has been recognized by CDP 'climate change' program, earning a spot of 'A-' rating on 'climate change'

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

Saffolalife recognised for the 'Best Print Campaign' for 'Heart Ka Exam' campaign at Brand Equity Marketing Awards 2020

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

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

Marico 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

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

Women Leadership Forum of Asia recognised Marico with 'Best D & I Award for Inclusion of Millennials'

Saugata Gupta, MD & CEO, recognised as one of India's Most Valuable CEOs by Businessworld

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

Strong Commitment Certificate in 'Sectoral Value Chain of Copra - Dry Coconut' for 2020 by CII Jubilant Bhartia Food and Agriculture Centre of Excellence (CII-FACE) as part of Food Future Foundation (FFF)

Felicitated in the category - Pathbreaker Enterprise Company as a part of 'Restore Your Health Awards' by Rachna Restores

Marico Limited – Q3FY21 Results

India Business delivers robust 15% volume growth
21% volume growth in Value Added Hair Oils
Exponential growth in Foods; Saffola Honey picks up steam
8% constant currency growth in the International Business

In Q3FY21, **Revenue from Operations grew by 16% YoY** to INR 2,122 crores (USD 287 million) on the back of a **strong domestic volume growth of 15%** and a **constant currency growth of 8%** in the international business. Amidst steadily improving consumer confidence and the receding impact of the pandemic, the India business witnessed robust demand trends across more than 95% of its portfolio.

During the quarter, as key raw materials saw inflationary trends, the Company increased effective consumer pricing in select portfolios, while continuing to absorb the cost hit to a certain extent. Meticulously driven cost saving initiatives and rationalized advertising in discretionary categories enabled an **EBITDA margin delivery of 19.5%**. Overall, **EBITDA and PAT grew by 11% and 13%**, respectively, on a year-on-year basis.

General Trade led the growth with rural growth outpacing urban markets. Among the alternate channels, E-Commerce delivered augmented growth, while Modern Trade fared better sequentially, delivering flattish growth year-on-year. CSD witnessed a modest decline year-on-year, though recovering sequentially.

Saffola Honey, launched earlier this year, delivering on its promised "100% pure" claim, tracked well-ahead of expectations and exited with a close to double digit market share in key Modern Trade chains and crossed 20% market share in E-Commerce. Broadening its play in the healthy foods category, during the quarter, the Company forayed into the plant-based protein category with the launch of **Saffola Mealmaker Soya Chunks**.

As consumption patterns normalize, the Company will strive to sustain the current momentum and clock a **double-digit volume growth** in the India business in the coming few quarters, provided there is no second surge of COVID-19 cases and economic recovery continues. Over the **medium term**, the Company shall endeavor to deliver an 8-10% volume growth, growing the core franchises and scaling up the Foods business. With focus on gaining and defending market share, the Company expects to maintain threshold operating margin of 19% plus over the medium term.

Other updates:

- Packaging Team received 8 '**India Star Packaging Design Excellence**' Awards 2020
- The 'Parachute Advansed Champi Beats' campaign won Gold for '**Best Use of Digital**' at Fulcrum Awards 2020
- Marico ranked 6th among 'India's Most Sustainable Companies' with **A+ rating by Businessworld and Sustain Labs Paris**.
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- Strong Commitment Certificate in '**Sectoral Value Chain of Copra - Dry Coconut**' for 2020 was awarded by CII Jubilant Bhartia Food and Agriculture Centre of Excellence (CII-FACE) as part of Food Future Foundation (FFF)
- **Marico Bangladesh ranked #3 Employer of Choice in Bangladesh across all FMCG companies** and ranked #8 amongst all sectors (according to the 2020 campus Track survey conducted by Nielsen Bangladesh)

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, 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, 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.

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 1,627 crore**, up 18% on a year-on-year basis, on the back of a strong underlying volume growth of 15%. The operating margin was lower year-on-year at 21.6% in Q3FY21 vs 23.2% in Q3FY20, owing to the residual impact of inflationary raw material cost. The Company increased effective consumer pricing in select portfolios to counter the input cost-push to a certain extent, in addition to rationalizing advertising spends in non-core portfolios and driving a host of cost saving initiatives.

Parachute Rigids posted a strong 8% volume growth during the quarter, affirming its position as a strong trusted brand. Inflationary trends in copra necessitated rolling back of certain consumer offers, effectively increasing consumer pricing by ~5% in Q3FY21. The Company is witnessing early signs of prices cooling off and expects progressive correction as the peak season sets in. In FY22, the Company expects copra prices to be flat on an annualized basis owing to a healthy crop outlook.

Saffola refined edible oils delivered double-digit volume growth for the fifth consecutive quarter, posting a healthy 17% YoY volume growth in Q3FY21. Increased household penetration and relevance of healthy cooking continued to lend impetus to the franchise. About 65% of the growth was attributable to increase in overall penetration.

The **Foods** portfolio posted a robust value growth of 74% with the base Oats franchise growing by 50% in value terms YoY. The new launches scaled up well across regions and channels.

Value Added Hair Oils registered a strong broad-based volume growth of 21%, driven by double-digit volume growth in most of the brands in the portfolio. **Nihar Naturals Shanti Amla Badam** sustained its growth momentum across markets. **Parachute Advanced Aloe Vera Enriched Coconut Hair Oil** continued to gain salience and the recently launched **Nihar Naturals Almond** also saw an encouraging response.

The **Premium Personal Care** portfolios of Premium Hair Nourishment, Male Grooming and Premium Skin Care de-grew by a modest 4% in volume terms YoY, although charting a sequential recovery.

In light of the subdued demand in **Hygiene** category post the initial surge, the Company has consciously withdrawn investments and defocused from this segment.

Post a successful integration within Marico's fold, the **Beardo** franchise has recovered well post the COVID-induced headwinds and is now tracking ahead of internal aspirations.

Marico's **International business** clocked a constant currency growth of 8% in Q3FY21. The operating margin in the international business expanded to 21.3% in Q3FY21 vs 20.5% in Q3FY20, given tighter overhead cost management across all geographies.

Bangladesh registered a 15% constant currency growth, led by a healthy growth in the non-Coconut Oil business. The contribution of non-Coconut Oil portfolio in Bangladesh increased to ~40% of the total business from circa 25% in FY18.

South East Asia de-grew by 3% in constant currency terms, as the Home and Personal Care category in Vietnam witnessed downtrading and discretionary spending stayed muted. Based on the series of turnaround measures taken in Vietnam, the business is expected to rebound healthily and post decent growth from the coming quarter.

South Africa continued to grow, clocking a 7% constant currency growth for the quarter, backed by stable growth in the Health Care and Hair Care portfolios.

The **MENA** business recorded a soft 1% constant currency decline, while the **New Country Development and Exports business** witnessed a revival, growing 16% in constant currency terms.

Saugata Gupta, MD & CEO commented "The Company had a stellar quarter with a very healthy growth in both the India and International businesses. With the core franchises exhibiting strength and new bets in Foods also trending well, we expect the domestic business to deliver much ahead of medium term aspirations over the next few quarters. The International business is also poised to maintain steady growth over the next few quarters. Despite a challenging input cost backdrop, the Company pulled in a resilient margin performance on the back of focused spends and aggressive cost control. Over the medium term, the Company aims to grow the core and build sizeable new franchises through premiumisation, foods and digital brands."