



Q3 FY23 Results

FEBRUARY 2023



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Macro Overview

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Performance Highlights

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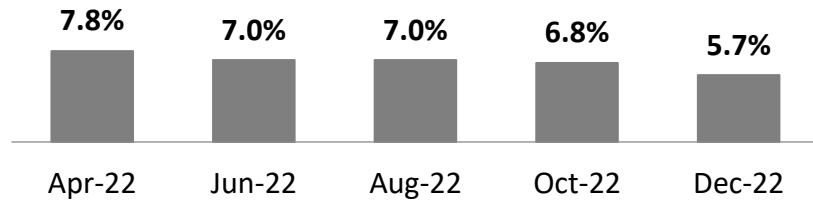
Financials

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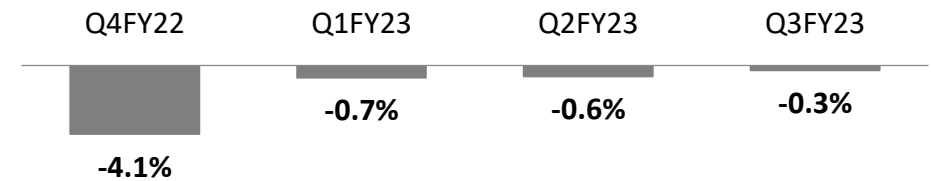
Operating Environment: Early signs of gradual demand revival

CPI Inflation (%)



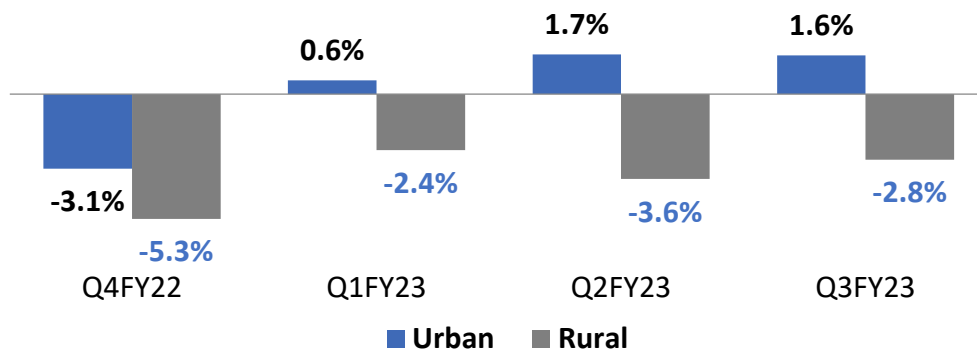
Retail inflation easing; on a softening trajectory

Nielsen FMCG Vol. Gr (%) – All India (U+R)



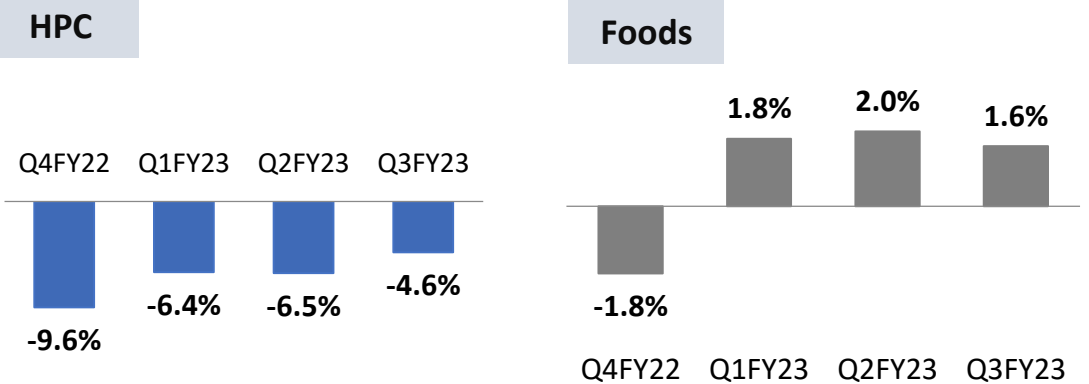
Lowest volume decline in recent quarters

Nielsen FMCG Vol. Gr (%) – Urban and Rural



Urban ahead of Rural; Rural Trajectory better sequentially

Nielsen FMCG Vol. Gr (%) – HPC and Foods



HPC witnessing lower declines; Foods staying in the green

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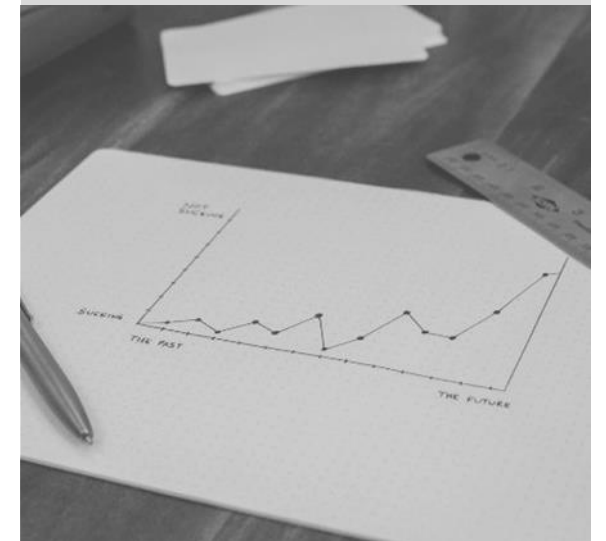
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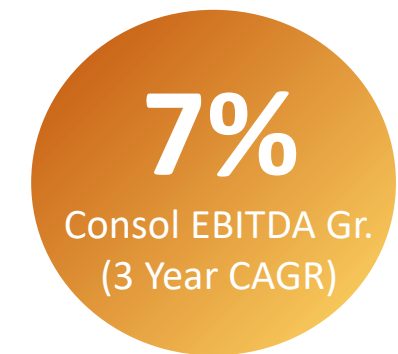
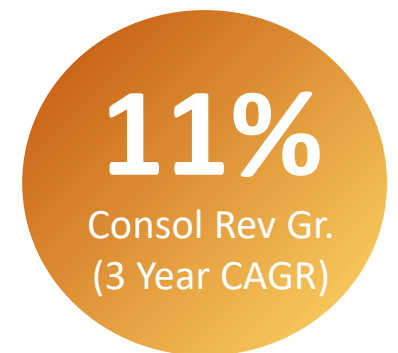
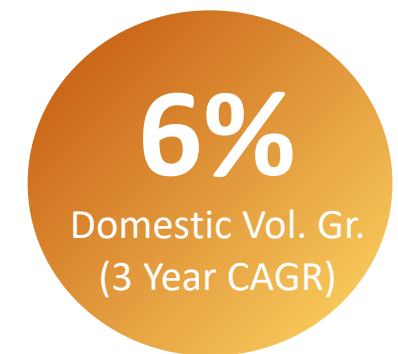
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Improving growth trends in domestic business | International business holds firm

Q3 FY23 (YoY)



18.5%

Consolidated
EBITDA Margin

6%

Consolidated
EBITDA Growth

6%

Consolidated
PAT Growth

Market share & Penetration gains in key franchises continue
Gross margin expanded 123 bps YoY and 131 bps sequentially
A&P spends at 8.9% of sales, was up 3% sequentially; up 6% on a 3-yr CAGR basis

Steadying trajectory in Core | Pickup in rural to spur VAHO growth

Parachute Coconut Oil



2% Volume Growth

(6%) Value Growth

Saffola Franchise (Edible Oils + Foods)



Low teen volume growth in Edible Oils

10% Value Growth

Value Added Hair Oils



80 bps Gain in Value MS

(3%) Value Growth

Foods: Healthy Growth Momentum in Oats and Newer Franchises

Q3 Launches

Entered into the Ready-to-Eat (RTE) space with Saffola Munchiez



Launched 2 flavours in Ragi Chips
50% less saturated fat vs other leading chips brand in the market
Does not contain palm oil

Launched 2 flavours in Roasted Makhana
Superior quality makhana pieces – superior crunch vs competition
Roasted (not fried) in rice bran oil

43% value MS

Saffola Oats maintains stronghold with MS gains

20%

Oats Franchise Value Growth

31%

Foods Value Growth

Premium Personal Care: Going Strong



Livon Serums continues double digit growth momentum

~INR 300 cr.

YTD ARR

50%+

YTD Value Growth



Set Wet portfolio nearing pre-Covid levels

Digital First Portfolio: In-line quarter



~INR 250 cr.

Expected FY23 Exit ARR



International Business resilient amidst global macro uncertainty | Delivers 8% CCG



Bangladesh



9%
Q3 CCG

**Broad-based
growth
momentum**



Vietnam



13%
Q3 CCG

**HPC & Foods
exhibit strength**



South Africa



13%
Q3 CCG

**Robust
performance**



MENA



13%
Q3 CCG

**Double-digit
growth in Gulf
region and Egypt**

International Business (ex-Myanmar) sustained its double-digit growth momentum, delivering 11% CCG

Acquisition | Entry into Female Personal Care in Vietnam

“Purité de Prôvence” and “Ôliv” offer a range of premium and differentiated hair care and skin care products in Vietnam



Significantly expand play in female beauty and personal care category

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Near Term Outlook



External Stimulus

- Retail inflation on a softening path
- Gradual recovery in FMCG sector growth likely
- Visible green shoots in rural awaited



Business and Competitive Position

- Maintain Improving Growth Trajectory in Domestic Business
- Strengthen market shares across categories
- Sustain growth momentum in the International Business



Margins

- Gross Margin to remain steady with upward bias
- 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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Consolidated Profit & Loss Statement

(in ₹ cr.)

Particulars	Q3FY23	Q3FY22	Change (%)	9MFY23	9MFY22	Change (%)
Revenue from Operations	2,470	2,407	3%	7,524	7,351	2%
Material Cost	1,360	1,355	0%	4,173	4,236	(1%)
ASP	220	223	(1%)	632	592	7%
Employee Cost	160	144	11%	482	447	8%
Other Expenses	274	254	8%	820	741	11%
EBITDA	456	431	6%	1,417	1,335	6%
EBITDA Margin	18.5%	17.9%	55 bps	18.8%	18.2%	67 bps
PBT	443	407	9%	1,342	1,279	5%
PAT	328	310	6%	1,000	975	3%

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

Particulars (% of Revenues)	Q3FY23	Q2FY23	Q3FY22	9MFY23	9MFY22
Material Cost (Raw + Packaging)	55.1%	56.4%	56.3%	55.5%	57.6%
Advertising & Sales Promotion (ASP)	8.9%	8.5%	9.3%	8.4%	8.1%
Personnel Costs	6.5%	6.7%	6.0%	6.4%	6.1%
Other Expenses	11.1%	11.1%	10.6%	10.9%	10.1%
PBDIT margins	18.5%	17.3%	17.9%	18.8%	18.2%
PBDIT before ASP	27.4%	25.9%	27.2%	27.2%	26.2%

Annexure 2: Working Capital

Particulars	Q2FY23	Q3FY23
Debtors Turnover (Days)	34	38
Inventory Turnover (Days)	51	48
Net Working Capital (Days)	26	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 Dec'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	28%	1 st
^ Post wash Leave-on Serums	61%	1 st
* Hair Gels/Waxes/Creams	54%	1 st

^ Volume Market Share * Value Market Share

Annexure 4: ESG Performance Snapshot (Q3 FY23)

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



Emissions & Energy

- **77.3%** reduction in GHG emission intensity (Scope 1+2)
- **66%** energy sourced from renewables



Water Stewardship

- **100% replenishment** of water consumed in operations
- **119** farm ponds constructed; **283.34 crore liters** of water conservation potential created till date



Circular Economy

- **96%** recyclable packaging by weight
- **20%** recycled PET in Nihar shanti amla bottles; Fulfilment of EPR targets is on track.



Sustainable Coconut

- **0.29 Mn** acreage enrolled covering **74,000 farmers** till date
- **15%** improvement in productivity in farms that have completed more than a year under the program



Social Value Creation

- **2.1lakhs+** teachers and **4.7 lakhs+** students impacted from Nihar Shanti Pathshala Funwala's WhatsApp-based English literacy program
- **Plastics Report Launch** – Marico Innovation Foundation (MIF) launched an extensive research report - 'Innovation in Plastics: The Potential & Possibilities' on 11th Jan 2023 in Delhi.

The eight focus areas of ESG 2.0 are achievement of net zero targets, water neutrality, circular economy, responsible sourcing, brands with purpose, inclusion and diversity, sustainable coconut and mandatory human rights certification.

Annexure 5: Awards and Recognitions (1/2)



Marico was awarded [Steward Leadership](#) excellence within Asia-Pacific region for equipping farmers with sustainable agriculture methods.

Steward Leadership 25 (SL25) is an annual listing of initiatives from 25 for-profit organizations that have shown Steward Leadership excellence within the Asia-Pacific region. Steward Leadership excellence demands genuine desire and persistence to create a collective better future for stakeholders, society, future generations and the environment. The 25 initiatives were honored at the Steward Leadership Summit, which was held at Shangri-La Singapore.

Annexure 5: Awards and Recognitions (2/2)



Marico has been recognized as one of the **Top 25 Safest Workplaces in India** at the **Kelphr PSOH Awards 2022**



Marico has been awarded **1st Prize in Edible Oil Sector** at the **National Energy Conservation Award 2022**

Parachute Kalpavriksha Foundation recognized for **Outstanding Sustainable Farmer Income Enhancement** at the **FICCI Sustainable Agriculture Summit & Awards 2022**



Marico has been recognized with the **Company with Great Managers Award 2022** by **People Business and Economic Times**





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Thank You

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