

Q2 FY23 Results

NOVEMBER 2022



Safe Harbour Statement

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Operating Environment: Provides no respite

Geopolitical Tensions

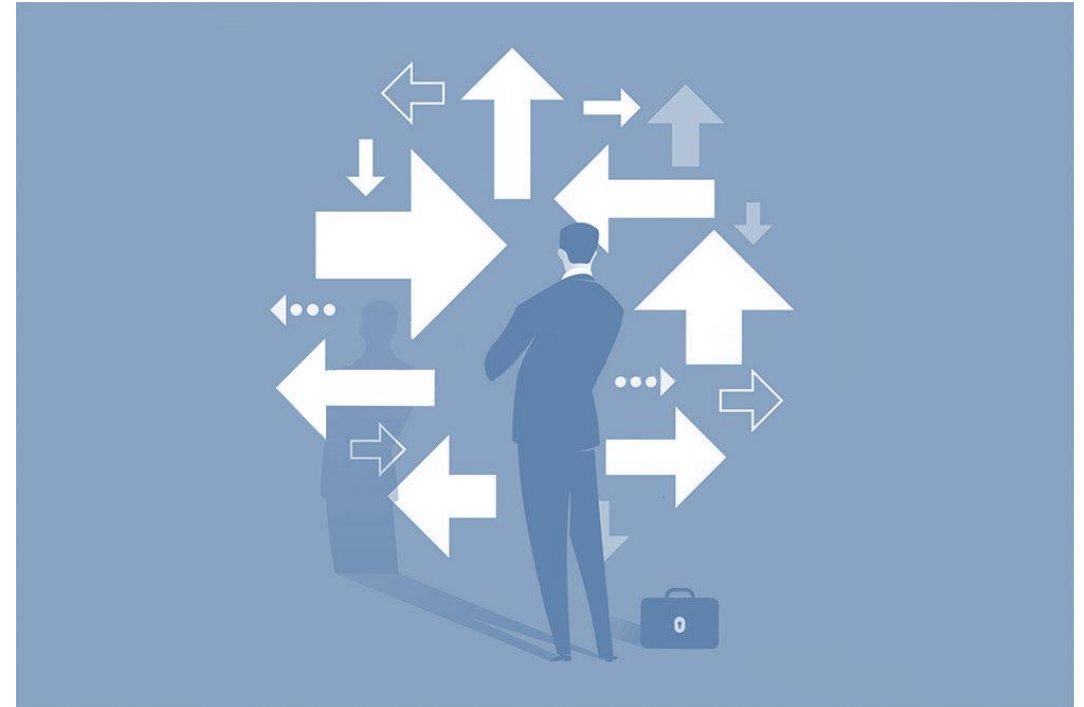
Recession Fears

Commodity Price Volatility

Currency Depreciation

Stiff Retail Inflation

Soft Consumption Trends



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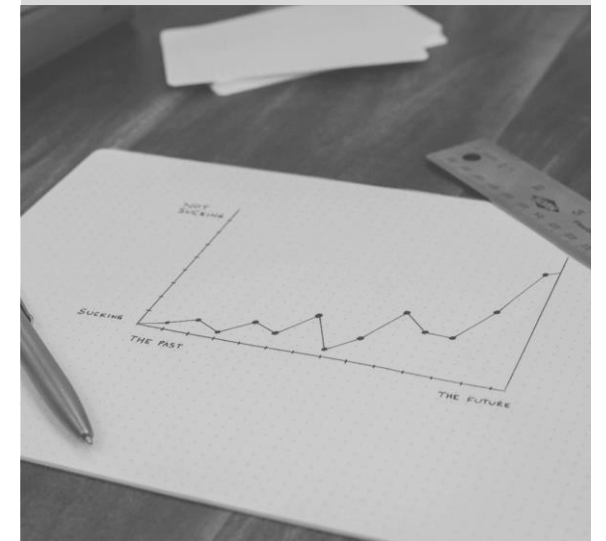
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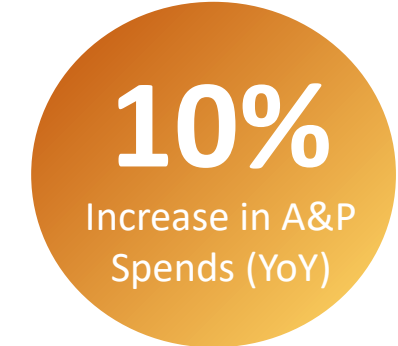
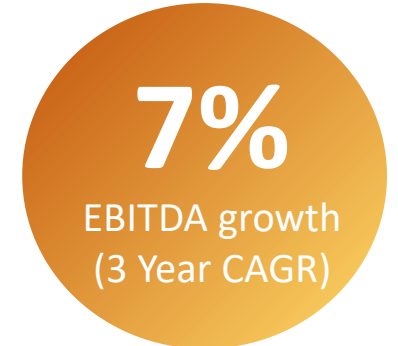
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Domestic business steadies the ship after tepid start | International business marches ahead

Q2 FY23 (YoY)



17.3%

Consolidated EBITDA Margin

2%

Consolidated EBITDA Growth

(3%)

Consolidated PAT Growth

Domestic revenues up 1% YoY
Consolidation of Market shares in more than 90% of portfolio
3 year CAGR: Domestic Volume Growth: 7% | International Constant Currency Growth: 10%

Core: Demand trends in Parachute Coconut Oil & Saffola Oils to stabilize | VAHO to mirror HPC growth

Parachute Coconut Oil



(3%)

Volume Growth

(11%)

Value Growth

Saffola Franchise (Edible Oils + Foods)



High single digit
volume growth
in Edible Oils

4%

Value Growth

Value Added Hair Oils



Mid and Premium
segments fare
better

2%

Value Growth

Foods: Bounce back to healthy growth; poised to reach INR 650 cr. in revenues in FY23

Q2 Restages/Launches



Saffola Honey relaunched
“**Saffola Honey Active**” – Made with Sundarban Forest Honey and
“**Saffola Honey Gold**” – Made with Kashmir Honey - NMR tested”



Saffola Masala Oats Karara Crunch



Saffola Soya Bhurji

~INR 650 cr.

Q2 ARR

26%

Q2 Value Growth

Premium Personal Care: Building momentum



Livon Serums continues to clock double digit growth YoY



Set Wet portfolio consistently gaining traction

INR 300 cr. +

Q2 ARR

40%+

Q2 Value Growth

Digital First Portfolio: Scaling up in line with expectations



~INR 250 cr.

Q2 ARR

~INR 150 cr.

Beardo Q2 ARR



International Business rolls on | Delivers 11% CCG



Bangladesh



10%
Q2 CCG

New portfolios
scaling up



South East Asia



10%
Q2 CCG

HPC segment in
Vietnam leads
growth



South Africa



16%
Q2 CCG

Broad-based
growth
momentum



MENA



11%
Q2 CCG

Stability in the
Gulf region and
Egypt

International Business delivers double-digit CCG for the seventh quarter in a row

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Near Term Outlook



External Stimulus

- Retail Inflation and weakening INR subdue macro context
- Volatility in commodities except copra; crude oil still firm
- Reasonable rainfall season and government subsidies to aid consumption | Rural sentiment recovery remains key



Business and Competitive Position

- Expect mid-single digit domestic volume growth in H2
- Strengthen market shares across categories
- Sustain growth momentum in the International Business



Margins

- Gross Margin outlook improving
- 18-19% operating margin in FY23 intact
- Maintain Investments in Brand Building | Cost Rationalization

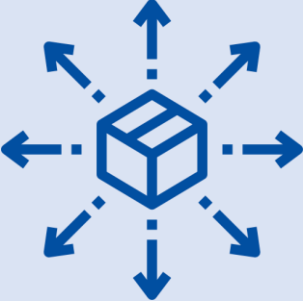
Driving 4Ds to Make Marico Future-Ready

Unlock the next leg of growth through...

Diversification



Distribution



Digital



Diversity



.....and continue to maintain focus on

Grow the Core

Cost Management

ESG Commitments

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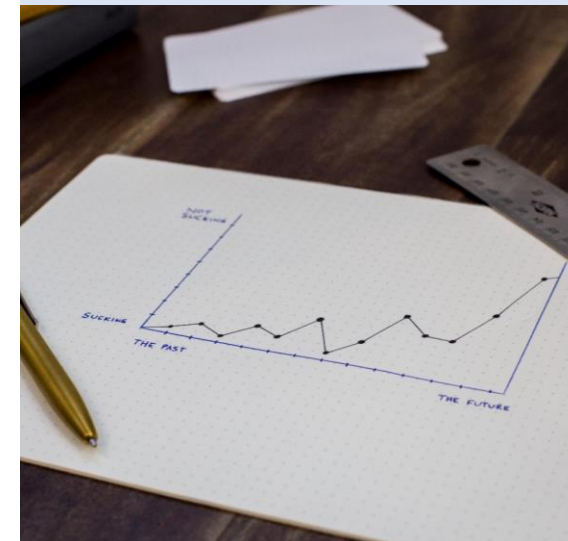
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Consolidated Profit & Loss Statement

(in ₹ cr.)

Particulars	Q2FY23	Q2FY22	Change (%)	H1FY23	H1FY22	Change (%)
Revenue from Operations	2,496	2,419	3%	5,054	4,944	2%
Material Cost	1,407	1,392	1%	2,813	2,881	(2%)
ASP	213	194	10%	412	369	12%
Employee Cost	166	153	8%	322	303	6%
Other Expenses	277	257	8%	546	487	12%
EBITDA	432	423	2%	960	904	6%
EBITDA Margin	17.3%	17.5%	(17 bps)	19.0%	18.3%	72 bps
PBT	400	405	(1%)	899	872	3%
PAT	301	309	(3%)	672	665	1%

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

Particulars (% of Revenues)	Q2FY23	Q1FY23	Q2FY22	H1FY23	H1FY22
Material Cost (Raw + Packaging)	56.4%	55.0%	57.5%	55.7%	58.3%
Advertising & Sales Promotion (ASP)	8.5%	7.8%	8.0%	8.2%	7.5%
Personnel Costs	6.6%	6.1%	6.3%	6.4%	6.1%
Other Expenses	11.1%	10.5%	10.6%	10.8%	9.9%
PBDIT margins	17.3%	20.6%	17.5%	19.0%	18.3%
PBDIT before ASP	25.9%	28.4%	25.5%	27.2%	25.7%

Annexure 2: Working Capital

Particulars	Q1FY23	Q2FY23
Debtors Turnover (Days)	27	34
Inventory Turnover (Days)	49	51
Net Working Capital (Days)	20	26

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

Annexure 3: Market Shares in Key Categories in the India Business - MAT Sep'22

Franchise	~MS%	Rank
^ Coconut Oil Franchise	62%	1 st
^ Parachute Rigids within Coconut Oils	53%	1 st
* Saffola Oats	43%	1 st
^ Value Added Hair Oils	37%	1 st
^ Post wash Leave-on Serums	62%	1 st
* Hair Gels/Waxes/Creams	54%	1 st

^ Volume Market Share * Value Market Share

Annexure 4: ESG Performance Snapshot (till H1 FY23)

Marico launched its [ESG 2.0 framework](#) on June 5, 2022 commemorating the 50th anniversary of World Environment Day



Emissions & Energy

- **76%** reduction in GHG emission intensity (Scope 1+2)
- **66%** energy sourced from renewables



Water Stewardship

- **100% replenishment** of water consumed in operations
- **2,800 mn litres** of water conservation potential created till date



Circular Economy

- **96%** recyclable packaging by weight
- EPR registration completed for all categories.



Sustainable Coconut

- **0.28 mn** acreage enrolled covering **70000 farmers** till date
- **15%** improvement in productivity in farms that have completed more than a year under the program



Social Value Creation

- **0.15 mn+ teachers and 0.38 mn+** students impacted from Nihar Shanti Pathshala Funwala's Whatsapp-based English literacy program in FY23 H1.
- **3 new disruptive innovations** onboarded by Marico Innovation Foundation

Marico has committed to Net Zero emissions in its domestic operations by 2030 and global operations by 2040

Annexure 5: Awards and Recognitions



Marico was awarded the Climate Action Award by Indo-American Corporate Excellence Award (IACE) by IACC



Marico was awarded the ESG India Leadership Award for Green Products and Services by Acuite ESG Ratings & ESG Risk Assessment and Insights



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Thank You

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