

Q1 FY25 Results

AUGUST 2024



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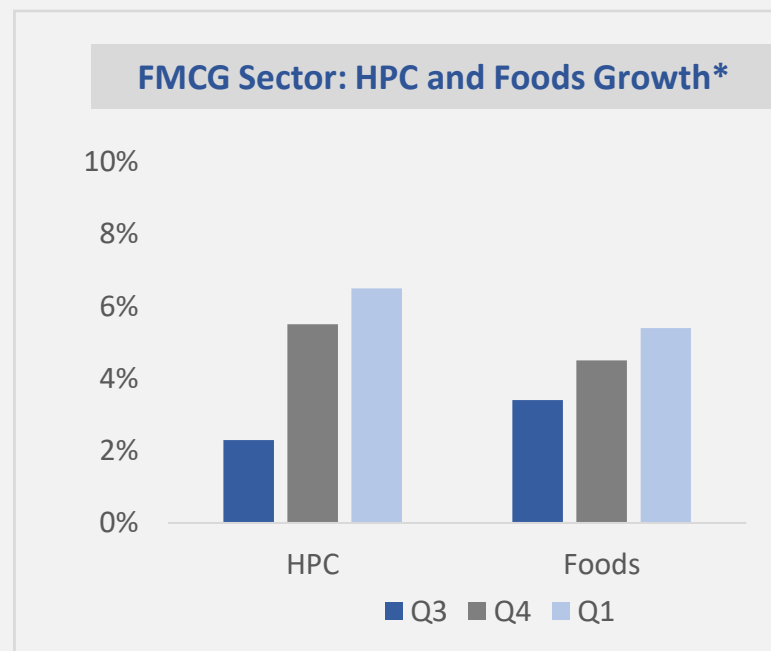
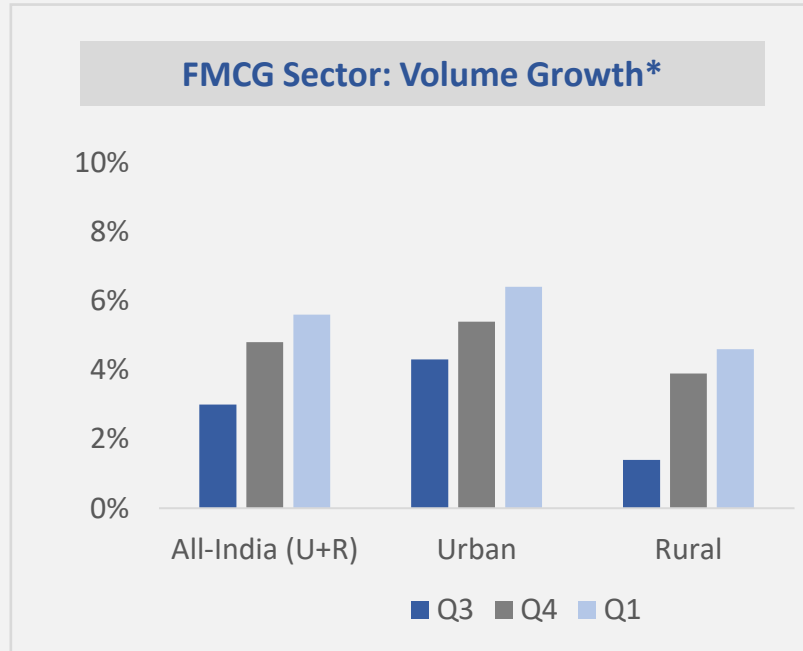


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Gradual improvement in volume trends across the board; YoY pricing turns flattish



**Urban trajectory stable; rural looks promising;
Pick up in HPC more pronounced vis-à-vis Foods in the last 6 months**

Stable retail inflation, but food inflation at elevated levels

Monsoon tracking healthily; however spatial distribution skewed

Budgetary allocations likely to boost rural consumption

* Figures above represent 2-yr CAGRs to arrive at normalized growth.

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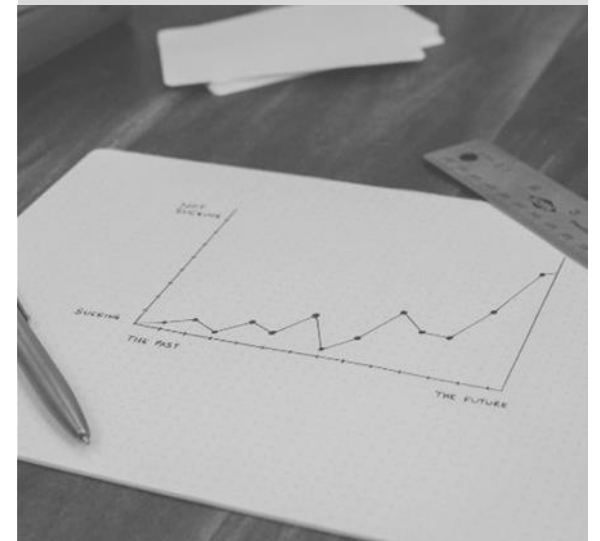
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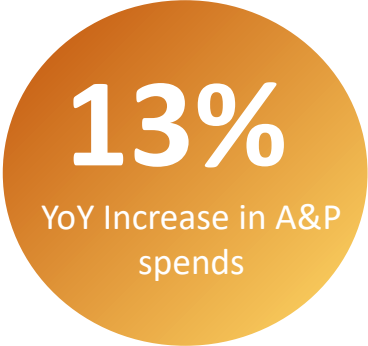
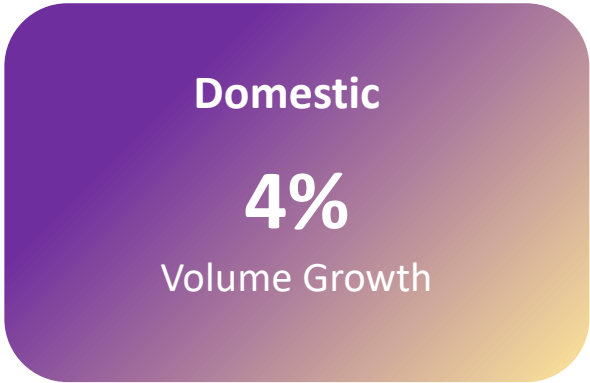
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Revenue growth strengthens on the back of improving volumes and favorable pricing

Q1 FY25 (YoY)



23.7%
Consolidated EBITDA Margin

9%
Consolidated EBITDA Growth

12%
Consolidated PAT Growth (excl. one-offs)

Domestic Revenues at ₹1,962 cr. , up 7% YoY
Consolidated revenue growth to continue uptrend through the year.
More than 90% of the domestic business either gained or sustained market share and penetration on MAT basis.

Positive momentum in PCNO & Saffola Oils | VAHO expected to recover ahead

Parachute Coconut Oil (34% of Domestic Revenues)



2% Volume Growth **6%** Value Growth

Saffola Edible Oils (16% of Domestic Revenues)



Mid single-digit volume growth **(1%)** Value Growth

Value Added Hair Oils (22% of Domestic Revenues)



Mid and Premium segments fared relatively better **(5%)** Value Growth

Robust quarter for Foods | Annualized run rate at ~₹800 cr.



Q1 Value Growth

37%

Premium Personal Care: Continues strong show

Serums | Male Grooming | Skin Care



~₹300 cr.

Q1 ARR

Digital-First Brands



₹550-600 cr.

Expected
FY25 Exit ARR

Collaboration with Kaya to advance play in science-backed personal care

Kaya offers a portfolio of dermatologist-recommended products, ranging from daily essentials to specialized solutions for acne, brightening, sun care, anti-ageing and hair care.



Marico has exclusive rights to scale up Kaya's range of efficacy-based personal care products outside of its clinics.

Potential ₹100 cr. revenue opportunity for Marico in 4-5 years – added growth driver for the Premium Personal Care led Digital Business

To further accelerate the portfolio diversification and premiumization of the domestic business

Project SETU: Kick-off in Q1FY25 across key markets

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*Launch states
in Q1*

Launch states comprise a mix of higher MS ('Diversify') and lower MS ('Transform') states

Building core portfolios as well as new businesses of Premium Personal Care & Foods in new outlets

Distribution being driven along with execution of visibility elements

Garnered positive response from General Trade channel partners

Strong performance across key markets | MENA and SA outperform



Bangladesh



10%

Q1 CCG

Maintains growth momentum



South-East Asia



Flat

Q1 CCG

Recovery in Vietnam subdued by decline in Myanmar



MENA



20%

Q1 CCG

Led by robust growth in Egypt



South Africa



28%

Q1 CCG

Ethnic Hair Care outperforms

International business records 10% CCG in Q1

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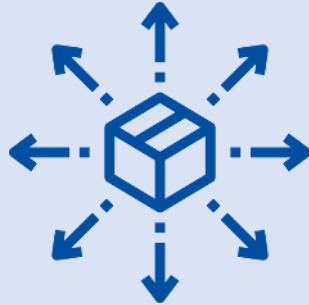
Staying True to the 4Ds

Unlock the next leg of growth through...

Diversification



Distribution



Digital



Diversity



.....and continue to maintain focus on

Grow the Core

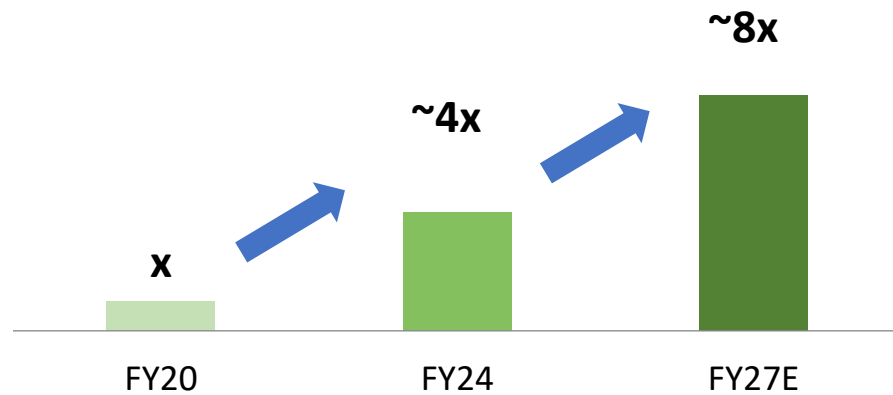
Cost Management

ESG Commitments

Diversification remains a key priority: Profitable Scale up in Foods to continue

**Foods portfolio to be
2x of FY24 scale in FY27**

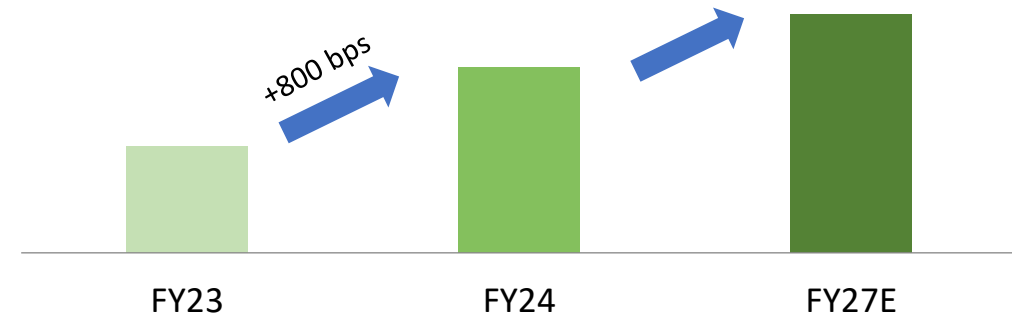
Foods Revenues (in ₹ cr.)



Foods poised for 20%+ CAGR
after successful initiatives towards refinements in
supply chain and GTM during FY24

Aim to drive consistent improvements in profitability
as constituent franchises attain critical mass

Foods Gross Margin (%)

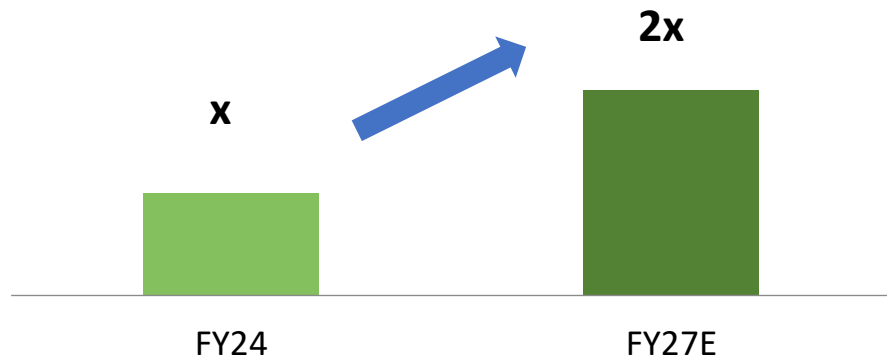


Focused initiatives led to
robust ~800 bps GM expansion in FY24

Diversification remains a key priority: Digital Business to leverage enhanced capabilities

Exit ARR of Digital-First brands expected to be **2x of FY24 ARR in FY27**

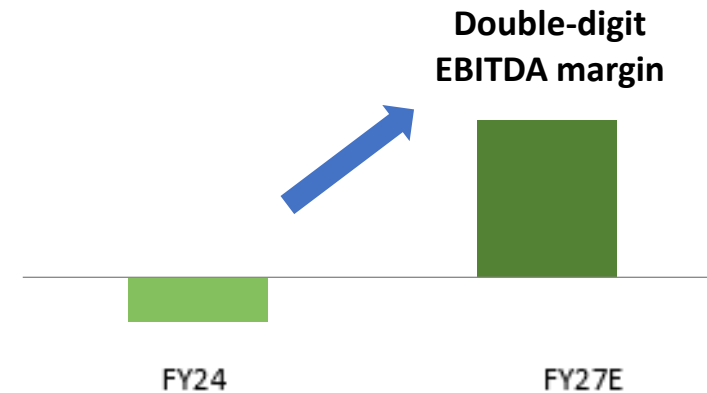
Digital-first brands exit ARR (in ₹ cr.)



Beardo scales by ~3x since FY21;
Just Herbs crossed INR 1bn ARR in FY24;
Personal Care play in Plix gaining traction

Aim for **Double Digit EBITDA margin** in Digital-first brands in FY27

Digital-first brands EBITDA Margin (%)



Beardo on course to deliver **double digit EBITDA margin in FY25**;
Minimal cash burn in **Just Herbs and Plix**

Project SETU: Drive growth in GT through transformative expansion in Direct Reach

3-Year Phased Plan

FY24



FY27



~5.8x*
Total : Direct Reach



~4x
Total : Direct Reach

A fit for purpose and
fit for future GTM Model



To drive profitable growth
and competitive advantage



Market share Gain across
categories in rural and
urban



Better Assortment in urban
stores – diversification &
premiumisation

Project SETU: Resource re-allocation to fund coverage improvement & demand generation

Project SETU will be cost neutral



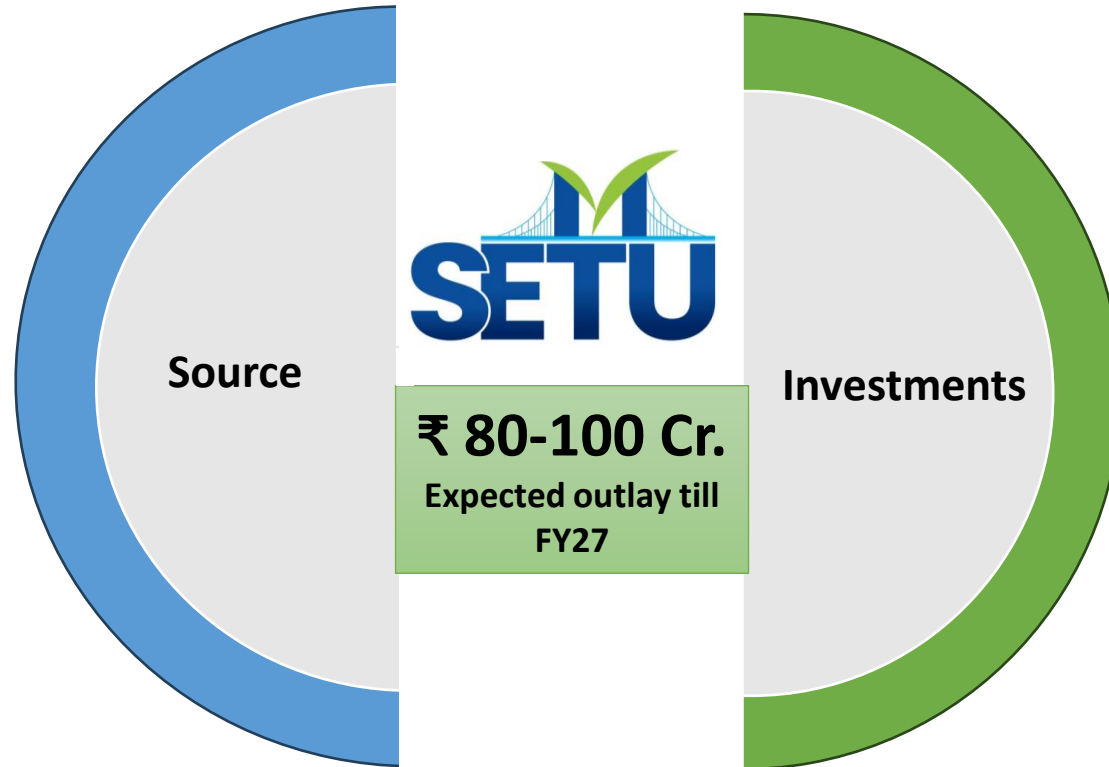
BTL & Channel Spends

Optimize Wholesale channel spends (indirect distribution cost) & Promotional spends in Organised Trade



Reduce Wastage

Savings from reducing supply chain costs and improving efficiencies



Coverage & Infra Improvement Costs



Scaled up sales force, distributor commercials, process simplification

Demand Generation

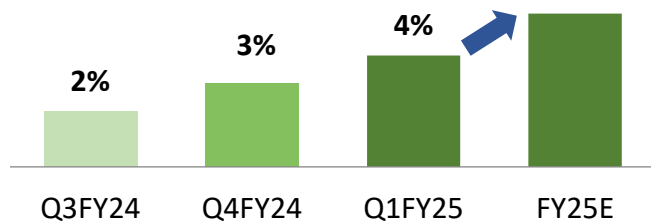


In-store visibility & rural demand generation

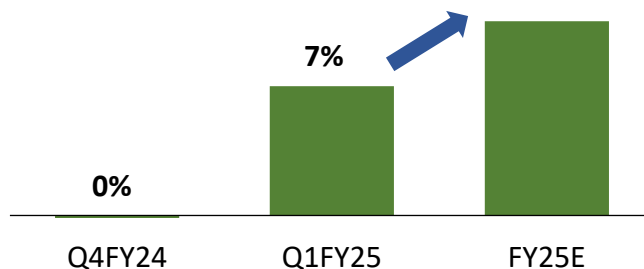
Aiming for robust revenue-led earnings growth in the near & medium term

India Business – Improving trajectory

Volume Growth

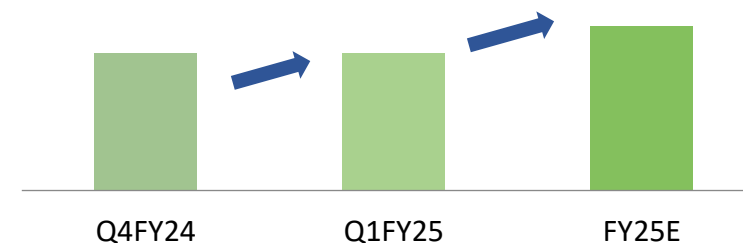


Revenue Growth



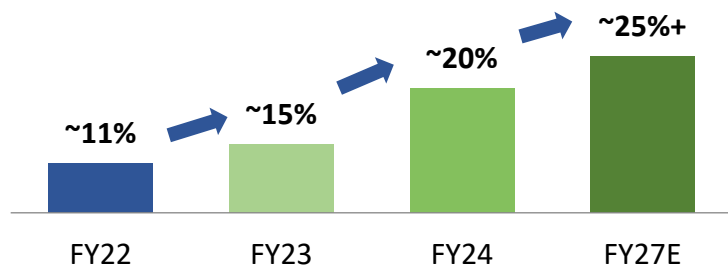
International Business (CCG) - Going Strong

Retain double-digit CCG momentum



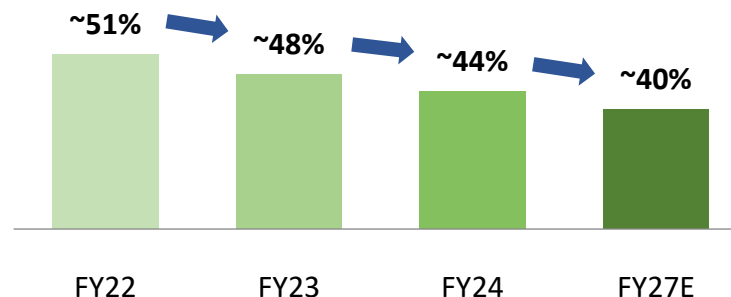
India Business – Robust Diversification Journey

Foods & Premium Personal Care - Revenue Share(%)



International Business – Reducing Bangladesh Share

Bangladesh Revenue Share in International Business (%)



Domestic revenue growth to trend higher with pricing & volume growth gradually picking up; Aggressive diversification to continue

Bangladesh to maintain double digit momentum; MENA & South Africa scaling up – broad basing of the business in progress

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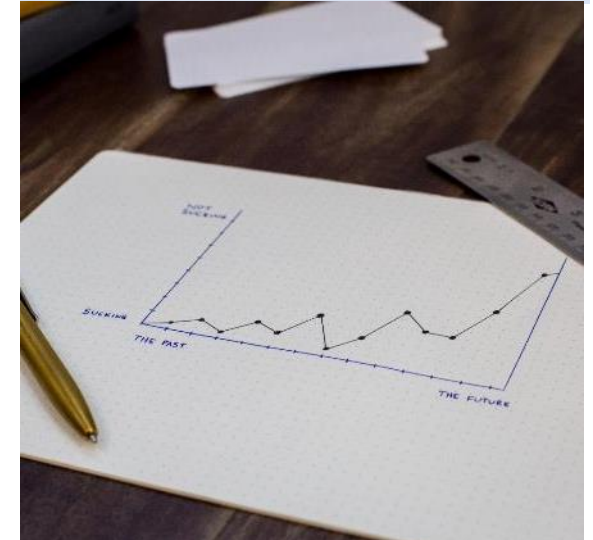
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Consolidated Profit & Loss Statement

(in ₹ cr.)						
Particulars	Q1FY25	Q1FY24	Change (%)	FY24	FY23	Change (%)
Revenue from Operations	2,643	2,477	7%	9,653	9,764	-1%
Material Cost	1,262	1,239	2%	4,748	5,351	-11%
ASP	240	212	13%	952	842	13%
Employee Cost	203	181	12%	743	653	14%
Other Expenses	312	271	15%	1,184	1,108	7%
EBITDA	626	574	9%	2,026	1,810	12%
EBITDA Margin	23.7%	23.2%	50 bps	21.0%	18.5%	245 bps
PBT excl. one-offs	605	553	9%	1,937	1,715	13%
Reported PAT	464	427	9%	1,481	1,302	14%
Recurring PAT	464	416	12%	1,470	1,280	15%

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

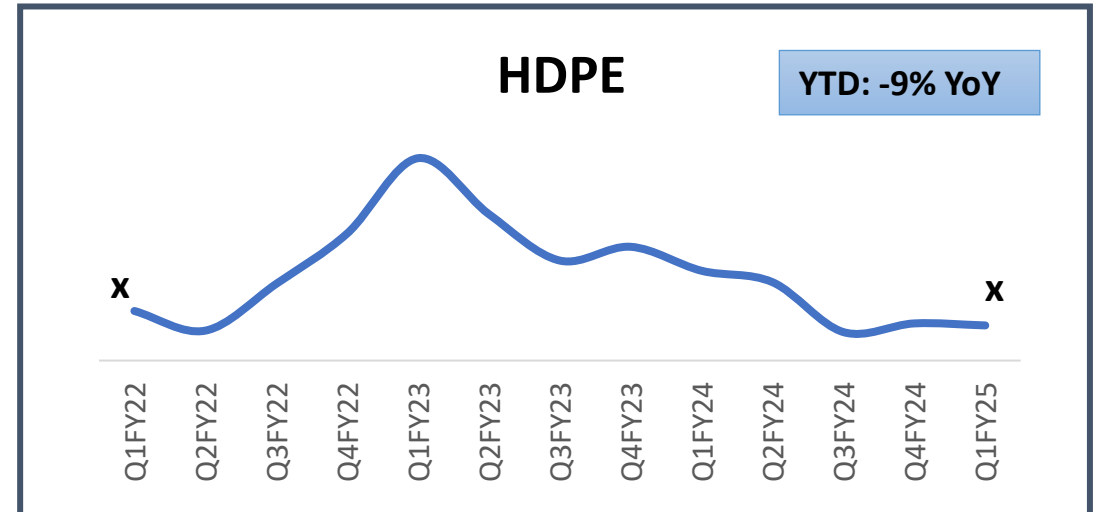
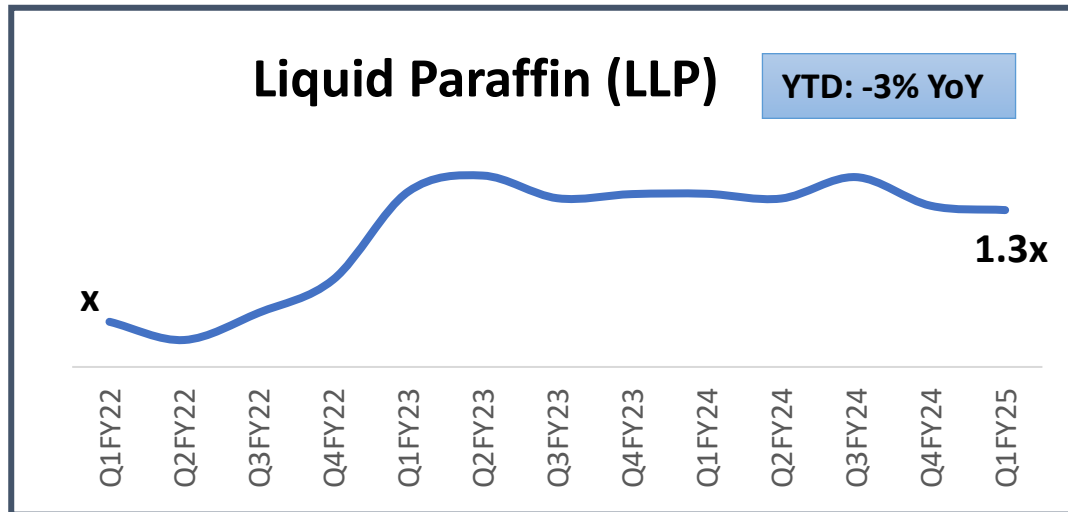
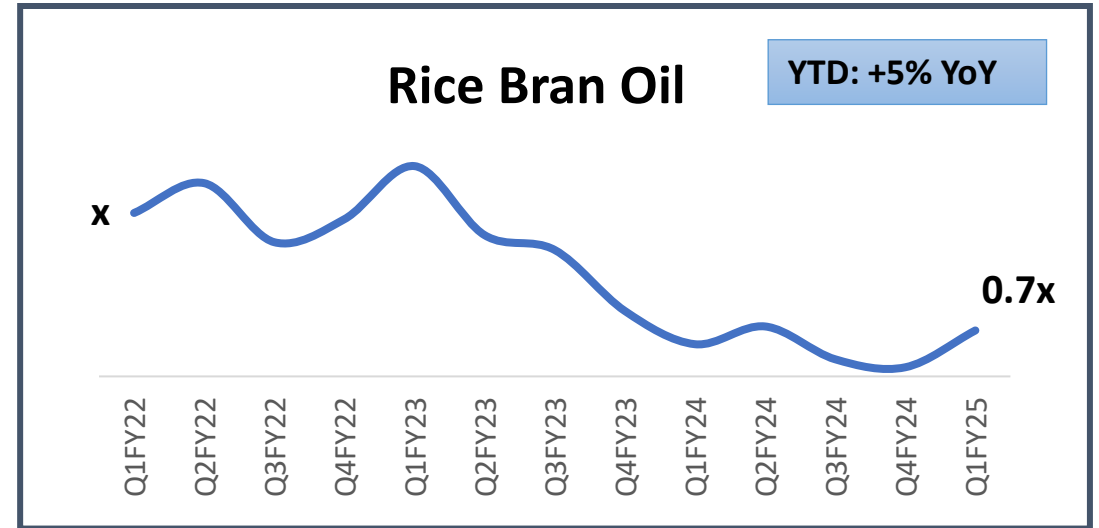
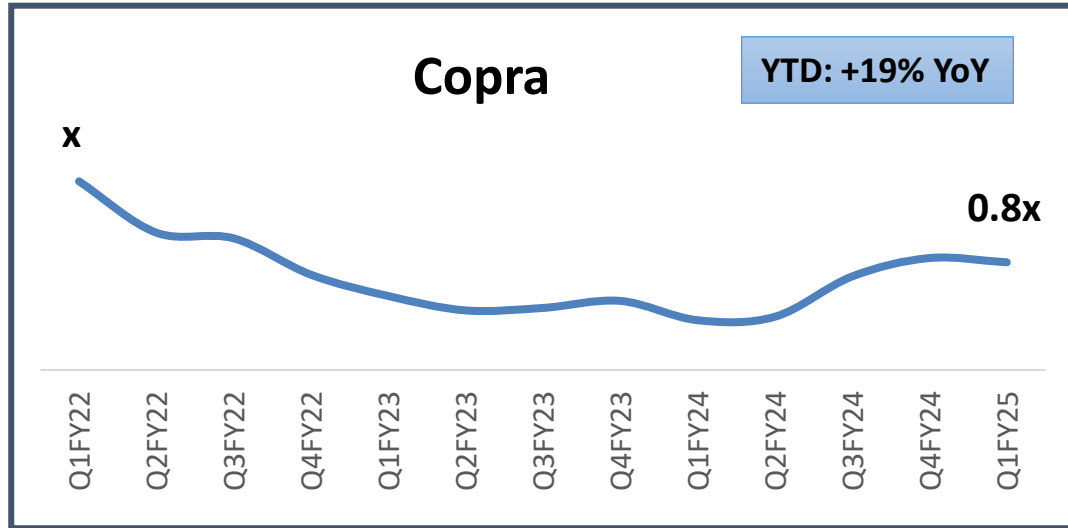
(as a % of Revenues)	Q1FY25	Q4FY24	Q1FY24	FY24	FY23
Material Cost (Raw + Packaging)	47.7%	48.4%	50.0%	49.2%	54.8%
Advertising & Sales Promotion (ASP)	9.1%	9.9%	8.6%	9.9%	8.6%
Personnel Costs	7.7%	8.2%	7.3%	7.7%	6.7%
Other Expenses	11.8%	14.1%	10.9%	12.3%	11.3%
PBDIT margins	23.7%	19.4%	23.2%	21.0%	18.5%
PBDIT before ASP	32.8%	29.3%	31.7%	30.9%	27.2%

Annexure 2: Working Capital

Particulars	Q1FY25	Q4FY24
Debtors Turnover (Days)	38	46
Inventory Turnover (Days)	47	52
Net Working Capital (Days)	28	36

Note: The Company has maintained healthy working capital ratios through the year.

Annexure 3: Movement of Key Raw Material Prices



Annexure 4: Market Shares in Key Categories in the India Business - MAT Jun'24

Franchise	~MS%	Rank
^ Coconut Oil Franchise	64%	1 st
^ Parachute Rigids within Coconut Oil	55%	1 st
* Saffola Oats	41%	1 st
* Value Added Hair Oils	27%	1 st
^ Post wash Leave-on Serums	49%	1 st
* Hair Gels/Waxes/Creams	51%	1 st

^ Volume Market Share * Value Market Share

Annexure 5: ESG Performance Snapshot (Q1 FY25)



Emissions & Energy

- **79%** reduction in GHG emission intensity (Scope 1+2)
- **67.4%** Renewable energy share (thermal + electrical)
- **~4800 tco2e** of emission savings due to sustainable packaging projects

Water Stewardship

- **55% reduction** in water consumption intensity as compared to base year
- **2.5x water conservation potential** created in Jalgaon as compared to operational consumption.

Circular Economy

- **95.3%** recyclable packaging share by weight
- **27,986 MT** of post-consumer plastic waste collected and recycled/co-processed till date

Responsible Sourcing

- **82%** critical vendors have completed Level 1 (Educate) of Samyut, Marico's Responsible Sourcing program
- **26%** critical vendors have completed Level 2 (Evaluate)

Social Value Creation

- **>1.5 lac trees** plantation initiated under afforestation programme
- **16 lac lives** (cumulative) impacted through community sustenance initiatives conducted around our manufacturing units

Click [here](#) to access a brief profile on Marico's ESG program

Annexure 6: Recent ESG Recognitions



Marico has received the prestigious **Global CSR, Sustainability and ESG Awards 2024** from Brand Honchos in the category of *Best Water Management Initiative of the Year*



Marico's Parachute Kalpavriksha Foundation has been honoured with a **'7-Star Rating'** and recognized in the **'Social Responsibility Category'** at the 9th International Best Practice Competition (IBPC)

Annexure 7: Awards and Recognitions



Marico has been awarded as one of the **Top Companies for 2024, by LinkedIn.**



Marico's Guwahati unit received the prestigious **'IMC RBNQA Milestone Merit Award'** in the Manufacturing, Operations, and Workforce categories **by IMC RBNQA.**



Marico's Pondicherry unit was honoured with the prestigious **'IMC Ramkrishna Bajaj National Quality Award'** in the manufacturing category by **IMC RBNQA.**



Marico has been recognised as the **'Advertiser of the Year'** award at the **10th edition of the e4m Prime Time Awards.**



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