

Q2 FY25 Results

OCTOBER 2024



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Macro Overview

4



Performance Highlights

6



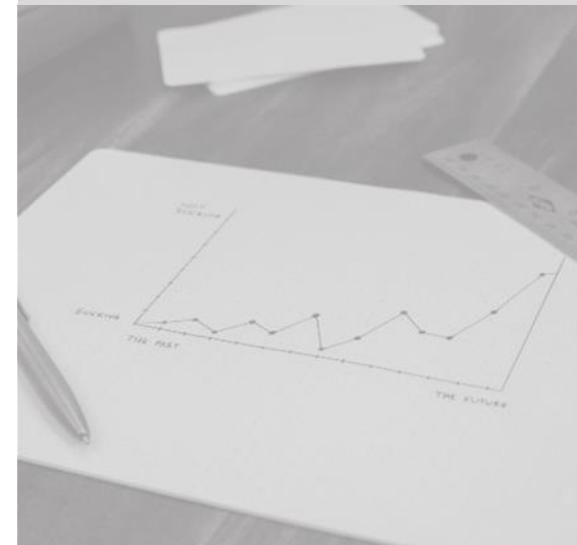
Outlook

16

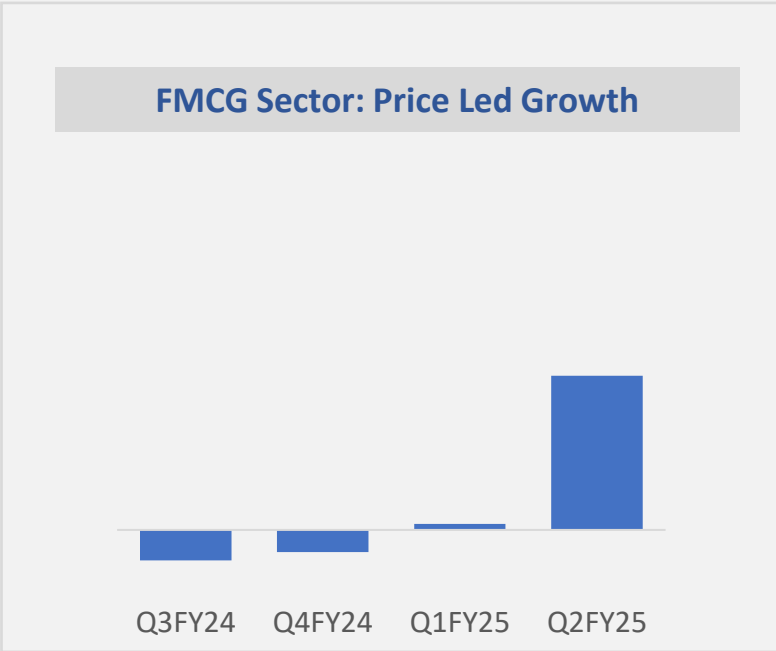
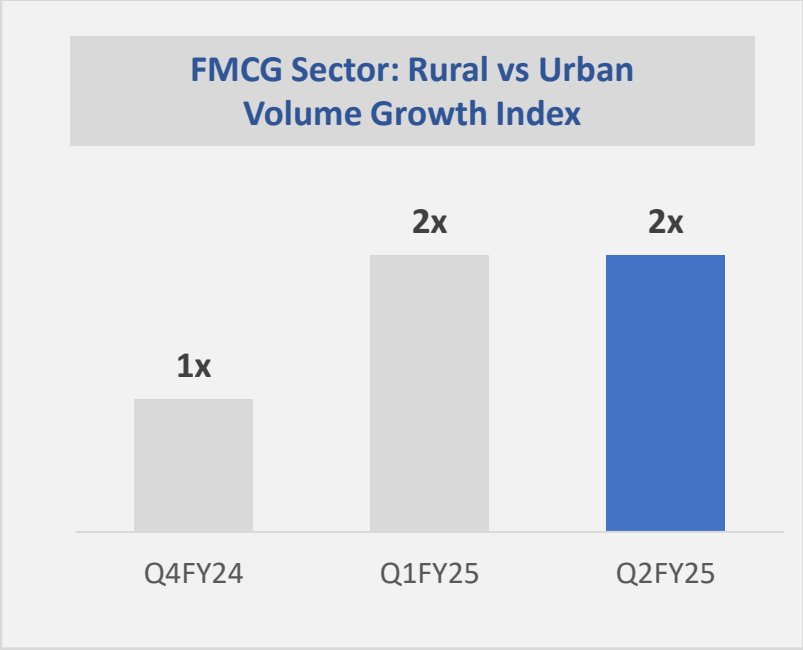


Financials

22



Rural sustains lead over urban | Pricing growth trending up as commodity prices rise



Urban trajectory stable; rural outperformance continues
Stable trends witnessed across HPC and Foods

Food and retail inflation spike in September; trend to be monitored in the near term

Above-normal rainfall in most regions in the monsoon season this year

Continued government spending and festive season likely to aid growth in the near term

*Index signifies rural volume growth as a multiple of urban volume growth

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4



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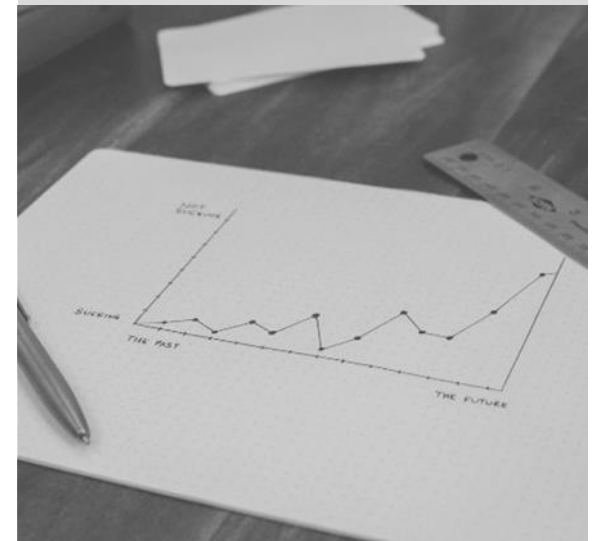
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16



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22



Sequential uptick in growth in the domestic business | International business continues robust show

Q2 FY25 (YoY)



Domestic Revenue up 8% YoY both in Q2 and H1
Consolidated revenue growth expected to move into double digits in H2
More than 80% of the domestic business either gained or sustained market share and penetration on MAT basis.

Double-digit growth in PCNO | Saffola Oils back in positive terrain | VAHO bottoming out

Parachute Coconut Oil (33% of Domestic Revenues)



4%

Volume Growth

10%

Value Growth

Saffola Edible Oils (18% of Domestic Revenues)



Flat volumes YoY |
Pricing growth positive
after 8 quarters

2%

Value Growth

Value Added Hair Oils (20% of Domestic Revenues)



110bps

Value MS gain in Q2

(8%)

Value Growth

Strong scale-up in Foods continues | Annualized run rate in Q2 crosses ~₹ 1000 cr.



Click on the image above to watch the campaign



Premium Personal Care: Trending ahead of aspirations

Serums | Male Grooming | Skin Care



~₹300 cr.

H1 ARR

Digital-First Brands



>₹525 cr.

Q2 Exit ARR

Parachute Coconut Oil: Namma Soil, Namma Coconuts, Namma Parachute



[Watch the journey of Parachute](#) as it travels from the roots of Tamil Nadu to our homes, bringing with it the essence of our beloved coconuts. Embodying the purity and spirit of our land, Parachute is truly one of our own, crafted with care and love from the heart of Tamil Nadu.

Saffola Step-Up For Your Heart: World Heart Day 2024 | Saffola Oats celebrates Onam



Click on the image above to watch the campaign

Visible brand building investments in VAHO towards reinvigorating growth



Click on the image above to watch the campaign

Project SETU: Strong governance ensuring sustainable expansion

10

*No. of states
kicked off in H1*

Execution at state level on track | Leveraging technology to identify white spaces for outlet expansion

Leading to strengthening of the core portfolios and distribution gains in opportunity portfolios

Demand generation through visibility led distribution

Improved Salesforce tracking leading to higher productivity & assortment

Resounding resilience in Bangladesh amidst challenging conditions | MENA and SA on strong footing



Bangladesh



8% Healthy growth in core and new franchises
Q2 CCG



Vietnam



7% HPC demand recovery underway
Q2 CCG



MENA



43% Robust growth in Gulf and Egypt
Q2 CCG



South Africa



20% All-round growth in Hair care and Health Care
Q2 CCG

International business records 13% CCG in Q2

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4



Performance Highlights

6



Outlook

16



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22



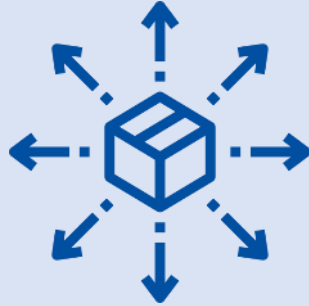
Staying True to the 4Ds

Unlock the next leg of growth through...

Diversification



Distribution



Digital



Diversity



.....and continue to maintain focus on

Grow the Core

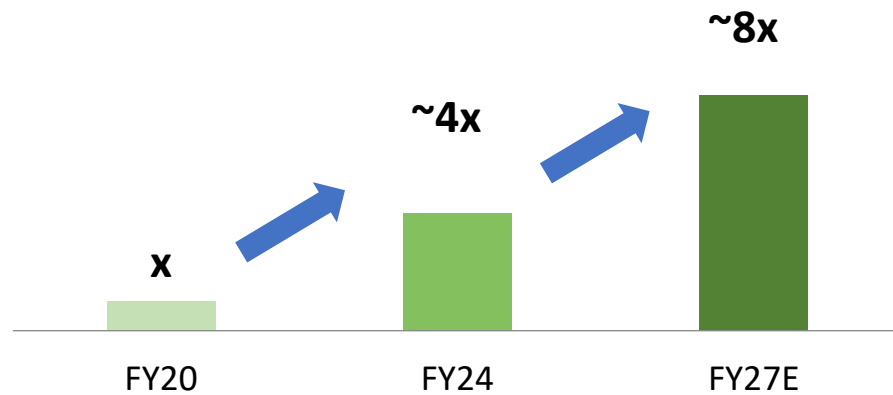
Cost Management

ESG Commitments

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

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

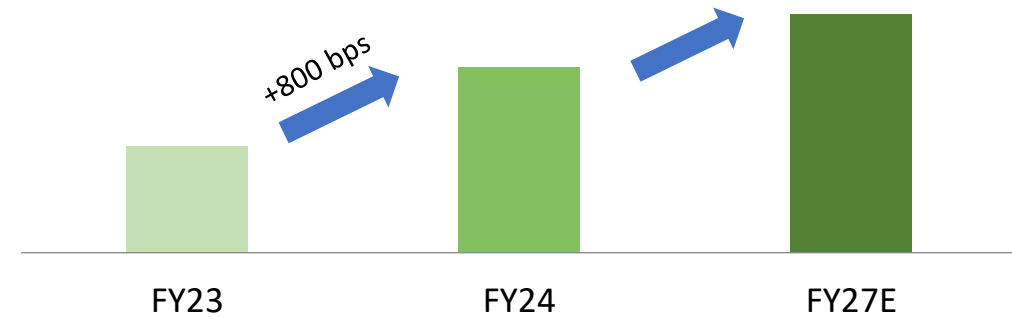
Foods Revenues (in ₹ cr.)



*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 (%)

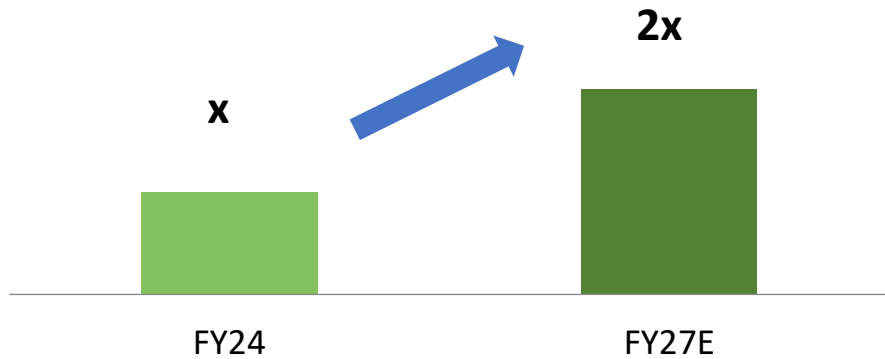


*Focused initiatives led to
robust ~800 bps GM expansion in FY24*

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**

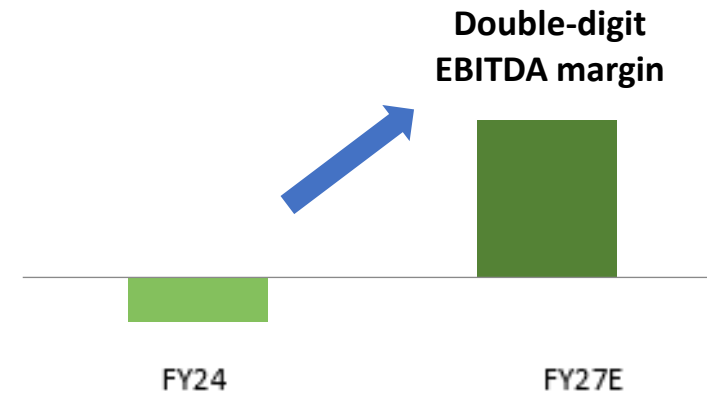
Digital-first brands exit ARR (in ₹ cr.)



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

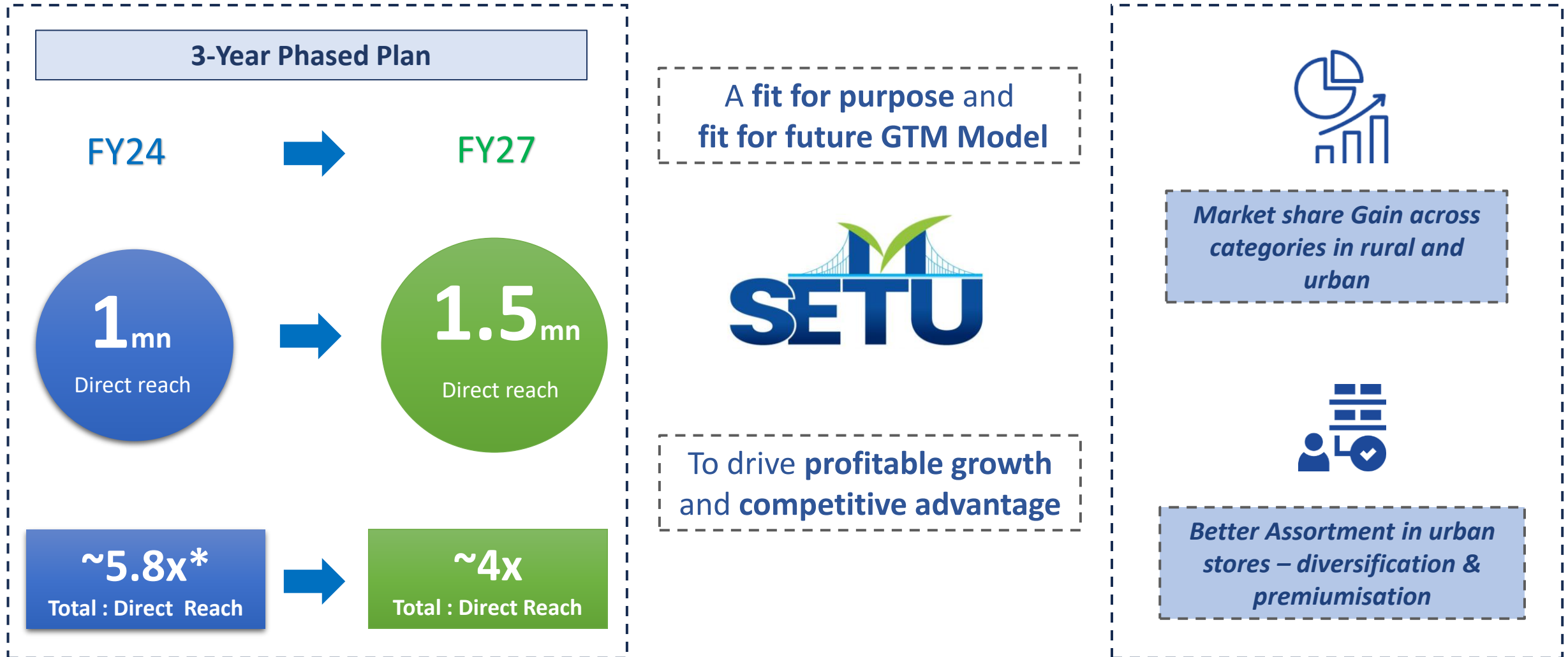
Aim for **Double Digit EBITDA margin** in Digital-first brands in FY27

Digital-first brands EBITDA Margin (%)



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

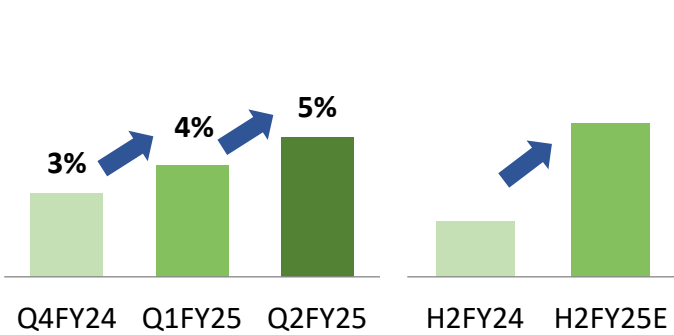
Project SETU: Drive growth in GT through transformative expansion in Direct Reach



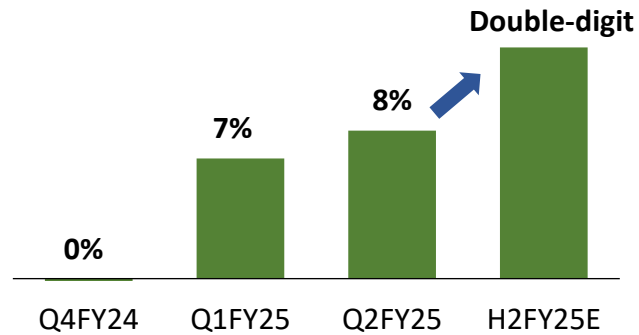
Aiming for robust revenue-led earnings growth in the near & medium term

India Business – Improving trajectory

Volume Growth

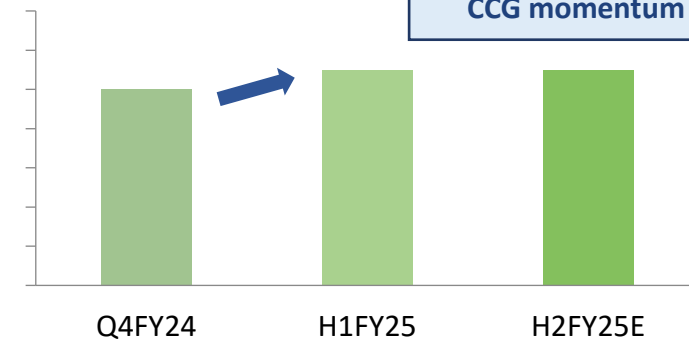


Revenue Growth



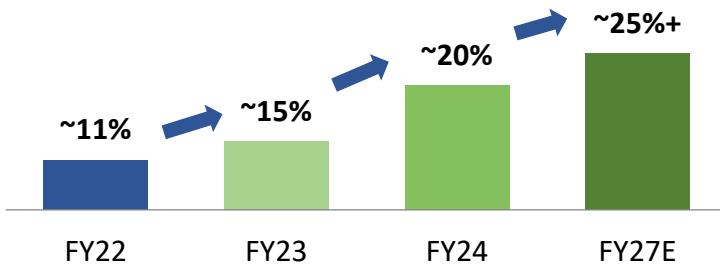
International Business (CCG) - Going Strong

Retain double-digit CCG momentum



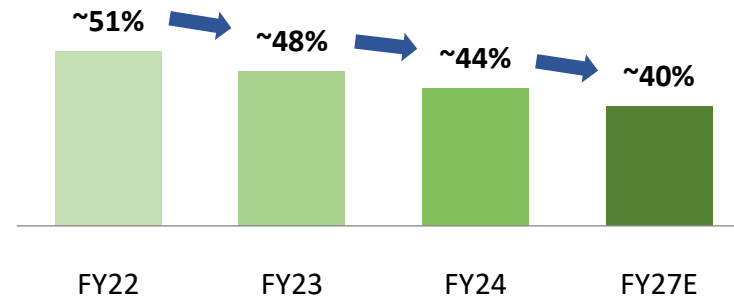
India Business – Robust Diversification Journey

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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4



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6



Outlook

16



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22



Consolidated Profit & Loss Statement

(in ₹ cr.)						
Particulars	Q2FY25	Q2FY24	Change (%)	H1FY25	H1FY24	Change (%)
Revenue from Operations	2,664	2,476	8%	5,307	4,953	7%
Material Cost	1,311	1,226	7%	2,573	2,465	4%
ASP	290	268	8%	530	480	10%
Employee Cost	213	187	14%	416	368	13%
Other Expenses	328	298	10%	640	569	12%
EBITDA	522	497	5%	1,148	1,071	7%
EBITDA Margin	19.6%	20.1%	(50 bps)	21.6%	21.6%	-
PBT	552	476	16%	1,157	1,043	11%
Reported PAT	423	353	20%	887	780	14%
Recurring PAT	388	353	10%	852	769	11%

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

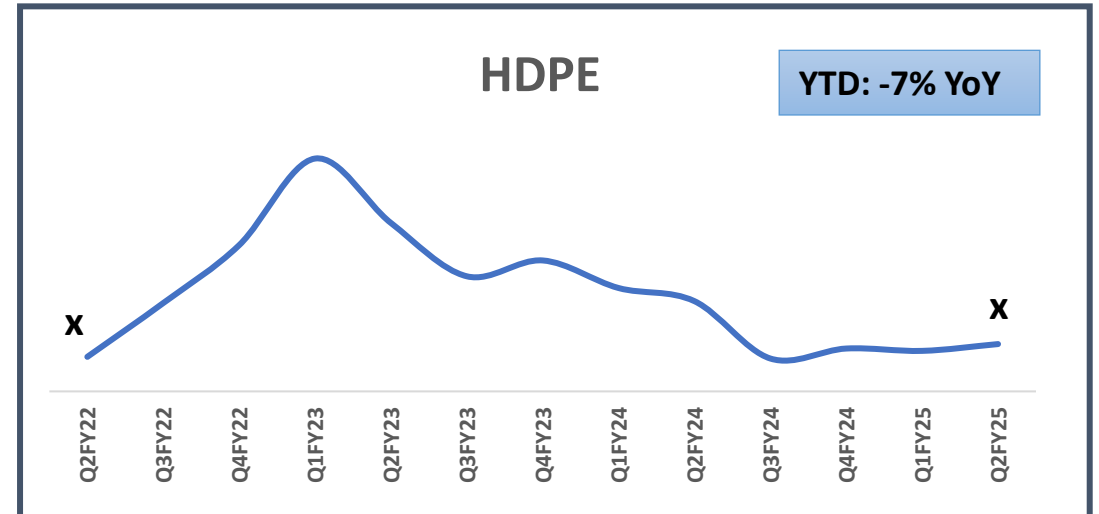
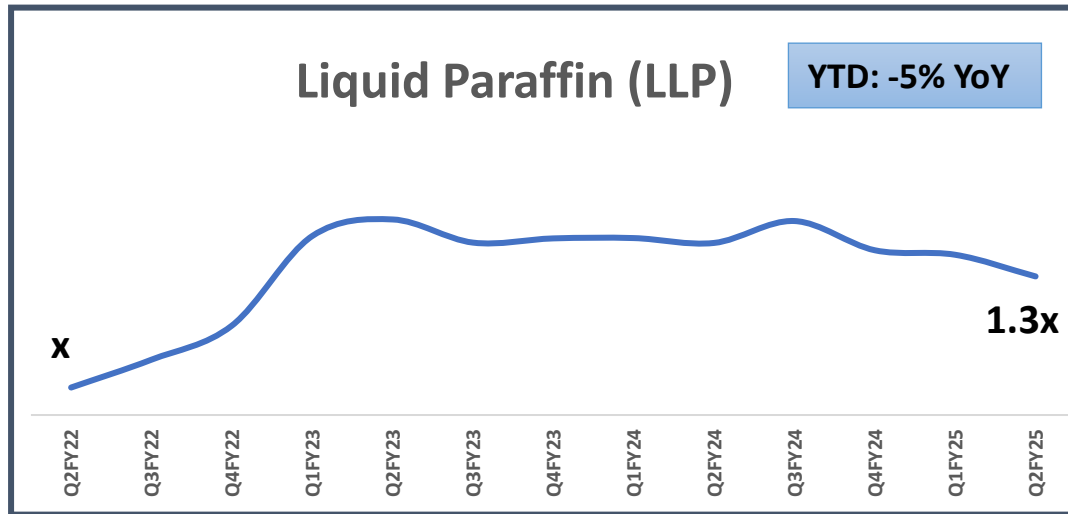
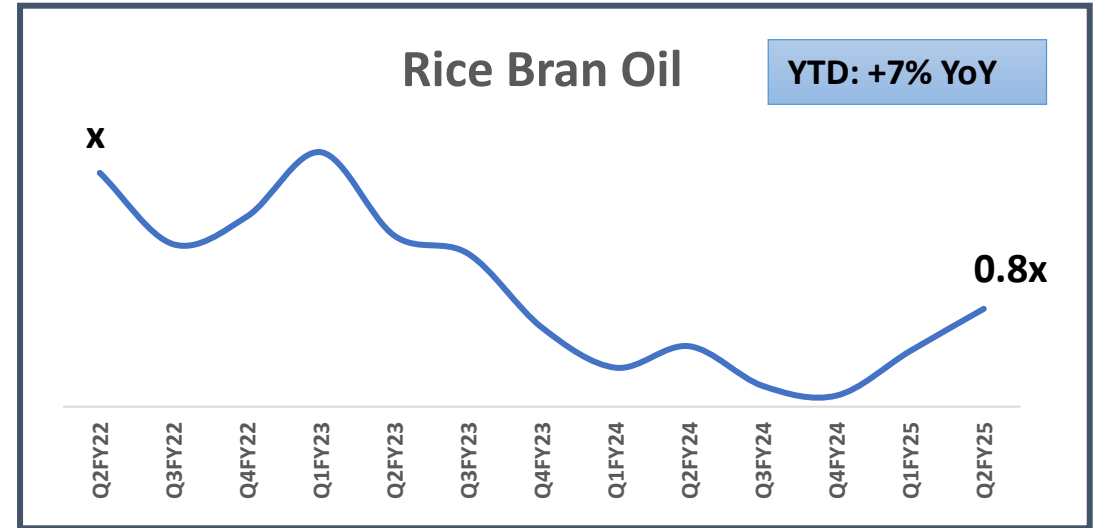
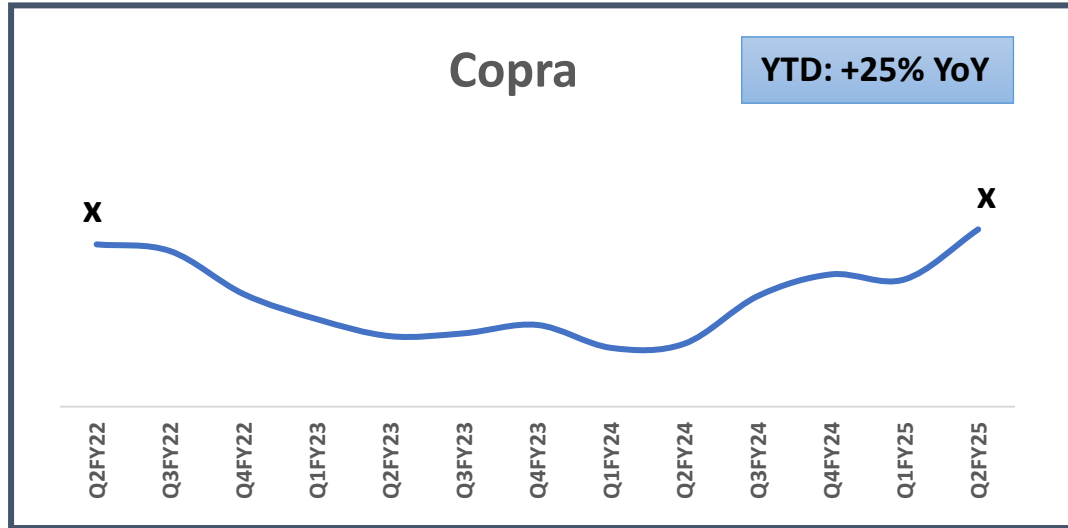
(as a % of Revenues)	Q2FY25	Q1FY25	Q2FY24	H1FY25	H1FY24
Material Cost (Raw + Packaging)	49.2%	47.7%	49.5%	48.5%	49.8%
Advertising & Sales Promotion (ASP)	10.9%	9.1%	10.8%	10.0%	9.7%
Personnel Costs	8.0%	7.7%	7.6%	7.8%	7.4%
Other Expenses	12.3%	11.8%	12.0%	12.1%	11.5%
EBITDA margins	19.6%	23.7%	20.1%	21.6%	21.6%
EBITDA before ASP	30.5%	32.8%	30.9%	31.6%	31.3%

Annexure 2: Working Capital

Particulars	Q2FY25	Q1FY25
Debtors Turnover (Days)	42	38
Inventory Turnover (Days)	47	47
Net Working Capital (Days)	39	28

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 Sep'24

Franchise	~MS%	Rank
^ Coconut Oil Franchise	63%	1 st
^ Parachute Rigids within Coconut Oil	54%	1 st
* Saffola Oats	41%	1 st
* Value Added Hair Oils	28%	1 st
^ Post wash Leave-on Serums	48%	1 st
^ Hair Gels/Waxes/Creams	52%	1 st

^ Volume Market Share * Value Market Share

Annexure 5: ESG Performance Snapshot (Q2 FY25)



Emissions & Energy

- **80.75%** reduction in GHG emission intensity (Scope 1+2) from baseline of FY 13
- **75.4%** Renewable energy share (thermal + electrical) till date

Water Stewardship

- **54.5 %** reduction in water consumption intensity from the baseline FY 13
- About **5 billion liters (cumulative)** of water conservation potential created

Circular Economy

- **95.3%** recyclable packaging share by weight
- **<1%** use of PVC in packaging

Sustainable Agriculture Parachute Kalpavriksha Foundation:

- **1.10 lakhs** of farmers enrolled till date
- **3.94 lakh acres** of farmland enrolled till date
- **17%** improvement in productivity

Social Value Creation

- About **14 lakh** of students impacted and **2.5 lakh** teachers enrolled in the financial year 2024-25 under the **Nihar Shanti Amla Funwala Programme**
- **1.95 lakh trees** plantation initiated under afforestation programme
- **3.71 lakh** beneficiaries (cumulative) impacted till date through community sustenance programmes
- Nearly **12 lakh** beneficiaries impacted through “Eat Right” programme

Annexure 6: Recent ESG Recognitions



Marico awarded as **“Gold Winner”** - Times Now Global Sustainability Alliance SDG Summit – Climate Action Awards 2024



Marico awarded as **“Organisation with Sustainable Practices”** at the India Sustainability Leadership Congress & Awards



Marico ranked among the **Top 5 Companies Leading the Sustainability Journey for the FMCG Sector** by BW BusinessWorld.

Annexure 7: Awards and Recognitions



Marico has been honored as the **'Best Organization for Customer Experience'** by the ET-Times Group.



Marico has won the Global CSR, Sustainability, and ESG Awards 2024 from Brand Honchos for **Best Water Management Initiative of the Year**.



Marico was recognized by ET Now at the 7th Edition of **Iconic Brands of India 2024**.



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