

Q1 FY22 Results

JULY 2021



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Macro Context

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Q1 Performance Highlights

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Strategy and Outlook

16

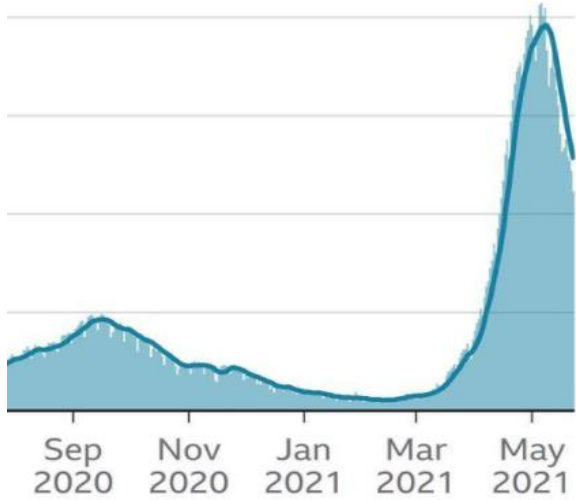


Financials

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Supply Chain Resilience helped cope with second COVID wave



Severe COVID surge in India mid quarter | Moderation thereafter



Rural growth moderated but still outpacing urban
Normal monsoon forecast and continued Govt. stimulus



Localized Lockdowns
Higher caseloads in South and West (relatively higher salience markets for Marico)



Resilient Supply Chain
Shops operating for limited hours | Delivering at home

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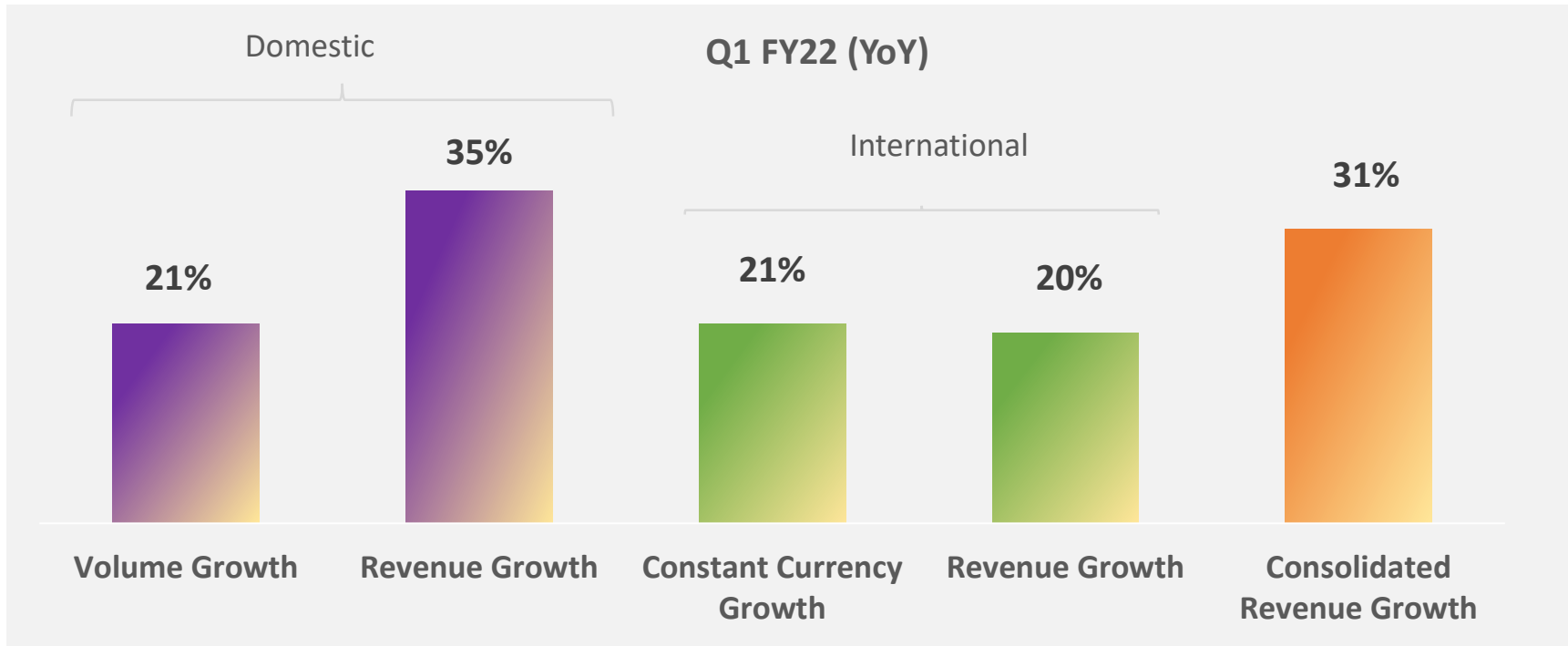
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Financials

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Robust Topline Performance | Consistent Investment in Brand-Building



27%
Consolidated ASP
Growth

319 bps
Sequential EBITDA
Margin Improvement

19.0%

Consolidated
EBITDA Margin

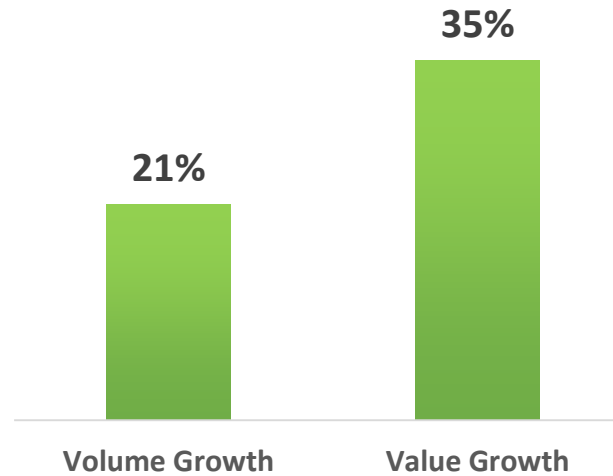
3%

Consolidated
EBITDA Growth

8%

Consolidated PAT
(bei) Growth

India: Strong momentum in Core Portfolios and Foods



Channel Volume Growth

GT

E-commerce

17%

61%

Rural & Urban growth in tandem

9% of Q1FY22 Domestic Sales

Parachute: Strong Performance in a challenging environment



Q1FY22

12%

Volume Gr.

20%

Value Gr.

Healthy growth

despite higher second COVID wave impact on core South and West markets

80 bps

Market Share gain in rigid packs on MAT basis

Copra Outlook

Range bound in the near term

5-7%

Medium-term Volume Growth Aspiration

VAHO: Category Leading Growth on MAT basis



Q1FY22

34%

Volume Gr.

35%

Value Gr.

20%+
Volume growth in
all key brands

70 bps
Volume Market
Share Gain on MAT
basis

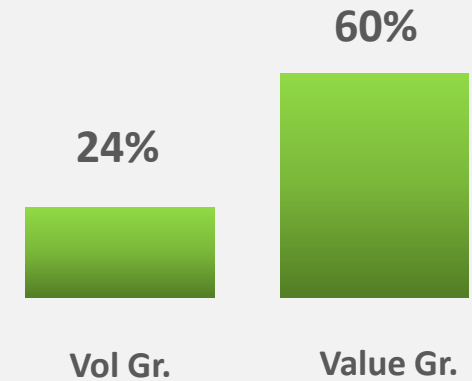
Sustain
double-digit volume
growth trajectory

Bottom of Pyramid – Aggression

Mid - Pricing | Renovation

Premium - Innovation | MS Gain

Saffola Franchise: Stellar Performance Continues



94%
Market Share in
Flavoured Oats

59%
Value Growth in
Oats franchise

**Low double-digit volume
growth in Saffola Edible Oils**

100%+
Saffola Foods Growth in Q1

Foods on course to reach ₹ 500 Crores turnover in FY22 | ~5,000 cr TAM



25%+ market share in e-commerce

Double-digit market share in key MT chains

₹ 100 cr. Expected revenues in FY22

Scaling up well in GT & MT

#5 bestseller on amazon
Noodle and Pasta

~14% market share in MT

GT expansion to rest of East and parts of North

Premium Personal Care reviving gradually



Livon Serums at Pre-COVID Levels



Set Wet portfolio still to recover fully

As discretionary consumption picks up



- Leverage leadership position of our brands and low penetration of categories
- Beardo in line with expectations | Target 100 Cr run rate by year exit

Aspiration of ₹ 450-500 cr. topline by FY24 from Digital-first brand portfolio



International: Broad-based recovery across markets



Bangladesh



9%
CCG

20%
CCG in Non-Coconut Oil Portfolio



South East Asia



16%
CCG

Positive momentum in Foods Continues



South Africa



52%
CCG
(on low base)



MENA



74%
CCG
(on low base)

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Near Term Outlook

External Stimulus



- **Vaccination Drive and Coverage**
- **Normal Monsoon**
- **Continued Government Stimulus**
- **Inflation Control**
- **Low Severity of Third COVID wave**

Revenues



- **Sustain Volume Growth**
- **Maintain Market Share Gain Momentum**
- **Stable Growth in the International Business**

Margins



- **Gross Margin Bottomed Out | To Improve Sequentially**
- **Aggressive Cost Management Targets in FY22**

Strategic Priorities Remain Consistent



**Premiumisation
of the Core**



**Accelerate Digital
Transformation**



**Rejuvenation of
Discretionary
Portfolios**



**Expansion of
Foods Portfolio**



Cost Management



GTM Expansion
*(Chemist Channel in Urban
and Direct Reach in Rural)*

8-10%

Domestic Volume Growth

Market Share

Sustained Gains

Double Digit

International Business CCG

Integrating ESG focus with Sustainable Value Creation Goals



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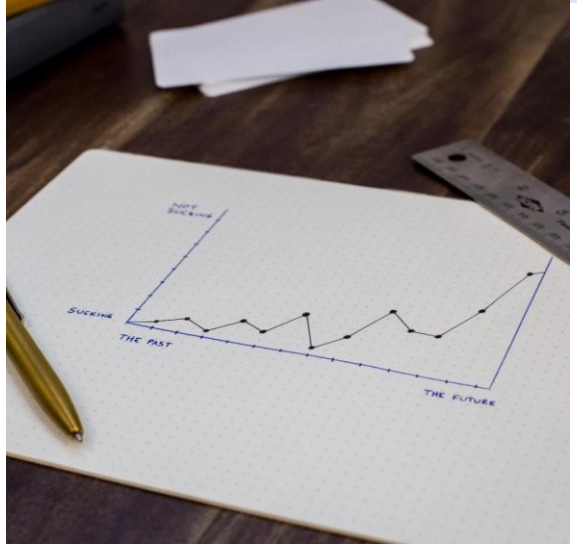
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Consolidated Profit & Loss Statement

(in ₹ cr.)

Particulars	Q1FY22	Q1FY21	Change (%)
Revenue from Operations	2,525	1,925	31%
Material Cost	1,489	989	51%
ASP	175	138	27%
Employee Cost	150	135	11%
Other Expenses	230	196	17%
EBITDA	481	467	3%
EBITDA Margin	19.0%	24.3%	(522 bps)
PAT bei	356	331	8%

Domestic Volume Growth: 21% | International Constant Currency Growth: 21%

Capital Efficiency Ratios

Particulars	Q1FY21	Q1FY22
Debtors Turnover (Days)	25	21
Inventory Turnover (Days)	61	47
Net Working Capital (Days)	33	12
Return on Capital Employed (%)	50.6%	50.4%
Return on Net Worth (%) (excl. one-offs)	41.1%	41.6%

Awards and Recognitions

CRISIL

An S&P Global Company

Ranked highest amongst FMCG companies
in CRISIL Limited's ESG Performance Score in 2021



Awarded 'Best CSR Practices' at the
Responsible Business Awards 2021



Recognized as one of the top 10 BSE 100 Indian Cos. in
the 'Leadership' category as per the Indian Corporate
Governance Scorecard 2020, developed
jointly by the BSE, IFC and IiAS



Recognized as the 7th Most Desirable
FMCG/Beverage Co. in 2021 in a survey conducted
by Dare2Compete within the
top 30 Premier B-Schools across India

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

Particulars (% of Revenues)	Q1FY22	Q4FY21	Q1FY21
Material Cost (Raw + Packaging)	59.0%	55.9%	51.4%
Advertising & Sales Promotion (ASP)	6.9%	8.6%	7.2%
Personnel Costs	5.9%	7.5%	7.0%
Other Expenses	9.1%	12.2%	10.2%
PBDIT margins	19.0%	15.9%	24.3%
PBDIT before ASP	26.0%	24.5%	31.4%

Annexure 2: Market Shares in Key Categories in the India Business - (MAT Jun'21)

Franchise	~MS%	Rank
^Coconut Oils	62%	1 st
^Parachute Rigids	52%	1 st
^Saffola – Super Premium ROCP	82%	1 st
*Saffola Oats	39%	2 nd
*Saffola Masala Oats - Flavoured Oats	94%	1 st
^Value Added Hair Oils	37%	1 st
^Post wash Leave-on Serums	63%	1 st
*Hair Gels/Waxes/Creams	58%	1 st

^Volume Market Share

*Value Market Share

Annexures 3 – ESG Performance Snapshot (till Q1 FY22)(1/2)

Climate and Emissions

- **80%** reduction in GHG emission intensity (Scope 1+2)
- **72%** energy sourced from renewables
- CDP – Climate Change: **A- rating** (2020)

Water Stewardship

- **100% replenishment** of water consumed in operations
- **2,300 mn litres** of water capacity created till date

Circular Economy

- **95%** recyclable packaging by weight
- **25,00,000 kg** of post-consumer plastic waste collected and co-processed till date
- **1,749 tco2e reduction in carbon emissions** through sustainable packaging interventions

Responsible Sourcing

- **38%** of critical suppliers completed Samyut Level -1 certification
- **93%** of procurement by spends from local/indigenous suppliers

Annexures 3 – ESG Performance Snapshot (till Q1 FY22)(2/2)

Product Responsibility

- **Product Sustainability Index framework** established for Marico
- **Environmental Lifecycle Assessment (LCA) conducted for flagship brands** – Parachute Coconut Oil, Saffola Oil (Total and Gold) and Saffola Oats.

Sustainable Coconut

- **0.193 mn** acreage enrolled under Parachute Kalpavriksha Foundation till date covering **41,154 farmers**
- **15%** improvement in productivity in farms that have completed more than a year under the program

Social Value Creation

- Over **150** school activations under Eat Right program completed till date
- **0.24 mn+** students and **0.1 mn+** teachers benefitted from Nihar Shanti Pathshala Funwala’s Whatsapp-based English literacy program
- **3 mn+** beneficiaries impacted till date from COVID-19 relief efforts

Corporate Governance & Behaviour

- Futureproof value-creation and accelerate excellence through ethical, transparent and agile corporate governance practices that lead with ownership, trust and integrity



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Thank You
