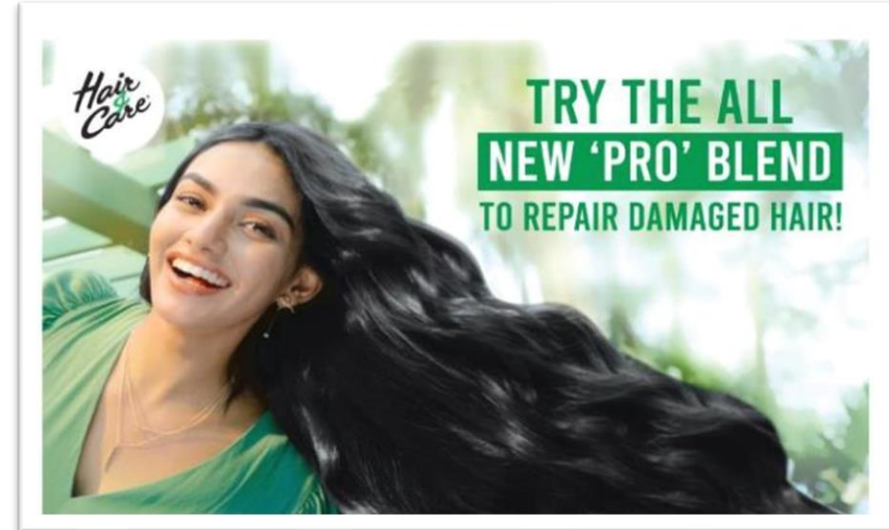




Q2 FY24 Results

OCT 2023



Safe Harbour Statement

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward-looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward-looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.

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Financials

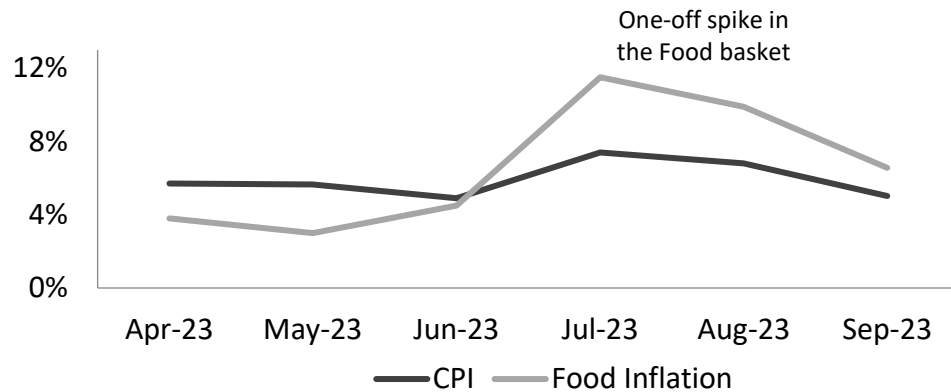
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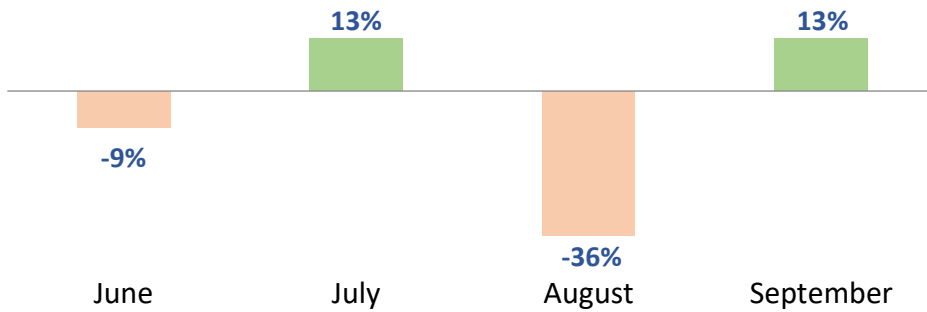
Demand trends in line with preceding quarter | Gradual recovery likely ahead

Instances of higher food prices and uneven rainfall slows rural recovery

Retail and Food Inflation



Uneven distribution of rainfall



Figures denote % deviation from Long Period Average (LPA).

Expect Gradual Recovery in Demand Sentiment



FMCG volume growth in Q2 at similar levels vis-à-vis Q1 on 4Y CAGR basis

Growth led by Foods, while HPC was marginally positive

Factors likely to aid consumption



Expected inflation within RBI's target levels



Healthy sowing season



Onset of festive season



Sustained government spending

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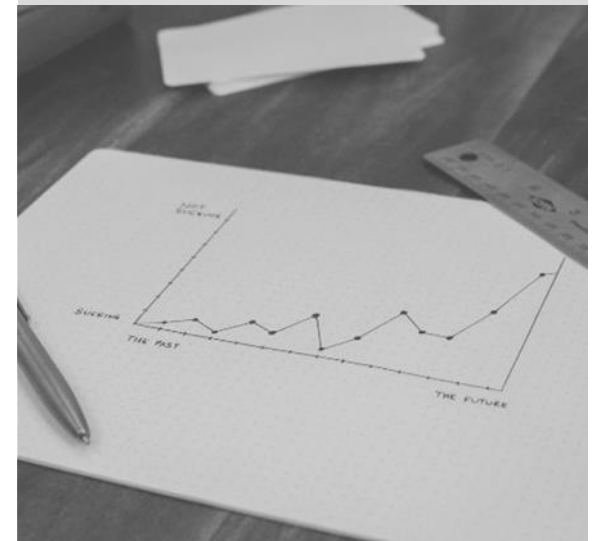
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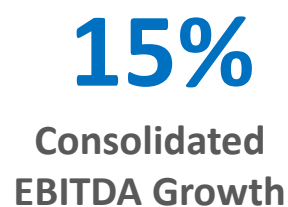
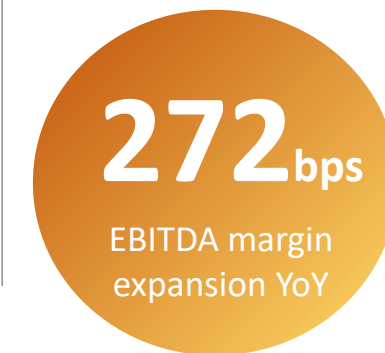
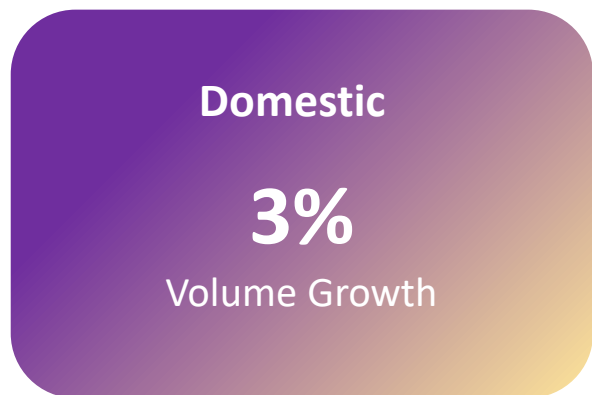
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India business resilient in a subdued demand environment | International business extends stellar run

Q2 FY24 (YoY)



~85% of the portfolio either sustained or gained market share and penetration on MAT basis.
Revenue decline due to pricing drops in key domestic portfolios & currency headwinds in international markets.

Gradual recovery underway in core franchises | Pricing deflation tapering off sequentially

Parachute Coconut Oil (31% of Domestic Revenues)

4Y Vol. CAGR : 4%



1% **(1%)**
 Volume Growth Value Growth

Saffola Franchise (Edible Oils + Foods) (29% of Domestic Revenues)

4Y Vol. CAGR : High-single digit in Edible Oils



Edible Oils: Low single-digit volume growth **(12%)***
 Value Growth

Value Added Hair Oils (22% of Domestic Revenues)

4Y Val. CAGR : 4%



Key franchises sustain market share **1%**
 Value Growth

*Edible Oils revenue drop in low twenties due to pricing corrections over the last 12 months.

Premiumization in VAHO - New launches on alternate channels



Hair & Care Pro-Blend Oil & Shampoo



PA Superfoods-enriched coconut hair oil

Scale-up in Foods stays on course



Value Growth

25%

Recent Campaigns/Launches Across Foods



Saffola Mayonnaise
Garlic & Herbs



Saffola Peanut Butter
with Real Chocolate

Premium Personal Care: Likely to contribute ~10% of domestic business in FY24

Serums | Male Grooming | Skin Care



~ ₹ 300 cr.

Q2 Run-rate

Digital-First Portfolio



₹ 350+ cr.

Q2 Exit ARR

New Product Launches in Premium Personal Care



Livon Style Pro Range



Parachute Advanced Body Wash and Shower Gel Range

Impactful brand campaigns driving visibility for core and new businesses



International Business – Robust Performance amid challenging operating environment



Bangladesh



2%
Q2 CCG

Resilient amidst
macroeconomic
headwinds



Vietnam



13%
Q2 CCG

Steady
performance in
both HPC & Foods



MENA



34%
Q2 CCG

Double-digit
growth in Gulf
region and Egypt



South Africa



23%
Q2 CCG

Strong quarter
for Ethnic Hair
Care

International business records 13% CCG in Q2

New Product Launches in the Middle East



Parachute Advanced Shampoo Range



Herbsindia Hair Oils Range

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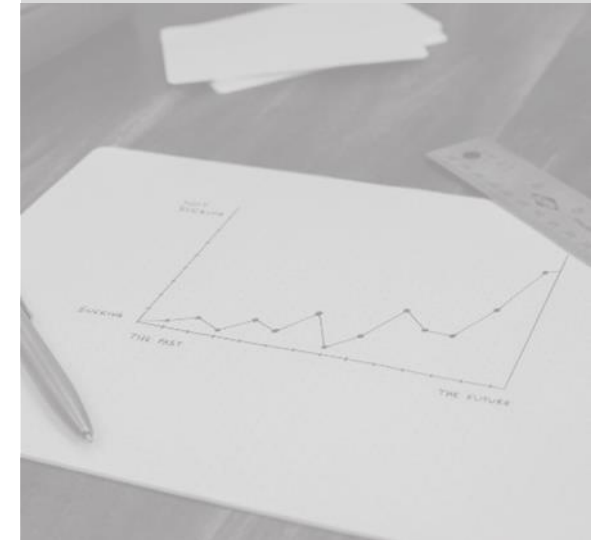
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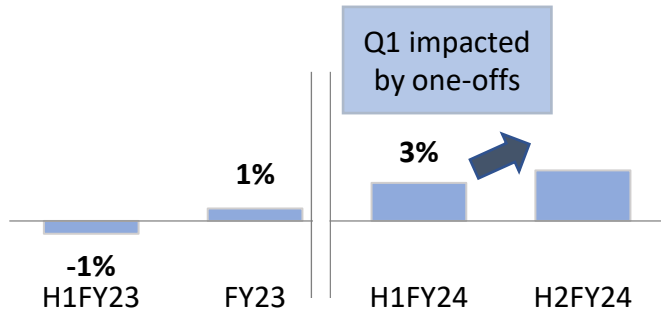
Financials

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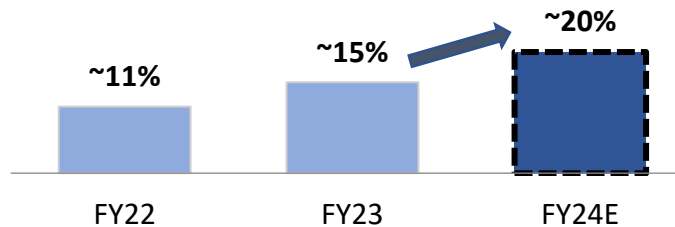
Summing up: Poised to post all-round improvement in FY24 as envisaged

India Vol. Growth – gradual uptick expected



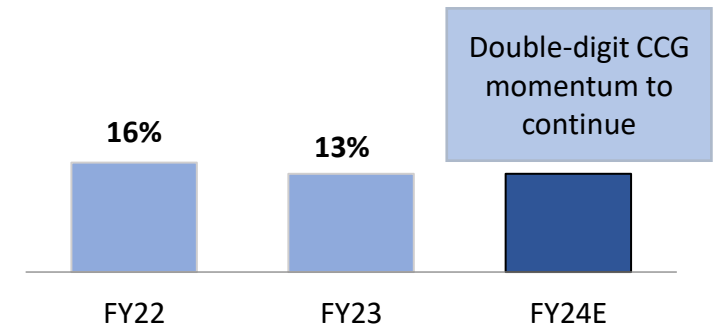
Consolidated revenue growth to move into positive territory in H2FY24 as pricing deflation tapers off

India – Diversification Journey



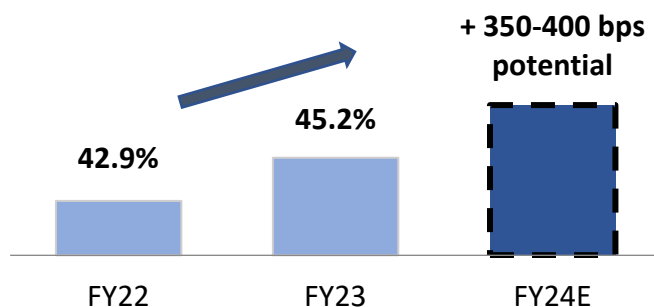
Revenue share of Foods & Premium Personal Care was at ~20% of domestic business in Q2FY24

International Business (CCG) - Going Strong



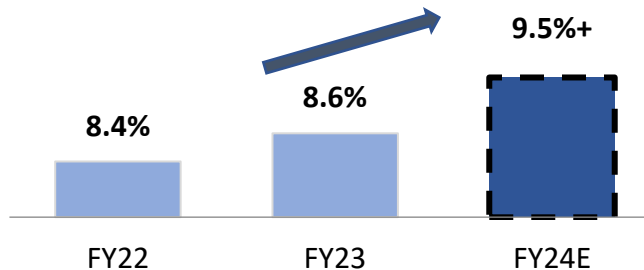
Constant currency growth stood at 11% in H1FY24

Gross Margin Trending Up



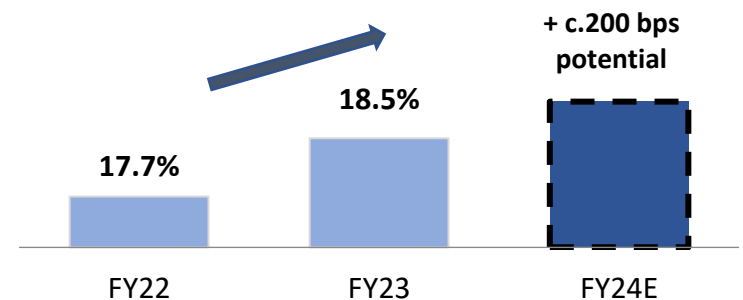
GM uptrend to continue with RM moderating and improving portfolio mix

A&P as a % of sales – Key Thrust for Growth



A&P spends to continue to be a long-term growth driver

Operating Margin Expansion Likely



EBITDA margin expected to expand by ~200 bps

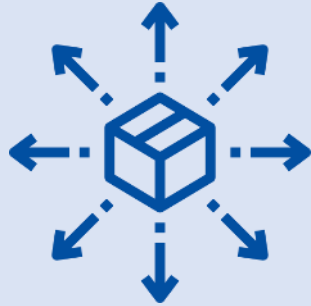
Staying True to the 4Ds

Unlock the next leg of growth through...

Diversification



Distribution



Digital



Diversity



.....and continue to maintain focus on

Grow the Core

Cost Management

ESG Commitments

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Consolidated Profit & Loss Statement

(in ₹ cr.)

Particulars	Q2FY24	Q2FY23	Change (%)	H1FY24	H1FY23	Change (%)
Revenue from Operations	2,476	2,496	(1%)	4,953	5,054	(2%)
Material Cost	1,226	1,407	(13%)	2,465	2,813	(12%)
ASP	268	213	26%	480	412	17%
Employee Cost	187	166	13%	368	322	14%
Other Expenses	298	277	8%	569	546	4%
EBITDA	497	433	15%	1,071	960	12%
EBITDA Margin	20.1%	17.3%	272 bps	21.6%	19.0%	263 bps
PBT	476	400	19%	1,043	899	16%
PAT	353	301	17%	780	672	16%
Recurring PAT	353	301	17%	769	672	14%

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

Particulars (% of Revenues)	Q2FY24	Q1FY24	Q2FY23	H1FY24	H1FY23
Material Cost (Raw + Packaging)	49.5%	50.0%	56.4%	49.8%	55.7%
Advertising & Sales Promotion (ASP)	10.8%	8.6%	8.5%	9.7%	8.2%
Personnel Costs	7.6%	7.3%	6.7%	7.4%	6.4%
Other Expenses	12.0%	10.9%	11.1%	11.5%	10.8%
PBDIT margins	20.1%	23.2%	17.3%	21.6%	19.0%
PBDIT before ASP	30.9%	31.7%	25.9%	31.3%	27.1%

Annexure 2: Working Capital

Particulars	Q1FY24	Q2FY24
Debtors Turnover (Days)	39	43
Inventory Turnover (Days)	44	46
Net Working Capital (Days)	20	24

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'23

Franchise	~MS%	Rank
^ Coconut Oil Franchise	62%	1 st
^ Parachute Rigids within Coconut Oil	53%	1 st
* Saffola Oats	42%	1 st
* Value Added Hair Oils	27%	1 st
^ Post wash Leave-on Serums	55%	1 st
* Hair Gels/Waxes/Creams	53%	1 st

^ Volume Market Share * Value Market Share

Annexure 4: ESG Performance Snapshot (Q2 FY24)



Emissions & Energy

- **72%** reduction in GHG emission intensity (Scope 1+2)
- A solar rooftop was installed at Marico's Sanand unit raising the RE capacity to **1MW**

Water Stewardship

- **100% replenishment** of water consumed in operations
- **786** farm ponds constructed; **307+ crore liters** of water conservation potential created till date

Circular Economy

- **94%** recyclable packaging by weight
- **20%** recycled PET in Nihar shanti amla bottles
- Fulfilment of EPR targets

Sustainable Coconut

- **0.33 Mn** acreage enrolled covering **87,000 farmers** till date
- **16%** improvement in productivity in farms that have completed more than a year under the program

Social Value Creation

- **1.69 lakhs teachers and 15.16 lakhs students** registered in Nihar Shanti Pathshala Funwala's WhatsApp-based English literacy program

The eight focus areas of ESG 2.0 are achievement of Climate Change, Water Stewardship, Circular Economy, Responsible Sourcing, Brands with Purpose, Inclusion and Diversity, Sustainable Agriculture and Corporate Governance.

Annexure 4: ESG Performance



A step closer towards net zero emissions!

Marico's manufacturing unit at Sanand has recently established solar rooftop panels that enable the plant to generate 1 megawatt renewable energy (electricity) for operational purposes.



Dedicated microsite towards all ESG related communication

Marico has launched a dedicated [microsite](http://www.sustainability.marico.com) as a one-stop repository towards all ESG related communication.

Annexure 5: Awards and Recognitions



Marico has been recognized among the **Top 3 Sustainable Companies in the FMCG Sector** at the Sustainable World Conclave by BW Businessworld



Marico was awarded the **Quality Manufacturing Award** at The Corporate Titan Awards

Marico has been recognized with the **Food Safety and Quality Company of the Year** at the prestigious National Food Safety and Nutrition Summit, Delhi



Marico's Parachute Kalpavriksha Foundation has been honored with a **7-Star Rating & won 1st Place** in the **Social Responsibility Category** at the 9th International Best Practice Competition (IBPC)





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Thank You

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