January 29, 2024

The Secretary, Listing Department, BSE Limited, 1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code: 531642	The Manager, Listing Department, National Stock Exchange of India Limited, Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Scrip Symbol: MARICO

Dear Sir/Madam,

Sub.: Information Update for the quarter and nine months ended December 31, 2023

Please find enclosed the Information Update along with an earnings presentation on the un-audited consolidated financial results of the Company (i.e. Marico Limited and its Subsidiaries) for the quarter and nine months ended December 31, 2023.

The same is being made available on the website of the Company at:
http://marico.com/india/investors/documentation/quarterly-updates.

This is for your information and records.

Thank you.

For **Marico Limited**

VINAY M A
Digitally signed by VINAY M A
Date: 2024.01.29 16:12:14 +05'30'

Vinay M A
Company Secretary & Compliance Officer

Encl.: As above

Marico Limited
Regd Office:
7th Floor
Grande Palladium
175, CST Road, Kalina
Santacruz (E)
Mumbai 400 098, India
Tel: (91-22) 6648 0480
Fax: (91-22) 2650 0159
www.marico.com

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Q3 FY24 Results

JAN 2024

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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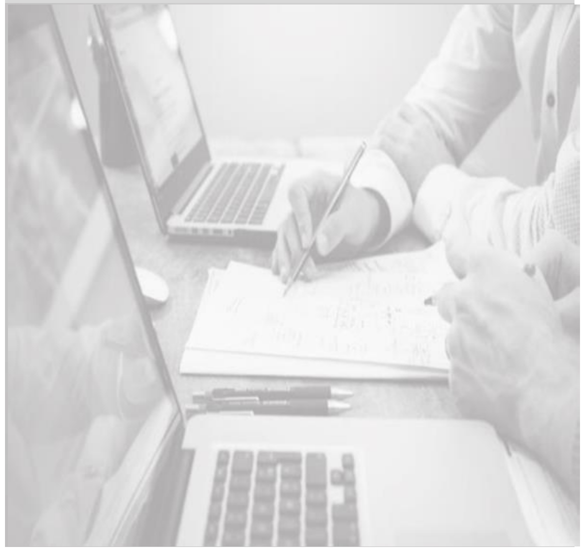
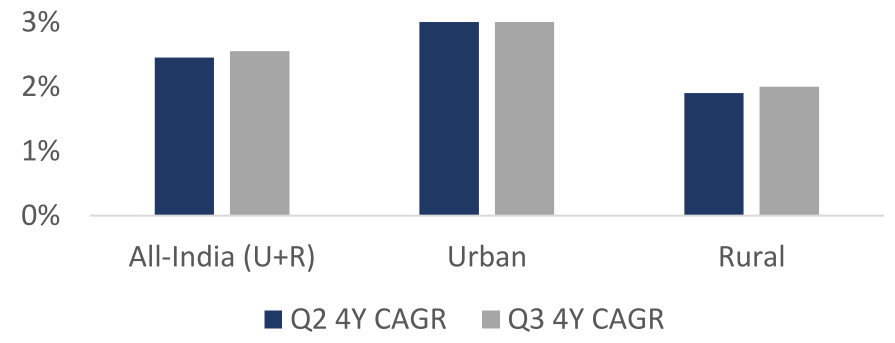


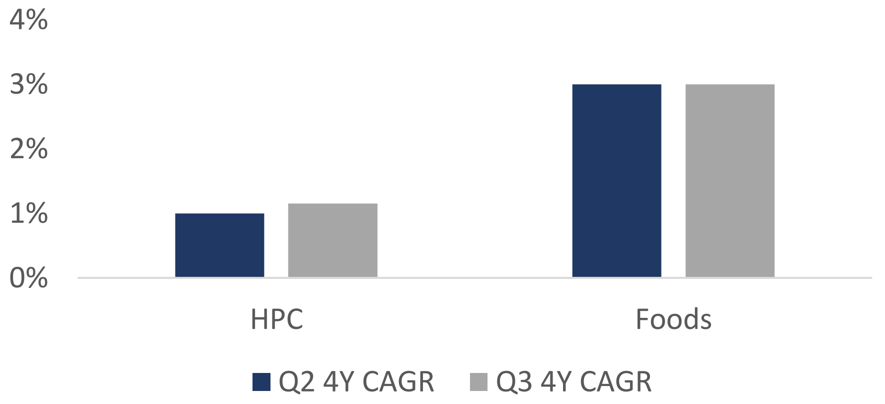
Demand trends similar sequentially | Macro indicators maintain optimism

Overall demand trends stable but not buoyant; Rural and HPC remain laggards

FMCG Sector: Rural and Urban growth

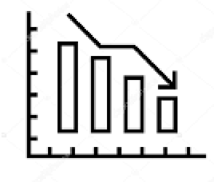


FMCG Sector: HPC and Foods growth

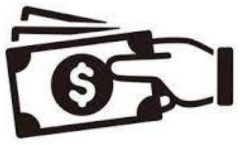


Macro trends bode well

Fastest growing economy in the world; GDP led by consumption



Range-bound retail inflation and conducive consumer pricing across most FMCG categories



Continued Government spending, while maintaining fiscal prudence

Expectations of a healthy harvesting season

Source: Nielsen

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Domestic business impacted by channel-led initiatives | International business stays resilient

Q3 FY24 (YoY)

Domestic

2%

Volume Growth

International

6%

Constant Currency Growth

Consolidated

(2%)

Revenue Growth

21.2%

Consolidated EBITDA Margin

13%

Consolidated EBITDA Growth

17%

Consolidated PAT Growth

634bps

Gross Margin expansion YoY

12%

YoY Increase in A&P spends

272bps

EBITDA margin expansion YoY

75%+ of the portfolio either sustained or gained market share and penetration on MAT basis.
Pricing corrections in the domestic portfolio which are yet to anniversarize and foreign currency headwinds drag revenue growth.

Core portfolio showing early signs of recovery; Saffola Oils weighed down by base effect

Parachute Coconut Oil
(34% of Domestic Revenues)

3%
Volume Growth

Flat
Value Growth

Saffola Edible Oils
(18% of Domestic Revenues)

Mid-single digit volume decline on a high base (teens vol. gr. in Q3FY23)

(26%)
Value Growth

Value Added Hair Oils
(20% of Domestic Revenues)

Mid to high single digit growth in ex-BOP* segments

3%
Value Growth

^BOP – Bottom of the Pyramid

Foods : Scaling up along expected lines

Value Growth

18%

Premium Personal Care: Sustains growth momentum

Serums | Male Grooming | Skin Care

~ ₹ 300 cr. Q3 Run-rate

Digital-First Portfolio

₹ 400+ cr. Q3 Exit ARR

Broad-based International business holds steady

Bangladesh

(6%)
Q3 CCG

Transient headwinds affect performance; expected to normalize from Q4FY24

South-East Asia

4%
Q3 CCG

Softer HPC demand in Vietnam

MENA

26%
Q3 CCG

Double-digit growth in Gulf region and Egypt

South Africa

33%
Q3 CCG

Growth led by Ethnic Hair Care

International business records 6% CCG in Q3

CCG – Constant Currency Growth

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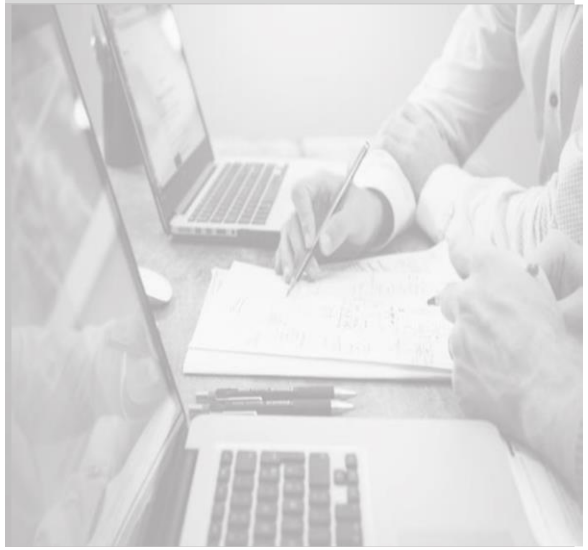
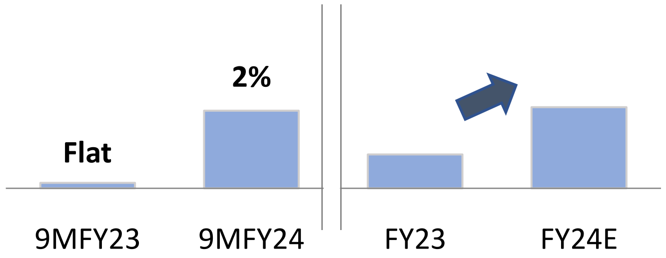


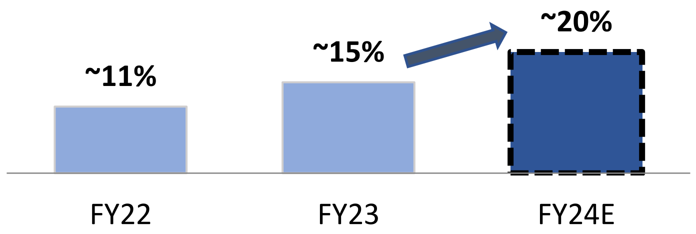
Summing up: All-round improvement in a persistently challenging operating environment

India Vol. Growth – Expect Gradual Uptick Ahead



While recovery in volume growth has been slower than anticipated, we expect gradual uptick ahead

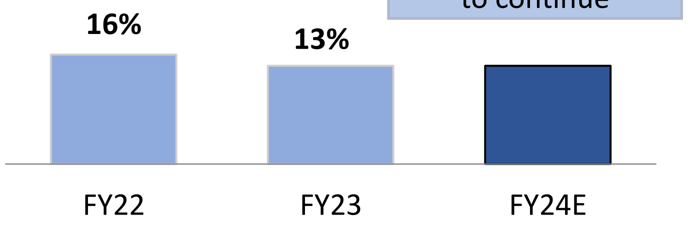
India – Diversification Journey



Revenue share of Foods & Premium Personal Care was at 20% of domestic business in Q3FY24

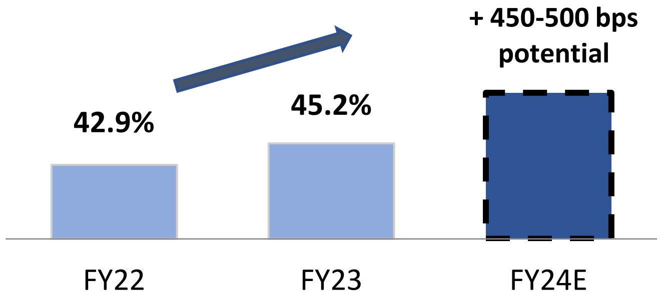
International Business (CCG) - Going Strong

Double-digit CCG momentum likely to continue



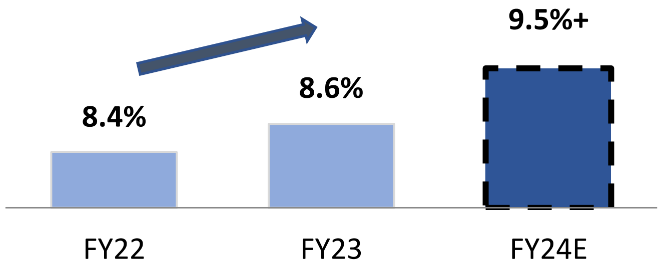
9MFY24 CCG stood just shy of double digits due to transient headwinds in select markets during Q3

Gross Margin continues to trend higher



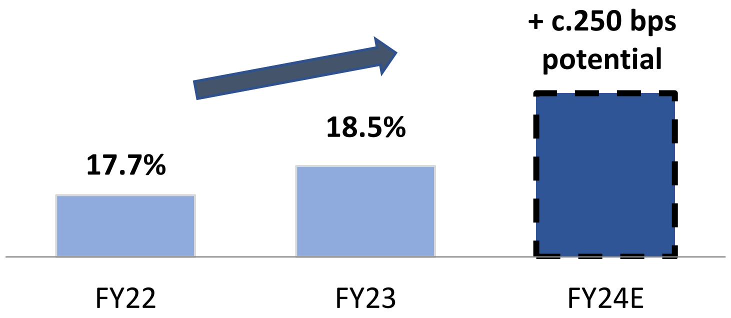
GM expansion higher than earlier envisaged owing to moderation in RM prices and favourable portfolio mix

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



A&P spends ramped up to drive long-term growth in core and new franchises

Highest-ever Operating Margin likely in FY24



EBITDA margin expected to expand by c.250 bps in FY24

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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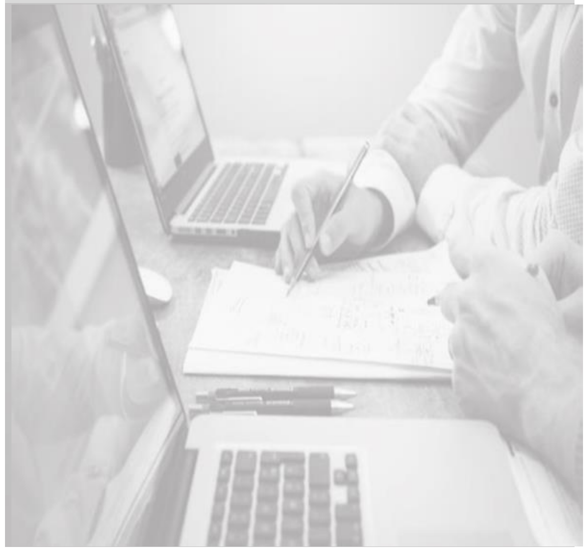

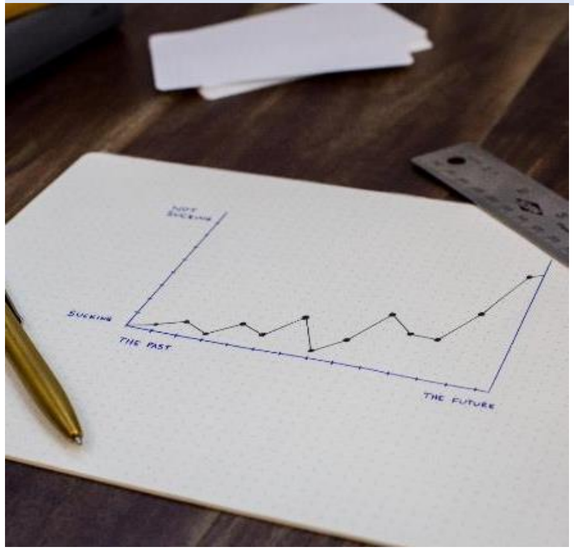

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Consolidated Profit & Loss Statement

(in ₹ cr.)

Particulars	Q3FY24	Q3FY23	Change (%)	9MFY24	9MFY23	Change (%)
Revenue from Operations	**2,422**	**2,470**	**(2%)**	**7,375**	**7.524**	**(2%)**
Material Cost	1,180	1,360	(13%)	3,645	4,173	(13%)
ASP	246	220	12%	726	632	15%
Employee Cost	189	160	18%	557	482	16%
Other Expenses	294	274	7%	863	820	5%
EBITDA	**513**	**456**	**13%**	**1,584**	**1,417**	**12%**
EBITDA Margin	21.2%	18.5%	272 bps	21.5%	18.8%	264 bps
PBT	**495**	**443**	**12%**	**1,538**	**1,342**	**15%**
Reported PAT	**383**	**328**	**17%**	**1,163**	**1,000**	**16%**
Recurring PAT	**383**	**328**	**17%**	**1,152**	**1,000**	**15%**

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

Particulars (% of Revenues)	Q3FY24	Q2FY24	Q3FY23	9MFY24	9MFY23
Material Cost (Raw + Packaging)	48.7%	49.5%	55.1%	49.4%	55.5%
Advertising & Sales Promotion (ASP)	10.2%	10.8%	8.9%	9.8%	8.4%
Personnel Costs	7.8%	7.6%	6.5%	7.6%	6.4%
Other Expenses	12.1%	12.0%	11.1%	11.7%	10.9%
PBDIT margins	21.2%	20.1%	18.5%	21.5%	18.8%
PBDIT before ASP	31.3%	30.9%	27.4%	31.3%	27.2%

Annexure 2: Working Capital

Particulars	Q2FY24	Q3FY24
Debtors Turnover (Days)	43	45
Inventory Turnover (Days)	46	48
Net Working Capital (Days)	24	27

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'23

Franchise	~MS%	Rank
^ Coconut Oil Franchise	62%	1st
^ Parachute Rigids within Coconut Oil	53%	1st
* Saffola Oats	41%	1st
* Value Added Hair Oils	27%	1st
^ Post wash Leave-on Serums	53%	1st
* Hair Gels/Waxes/Creams	52%	1st

^ Volume Market Share   * Value Market Share

Annexure 4: ESG Performance Snapshot (Q3 FY24)

Emissions & Energy

- **75%** reduction in GHG emission intensity (Scope 1+2)
- **67%** Renewable energy share (thermal + electrical)

Water Stewardship

- **Jalgaon** facility externally certified as the first 'net water positive' plant
- **866** farm ponds constructed**; 320+ crore liters** of water conservation potential created till date

Circular Economy

- **95%** recyclable packaging share
- EPR – **14,387 MT plastic waste** collected and disposed/recycled till date including recyclables and MLP

Sustainable Coconut

- **0.347 Mn** acreage enrolled covering **95,000 farmers** till date
- **16%** improvement in productivity in farms that have completed more than a year under the program

Social Value Creation

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

Marico's ESG framework comprises of 8 focus areas – Energy & Emissions, Water stewardship, Circular economy, Responsible sourcing, Brands with purpose, Inclusion and diversity, Sustainable agriculture and Corporate governance. To read the latest updates, please visit Marico's ESG microsite

Annexure 5: Success in Sustainability Projects (1/2)

DNV

g the Company's water

On the basis of our limited level of verification of data presented, nothing has come to our attention that would cause us to believe that the Water Balance Index and Water Accounting Data below, calculated as per the procedures detailed in the Water Balance Report, is not materially correct and is not a fair representation of its Water Data, based on the methodology adopted by Marico and as detailed in its water related data sheets/ water Management system explained above.

Water Accounting Data as Estimated / Measured by Marico

Operational Boundary	Water Debit	Water Credit			Water Balance Index	Water Balance status
	Total freshwater intake (Ground source)	Rainwater used for operations	Rainwater harvested for community use	Recycled/Reused water	(Water Credit / Water Debit)	
	A	B	C	D	E=(B+C+D)/A	
Jalgaon	58509.7	0	92484.77	0	1.58	Positive

Summary

Total Debit	58509.7
Total Water Credit	92484.77
Water Balance Index of Marico	1.58 (POSITIVE)

Note

Note 1: All mentioned quantities are in cubic metres (m3).

Note 2: Water debit includes all fresh water purchased and consumed from various sources like MIDC, Tankers etc.

Note 3: Harvested rainwater, groundwater recharge is estimated as per the Water related data sheets, across various watersheds/catchments.

Note 4: Infiltration rate and source to infiltration are determined by the professional judgement of Marico water experts.

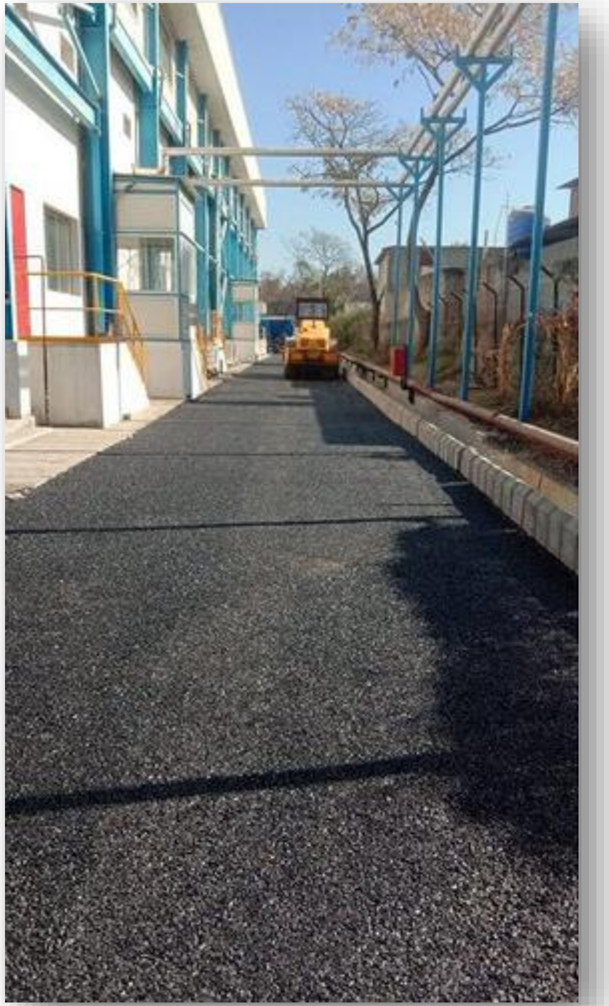
Note 5: ETP treated water (Recycled) is used for gardening purposes which has no direct impact in reduction of freshwater intake, hence it is not considered as water credit.

Marico's 1st net water positive plant - Jalgaon

Marico's manufacturing unit at Jalgaon has been externally certified as 'net water positive'. This is the first manufacturing facility within Marico's business footprint to receive this certification.

As part of Marico's 2030 ESG roadmap, water stewardship is demonstrated by replenishing more water for the communities than consumed across Marico operations. In this case, the water conservation potential created for community usage is **1.58 times higher** than that used in Jalgaon unit's operations. This qualifies the facility as Marico's first ever water positive unit.

Annexure 5: Success in Sustainability Projects (2/2)



Bitumen road made out of plastic waste!

Marico's manufacturing unit at Jalgaon recently built a bitumen road using 800 kg of non-recyclable plastic waste.

This initiative is part of a long-term circular economy agenda that Marico intends to pursue in the decade of action (up to 2030).

Annexure 6: Awards and Recognitions

Marico has been recognized as one of the **Best Managed Companies India 2023** by **Deloitte, India**

Marico was awarded the **Best Governed Company** in Listed Segment: Medium Category at the **23rd ICSI National Awards for Excellence in Corporate Governance**

Marico won the **BW Sustainable Award In The Category Of India's Most Sustainable Supply Chain Initiative Of The Year** by **BW Businessworld**

Marico has been bestowed with the prestigious **Best Innovative Company of the Year Award** at **The Fortune Leadership Awards, in partnership with The Economic Times**

MARICO LIMITED

CIN - L15140MH1988PLC049208
7th Floor, Grande Palladium
175, CST Road, Kalina, Santa Cruz (East)
Mumbai- 400 098
www.marico.com

www.niharnaturals.com
www.parachuteadvansed.com
www.mylivonmysalon.com
www.saffola.marico.in
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www.puresense.co.in
www.justherbs.in
www.true-elements.com
www.maricoinnovationfoundation.org
www.parachutekalpavriksha.org

Investor Relations Contact:
Harsh Rungta | Head - Investor Relations | *harsh.rungta@marico.com*
Nitish Purohit | Manager- Investor Relations | *nitish.purohit@marico.com*

Thank You

Marico – Information Update for Q3FY24 (Quarter ended December 31, 2023)

Executive Summary: Consolidated Results

Particulars (₹ Cr)	Q3FY24	YoY Growth
Revenue from Operations	2,422	(2%)
EBITDA	513	13%
EBITDA Margin (%)	21.2%	Up 272 bps
Profit After Tax	383	17%
Domestic Volume Growth (%)		2%
International Business (% CCG)		6%

In Q3FY24, Revenue from Operations was at ₹2,422 crore, down 2% YoY, with underlying volume growth of 2% in the domestic business and constant currency growth of 6% in the international business.

During the quarter, demand trends were stable with no visible improvement from the preceding quarter. Rural demand remained soft, while urban demand steadied its moderate growth trajectory. Within the FMCG sector, mass home and personal care categories aligned closely with the trajectory of rural demand, while packaged foods led the sector owing to higher urban salience and penetration-led growth. Among channels, General Trade continued to drag as it grappled with liquidity and profitability constraints, while alternate channels grew healthily. In response to the extended slowdown witnessed in the GT channel, the Company took some measures during the end of the Q3 to alleviate ROI challenges faced by channel partners, which could potentially pave the way for a structural recovery in the growth prospects of the channel.

Amidst the given operating environment, the **India business posted volume growth of 2%**, which dipped sequentially primarily due to a stock reduction undertaken across key portfolios as a part of the aforesaid initiatives to support our GT channel partners. **Domestic revenue at ₹1,793 crore,** was down 3% on a year-on-year basis, lagging volume growth as some pricing corrections in key portfolios were yet to anniversarise. Offtakes remained healthier across key portfolios with 75%+ of the business either gaining or sustaining market share and penetration levels.

The **International business delivered mid-single digit constant currency growth** dragged by transient macroeconomic headwinds in Bangladesh while other regions delivered a resilient performance.

Gross margin expanded by 634 bps YoY, ahead of expectations, owing to softer input costs and favourable portfolio mix. **A&P spends was up 12% YoY, up 125 bps as a % of sales,** as the Company stayed focused on strategic brand building of core and new businesses. **Consequently, EBITDA margin stood at 21.2%, up 272 bps YoY and EBITDA grew by 13%. PAT was up 17%, aided by lower ETR.**

Other highlights relating to the quarterly performance are as follows:

- **Parachute Rigids registered 3% volume growth** with loose to branded conversions picking up some pace. **Volume growth on a 4-year CAGR basis was at 3%.** During the quarter, the franchise gained ~40 bps in market share on MAT basis. We expect volume growth to continue its gradually improving trajectory as input costs exhibit an upward bias amid stable consumer pricing.
- **Value-Added Hair Oils grew by 3% in value terms amid** slower rural demand. **Value growth on a 4-year CAGR basis was at 6%.** The VAHO portfolio continued to exhibit divergent trends with bottom-of-the-pyramid segments remaining subdued, while mid and premium segments grew in mid to high single digits.
- **Saffola Edible Oils** registered a **mid-single digit volume decline**, which was attributable to a high base and extended sluggishness in trade sentiment resulting in lower inventory levels on a year-on-year basis, despite healthy offtakes. **Revenue decline was in the mid-twenties on a year-on-year basis** due to pricing corrections over the last 12 months that were yet to come into the base.
- **Foods** continued its steady growth trajectory with **18% value growth YoY**. **Saffola Oats** maintained its category leadership while **Honey** and **Soya Chunks** have been scaling up on expected lines. Newer categories of **Peanut**

Butter, Mayonnaise and Munchiez are witnessing healthy traction. **True Elements** and **Plix** have been scaling up well in their respective categories.

- **Premium Personal Care** sustained its strong double digit growth trajectory during the quarter. The Digital-first portfolio clocked an **exit ARR of ₹400 crore+ in Q3.**
- We continue to drive steady progress in our portfolio diversification efforts, as the **composite share of Foods and Personal Care portfolios in domestic revenues stood at 20% in Q3FY24.**
- **Copra prices stayed a**t lower levels, but exhibited some upward bias. **Rice Bran Oil (RBO)** trended downwards and exhibited lower volatility. Crude derivatives such as **Liquid Paraffin (LLP) and HDPE** also exhibited downward bias.
- Within the International business, **Bangladesh** registered a **6% decline in CCG** (constant currency growth) terms as the region experienced transient macroeconomic headwinds. Newer portfolios of shampoo and baby care witnessed healthy growth. We expect business performance in Bangladesh to revert to a healthy trajectory from the coming quarter. **South-East Asia grew 4% in CCG terms, amidst slower HPC demand in Vietnam. MENA** continued its strong growth momentum and **delivered a 26% CCG** with both the Gulf region and Egypt growing in double-digits. **South Africa registered 33% CCG** driven by the ethnic hair care segment. **NCD and Exports** posted 16% growth.
- The EBITDA margin of the **domestic business** was at **22.8%, up 310 bps YoY**, and that of the **International business** was at **26.1%, up 320 bps YoY**.

Outlook

The domestic business has contended with a persistently challenging operating environment with no visible buoyancy in consumption sentiment as subdued demand trends continued in rural and mass personal care categories, while urban has maintained a moderate momentum. However, with macro indicators signaling positivity, continued government spending and more favorable consumer pricing across FMCG categories, we remain optimistic of a gradual uptick in consumption trends over the course of the next 4-5 quarters. We continue to draw confidence from healthy offtakes and market share gains in our key portfolios, while we have also initiated corrective measures to re-ignite growth in the traditional channel and sustained investment towards driving differential growth in new businesses in line with our strategic priorities.

Owing to the broad-based construct, **the International business remained rather steady** despite transient macroeconomic and currency devaluation headwinds in select regions. We expect improving trends ahead and aim to **maintain the double-digit constant currency growth momentum on full year basis.**

While erstwhile pricing interventions in the domestic portfolio and currency devaluation headwinds in certain international markets have visibly dented realizations so far, **consolidated revenue growth is expected to move into positive territory in the last quarter of the current fiscal as the base catches up**. **Gross margin is expected to expand by 450-500 bps** on a full-year basis, higher than earlier envisaged, owing to sustained input cost tailwinds and a favourable portfolio mix. Investments towards brand-building will continue to remain a key thrust area towards strengthening the equity of the core and new franchises and driving long term growth. Consequently, we expect **operating margin to expand by ~250 bps in FY24.**

We continue to make positive strides towards our portfolio diversification objective constituted by an accelerated scale up in Foods, building a Digital First portfolio while steering key franchises to profitability, and broad basing the international business to enable consistent double-digit growth. We are also on course to deliver our highest ever operating margin in FY24 led by robust gross margin expansion. As we head into the last quarter of FY24, we will continue to drive improvement across key performance parameters in the domestic as well as the International businesses.

Marico – Information Update for Q3FY24 (Quarter ended December 31, 2023)

Mode of Issue of this update

We have issued this Information Update, first to the Stock Exchanges, posted it on Marico's website and then sent it to the financial community members who are on Marico's regular mailing list.

We recommend that readers refer to the Marico Group financials to get a better appreciation of the business performance. A copy of the latest Annual Audited Financial Results of Marico Limited (Standalone and Consolidated) is available on Marico's website.

Disclosure of Information, Communication with Investors / Analysts / Financial Community

Marico issues fresh information updates, like the one you are reading now, on the day it declares its Quarterly Financial Results. Some forward-looking statements on projections, estimates, expectations, outlook etc. are included in such updates to help investors/ analysts get a better comprehension of the Company's prospects and make informed investment decisions.

Actual results may, however, differ materially from those stated on account of factors such as changes in government regulations, tax regimes, economic developments within India and the countries within which the Company conducts its business, exchange rate and interest rate movements, impact of competing products and their pricing, product demand and supply constraints.

All the aforesaid information is also available on Marico's Website: www.marico.com. In view of this, information contained in such updates is made public and thus not therefore constitute unpublished price sensitive information under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Marico holds periodic meetings/ conference calls, from time to time, with individual members of the financial community.

Marico Investor Relations Team

Harsh Rungta	Head – Investor Relations	(harsh.rungta@marico.com)
Nitish Purohit	Manager – Investor Relations	(nitish.purohit@marico.com)

Marico Limited – Q3FY24 Results

Resilient domestic business in a soft consumption environment
New businesses contribute 20% of domestic revenues in Q3
Digital-first portfolio clocks exit ARR of ₹ 400 crore+
International business holds steady amid transient headwinds
EBITDA up 13% YoY; PAT up 17% YoY
Poised to deliver highest-ever operating margin in FY24

In Q3FY24, Revenue from Operations was at ₹2,422 crore, down 2% YoY, with underlying volume growth of 2% in the domestic business and constant currency growth of 6% in the International business.

During the quarter, **demand trends were stable with no visible improvement from the preceding quarter.** Rural demand remained soft, while urban demand steadied its moderate growth trajectory. Within the sector, mass home and personal care categories aligned closely with the rural demand trajectory, while packaged foods led the sector owing to higher urban salience and penetration-led growth. Among channels, General Trade continued to drag as it grappled with liquidity and profitability constraints, while alternate channels grew healthily. In response to the extended GT channel slowdown, the Company took measures during the end of Q3 to alleviate ROI challenges faced by channel partners.

The India business posted volume growth of 2%, which dipped sequentially primarily due to a stock reduction undertaken across key portfolios as a part of the aforesaid initiatives to support our GT channel partners. Offtakes remained healthy across key portfolios with 75%+ of the business either gaining or sustaining market share and penetration levels.

The **International business delivered mid-single digit constant currency growth** dragged by transient macroeconomic headwinds in Bangladesh, while other regions delivered a resilient performance.

Gross margin expanded by 634 bps YoY, ahead of expectations, owing to softer input costs and favourable portfolio mix. **A&P spends** was **up 12% YoY, up 125 bps as a % of sales**. **EBITDA margin stood at 21.2%, up 272 bps YoY. EBITDA grew by 13% and PAT was up 17% on a YoY basis**.

Domestic Business

The India business delivered a turnover of ₹ 1,793 crore, down 3% on a YoY basis.

Parachute Rigids registered 3% volume growth with loose to branded conversion picking up some pace. **Volume growth on a 4-year CAGR basis was at 3%.** During the quarter, **the franchise gained ~40 bps in market share on MAT basis.** We expect volume growth to continue its gradually improving trajectory as input costs exhibit an upward bias amid stable consumer pricing.

Value-Added Hair Oils grew by 3% in value terms amid slower rural demand. **Value growth on a 4-year CAGR basis was at 6%.** The VAHO portfolio continued to exhibit divergent trends with bottom-of-the-pyramid segments remaining subdued, while mid and premium segments grew in mid to high single digits.

Saffola Edible Oils registered a mid-single digit volume decline, which was attributable to a high base and extended sluggishness in trade sentiment resulting in lower inventory levels on a year-on-year basis, despite healthy offtakes. **Revenue decline was in the mid-twenties** on a year-on-year basis due to pricing corrections over the last 12 months that were yet to come into the base.

Marico is among few Indian companies to be rated 'AA' in MSCI's ESG Ratings

Marico has been awarded as the "Best Governed Company" in Listed Segment: Medium, Category at the 23rd ICSI National Awards for Excellence in Corporate Governance

Marico has been bestowed with the prestigious Best Innovative Company of the Year Award at The Fortune Leadership Awards, in partnership with The Economic Times

Marico won the BW Sustainable Award in the category of India's Most Sustainable Supply Chain Initiative Of The Year by BW Businessworld

Foods continued its steady growth trajectory with **18% value growth YoY. Saffola Oats** maintained its category leadership, while **Honey and Soya Chunks** have been scaling up on expected lines. **Peanut Butter, Mayo and Munchiez** are witnessing healthy traction**. True Elements** and **Plix** have been scaling up well in their respective categories.

Premium Personal Care sustained its strong double digit growth trajectory during the quarter. **The Digital-first portfolio clocked an exit ARR of ₹400 crore+ in Q3.**

The composite share of Foods and Premium Personal Care was at 20% of domestic revenues in Q3.

International Business

Bangladesh registered a 6% decline in constant currency growth as the region experienced transient headwinds. We expect business performance in Bangladesh to revert to a healthy trajectory from the coming quarter. **South-east Asia** grew 4% in CCG terms, amidst slower HPC demand in Vietnam. **MENA** delivered 26% CCG and **South Africa** posted 33% CCG. **NCD and Exports** posted 16% growth.

Outlook

The domestic business has contended with a persistently challenging operating environment with no visible buoyancy in consumption sentiment. We continue to draw confidence from healthy offtakes and market share gains in our key portfolios, while we have also initiated corrective measures to re-ignite growth in the traditional channel and sustained investment towards driving differential growth in new businesses in line with our strategic priorities. **With macro indicators signaling positivity, continued government spending and more favorable consumer pricing across FMCG categories,** we remain optimistic of a gradual uptick in consumption trends over the course of the next 4-5 quarters.

Owing to the broad-based construct, the International business remained rather steady despite transient macroeconomic and currency devaluation headwinds in select regions. We expect improving trends ahead and aim to maintain the double-digit constant currency growth momentum on full year basis.

Our **consolidated revenue growth is expected to move into the positive territory in the last quarter of the year** as the base catches up. **Gross margin is expected to expand by 450-500 bps** on a full-year basis, higher than earlier envisaged, owing to sustained input cost tailwinds and favorable portfolio mix. We will also **sustain aggressive brand-building investments** towards strengthening the equity of the core and new franchises to drive growth. Consequently, **we expect operating margin to expand by ~250 bps in FY24**.

We continue to make positive strides towards our portfolio diversification objective constituted by an accelerated scale up in Foods, building a Digital First portfolio while steering key franchises to profitability, and broad basing the international business to enable consistent double-digit growth. We are also on course to deliver our highest ever operating margin in FY24 led by robust gross margin expansion.

Saugata Gupta, MD & CEO, commented, *"We have delivered a competitive performance in a volatile operating environment. In the domestic business, we witnessed signs of improvement in the core portfolios and expect the steps we have initiated to fundamentally improve business prospects of the GT channel to aid the same. The portfolio diversification through Foods and Premium Personal Care continues to progress well. The international business has been resilient amid transient headwinds and we anticipate a healthy growth momentum ahead. We are on course to deliver our highest ever operating margin this year and expect to maintain a resilient margin profile in the quarters ahead."*

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Marico Limited, Regd. Off: 7th Floor Grande Palladium, 175, CST Road, Kalina, Santacruz (E), Mumbai 400 098, India.
Tel: (91-22) 66480480 | Website: www.marico.com | Email: investor@marico.com