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May 6, 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 financial year ended March 31, 2024

Please find enclosed the Information Update along with an earnings presentation on the audited consolidated financial results of the Company (i.e. Marico Limited and its Subsidiaries) for the quarter and financial year ended March 31, 2024.

The same is being made available on the website of the Company at:
https://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: 2024.05.06 16:00:35 +05'30'

Vinay M A
Company Secretary & Compliance Officer

Encl.: As above

CIN: L15140MH1988PLC049208
Email: investor@marico.com

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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Q4 FY24 Results

MAY 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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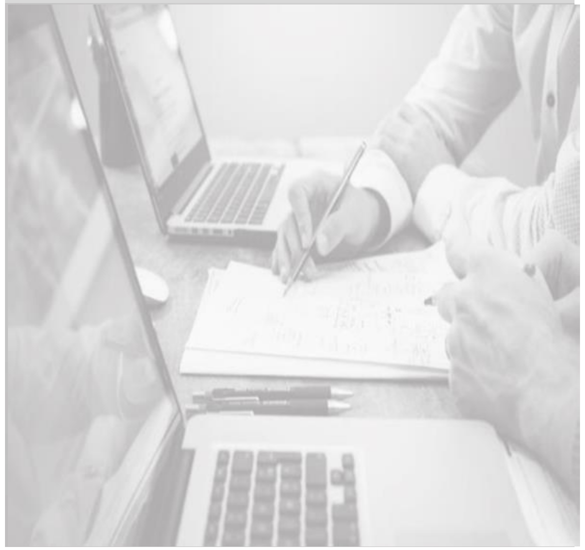

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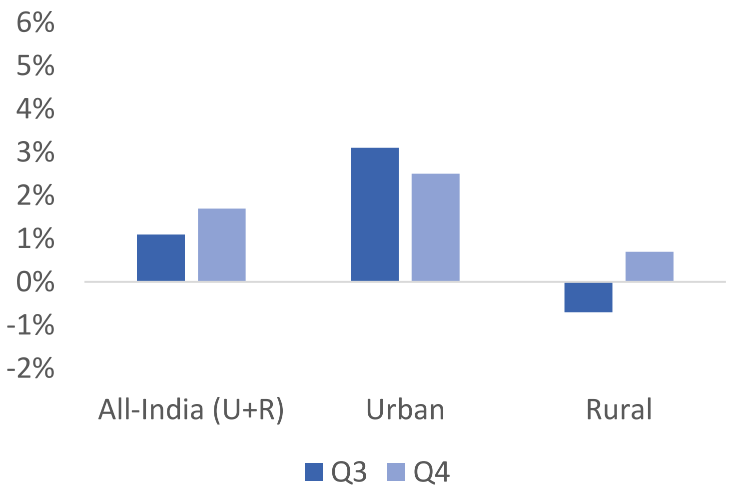
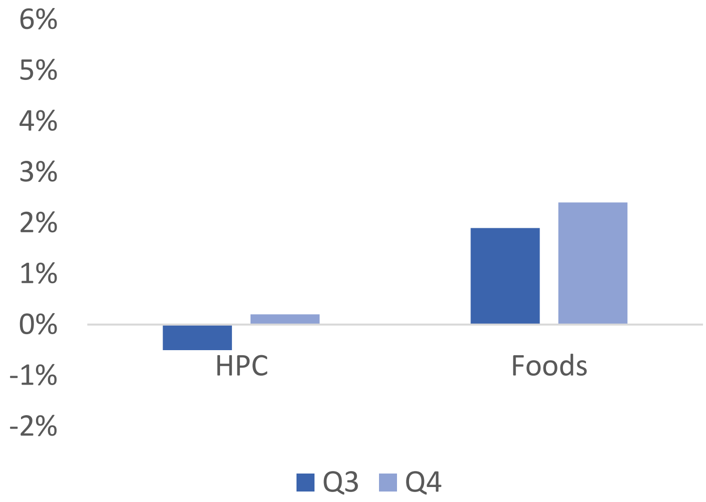
Stable demand trends in FMCG| Overall macro-context conveys positivity

FMCG Sector: Volume Growth*



FMCG Sector: HPC and Foods Growth*



Stable trends across Rural and Urban; HPC and Foods tread in line with preceding quarters

** Figures above represent 3-yr CAGRs to arrive at normalized growth.*

Economic growth trajectory strong; Outlook promising

Stable retail inflation and favorable consumer pricing across FMCG categories

Expectations of a healthy monsoon season in FY25

Continued Government spending, while maintaining fiscal prudence

Source: Nielsen

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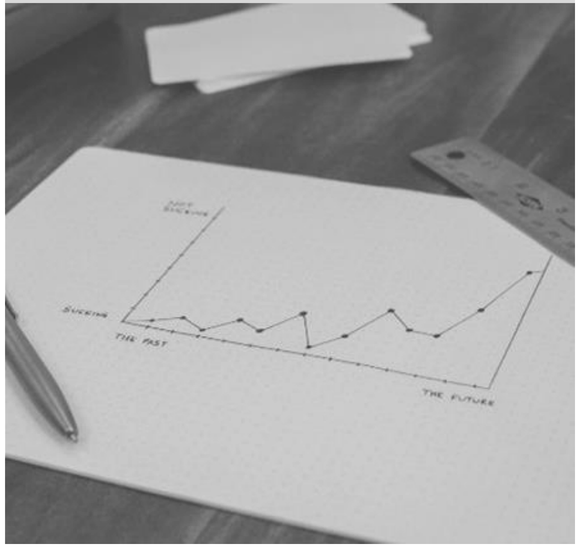


Sequential improvement in India & Overseas businesses| Revenue growth back in positive terrain

Q4 FY24 (YoY)

Domestic
3%
Volume Growth

International
10%
Constant Currency Growth

Consolidated
2%
Revenue Growth

19.4%
Consolidated EBITDA Margin

12%
Consolidated EBITDA Growth

14%
Consolidated PAT Growth

75% of the domestic business either gained or sustained **market share** on MAT basis.
100% of the domestic business either gained or sustained **penetration** on MAT basis.
Consolidated revenue growth to trend upwards in FY25, as price drops in domestic business anniversarize in Q1.
Record operating margin of 21.0% in FY24, in line with stated expectations

420bps
Gross Margin expansion YoY

8%
YoY Increase in A&P spends

186bps
EBITDA margin expansion YoY

Steadying trends in PCNO & Saffola Oils | Base effect subdues VAHO; expect pickup in FY25

Parachute Coconut Oil
(34% of Domestic Revenues)

2% Volume Growth

2% Value Growth

Saffola Edible Oils
(20% of Domestic Revenues)

Mid single-digit volume growth; Pricing decline to abate in FY25

(16%) Value Growth

Value Added Hair Oils
(21% of Domestic Revenues)

Mid and Premium segments fared relatively better

(7%) Value Growth

Foods scale to ~4x since FY20 | Profitability focus leads to ~800 bps GM expansion in FY24

Q4 Value Growth

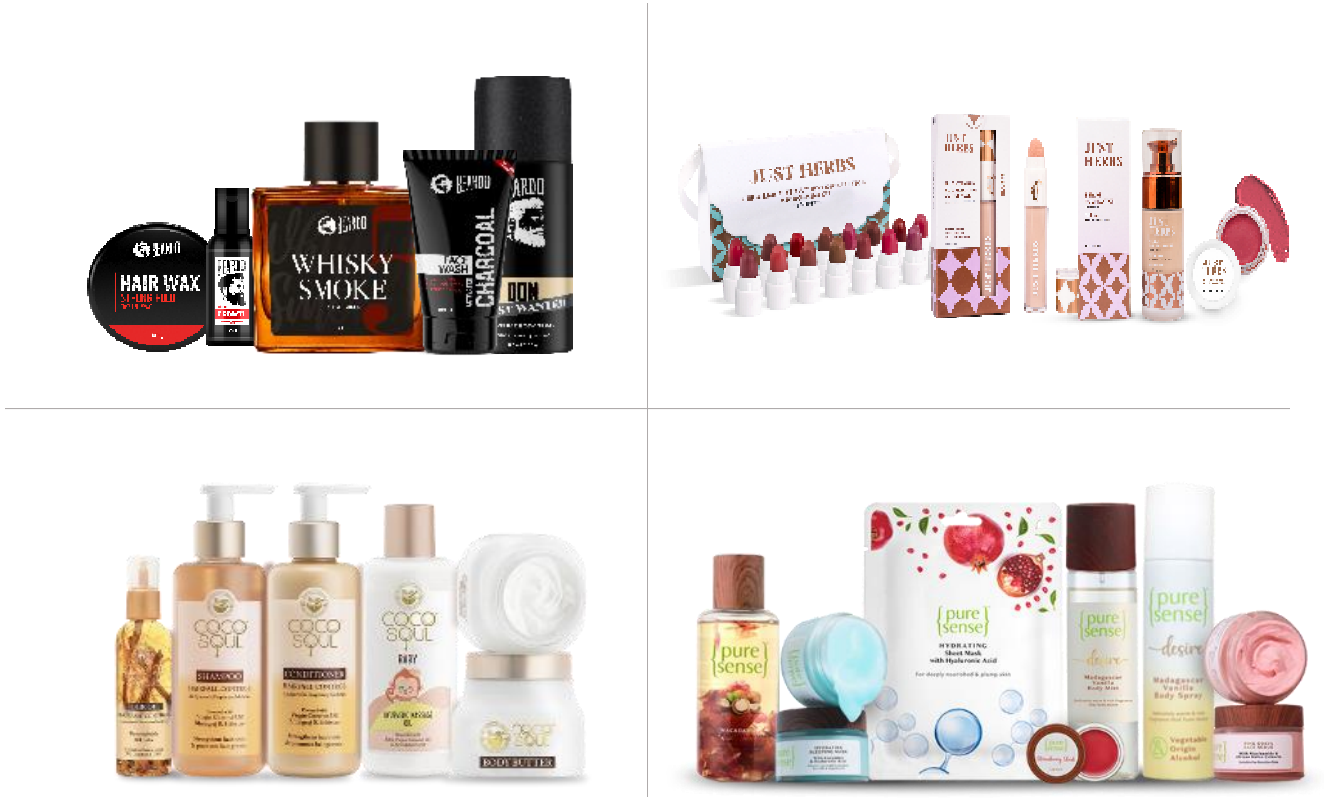
24%

Premium Personal Care: Sustains healthy traction

Serums | Male Grooming | Skin Care

~ ₹300 cr. Q4 Run-rate

Digital-First Brands



~₹450 cr. Q4 Exit ARR

Unleashing Innovative Products | Elevating Ad Campaigns | Amplifying Outreach

Initiation of Master Brand Advertising in Saffola

International Business regains strong momentum | 10% CCG in Q4

Bangladesh

8%
Q4 CCG

Bounce back from transient headwinds

South-East Asia

Flat
Q4 CCG

Resilient amidst slower HPC demand in Vietnam

MENA

19%
Q4 CCG

Lead by robust growth in Egypt

South Africa

13%
Q4 CCG

Growth led by Ethnic Hair Care

International business records 9% CCG in FY24; Strong momentum in MENA and SA offers margin upside

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CCG – Constant Currency Growth

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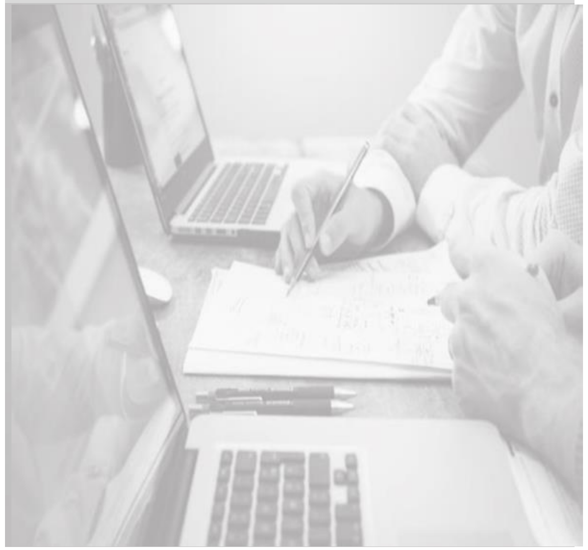

Staying True to the 4Ds

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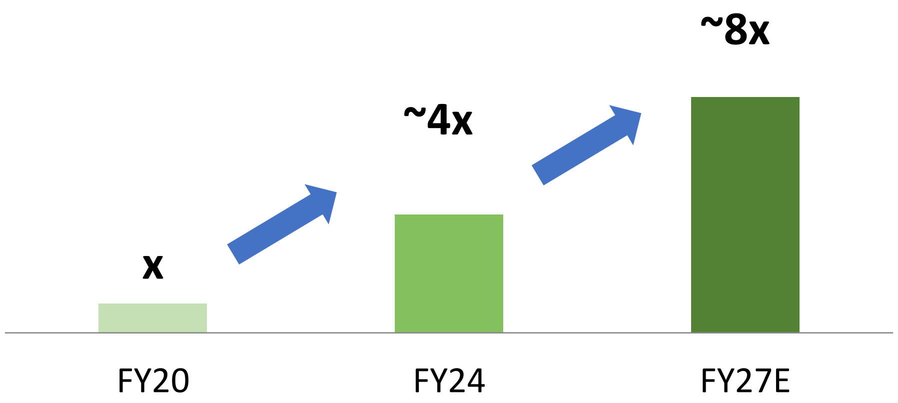
Diversification remains a key priority: Profitable Scale up in Foods to continue

Foods portfolio to be
2x of current scale in FY27

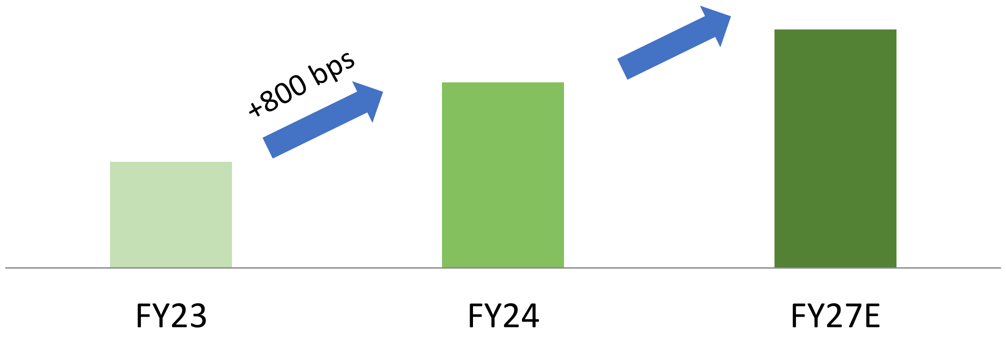
Foods Revenues (in INR cr.)



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 (%)

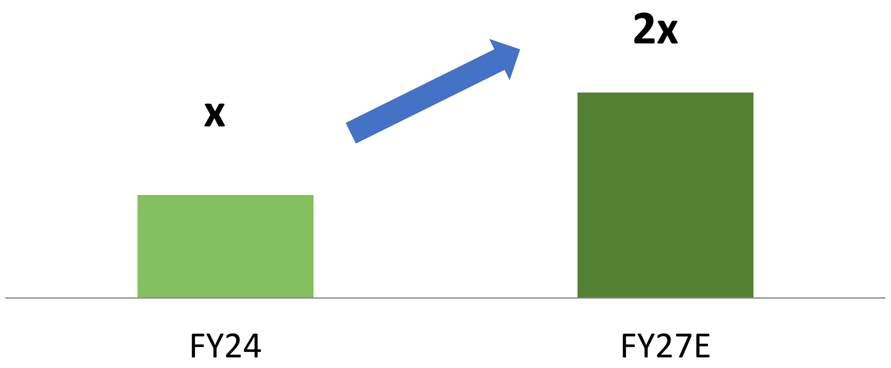


Focused initiatives lead to **robust ~800 bps GM expansion** in FY24 alone.

Diversification remains a key priority: Digital Business to leverage enhanced capabilities

ARR of Digital-First brands expected to be **2x in FY27**

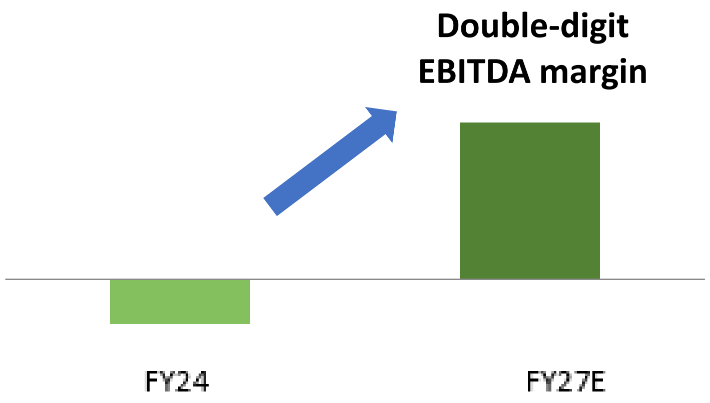
Digital-first brands ARR (in INR cr.)



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** in Digital-first brands in FY27

Digital-first brands EBITDA Margin (%)



Beardo records positive EBITDA in FY24 – aim to move towards **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

3-Year Phased Plan

FY24	FY27
1mn Direct reach	**1.5mn** Direct reach
~5.8x* Total : Direct Reach	**~4x** Total : Direct Reach

A **fit for purpose** and **fit for future GTM Model**

SETU

To drive **profitable growth** and **competitive advantage**

Market share Gain across categories in rural and urban

Better Assortment in urban stores – diversification & premiumisation

**Represents the ratio between Marico's total reach (currently 5.8mn outlets) and direct reach (currently~1mn outlets).*

Project SETU: Resource re-allocation to fund coverage improvement & demand generation

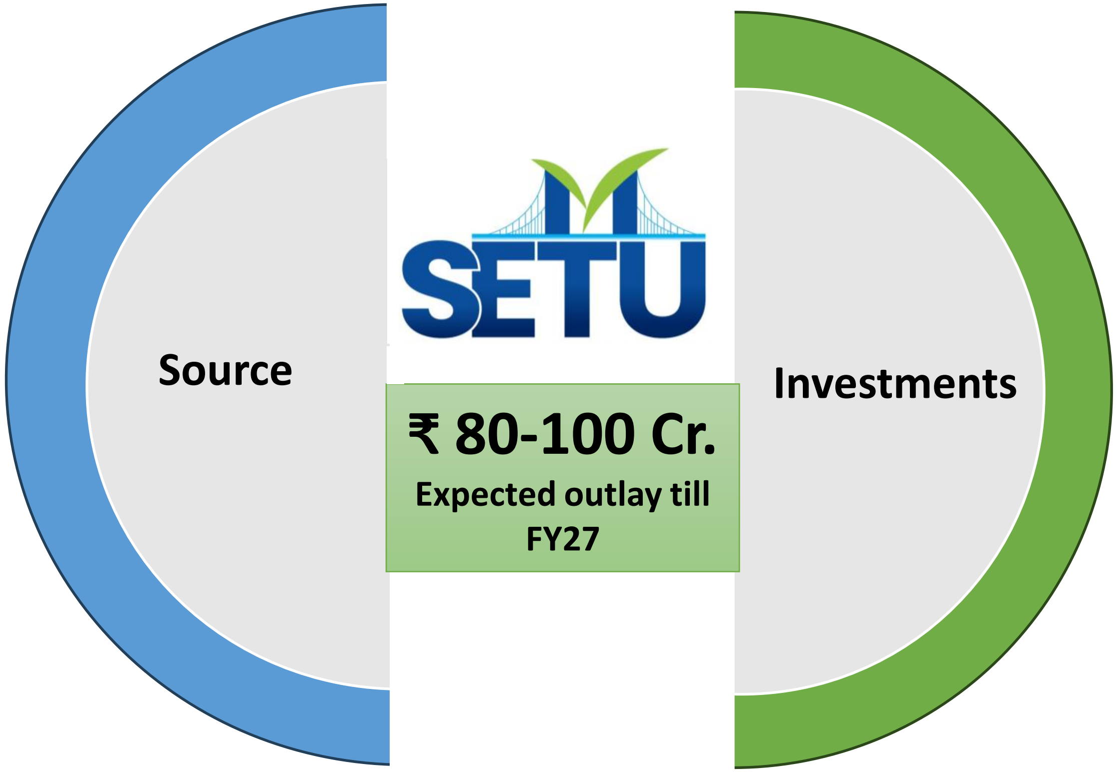
Project SETU will be cost neutral

BTL & Channel Spends

Optimize Wholesale channel spends (indirect distribution cost) & Promotional spends in Organised Trade

Reduce Wastage

Savings from reducing supply chain costs and improving efficiencies



₹ 80-100 Cr.

Expected outlay till FY27

Coverage & Infra Improvement Costs

Scaled up sales force, distributor commercials, process simplification

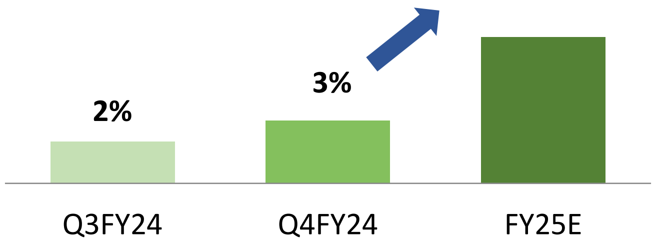
Demand Generation

In-store visibility & rural demand generation

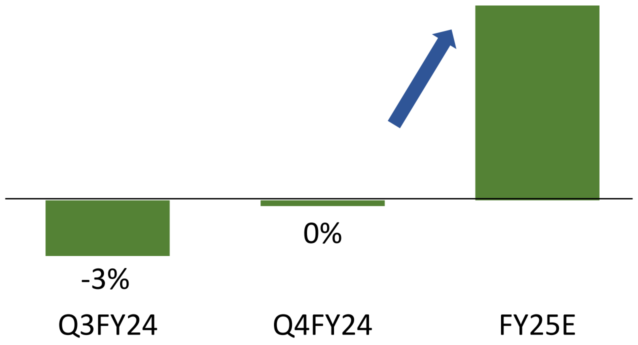
Looking ahead: Setting up for robust revenue-led earnings growth in the near & medium term

India Business – Aiming for visible improvement

Volume Growth

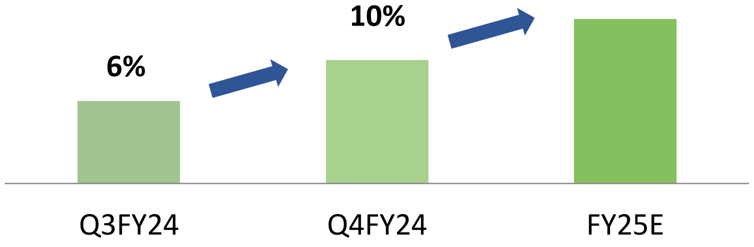


Revenue Growth



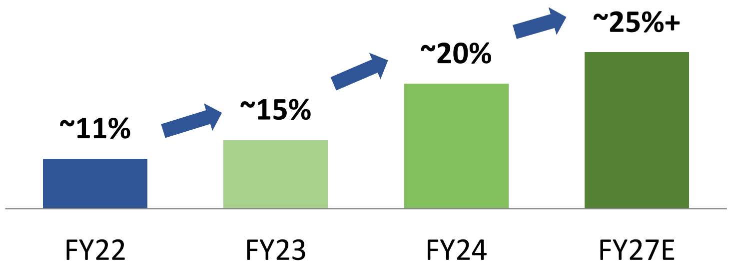
International Business (CCG) - Going Strong

Retain double-digit CCG momentum



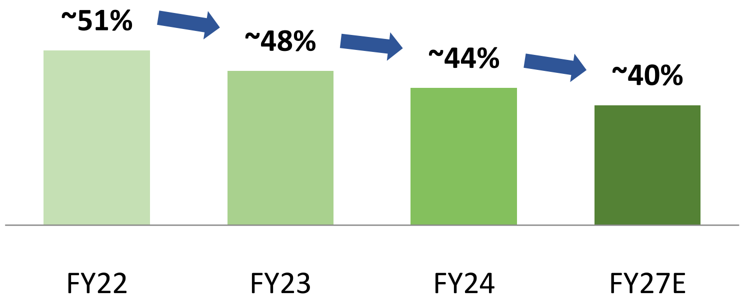
India Business – Robust Diversification Journey

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 continue growing in double digits; MENA & South Africa scaling up – broad basing of the business in progress

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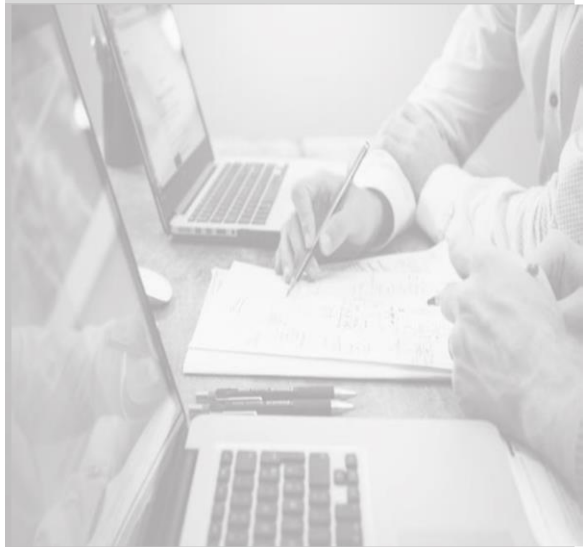

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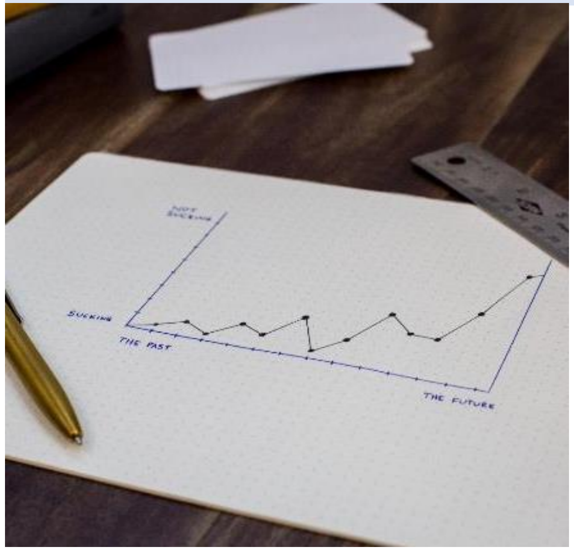


Consolidated Profit & Loss Statement

(in ₹ cr.)

Particulars	Q4FY24	Q4FY23	Change (%)	FY24	FY23	Change (%)
Revenue from Operations	**2,278**	**2,240**	**2%**	**9,653**	**9,764**	**-1%**
Material Cost	1,103	1,178	**-6%**	4,748	5,351	**-11%**
ASP	226	210	**8%**	952	842	**13%**
Employee Cost	186	171	**9%**	743	653	**14%**
Other Expenses	321	288	**11%**	1,184	1,108	**7%**
EBITDA	**442**	**393**	**12%**	**2,026**	**1,810**	**12%**
EBITDA Margin	19.4%	17.5%	186 bps	21.0%	18.5%	245 bps
PBT excl. one-offs	**399**	**373**	**7%**	**1,937**	**1,715**	**13%**
Reported PAT	**318**	**302**	**5%**	**1,481**	**1,302**	**14%**
Recurring PAT	**318**	**280**	**14%**	**1,470**	**1,280**	**15%**

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

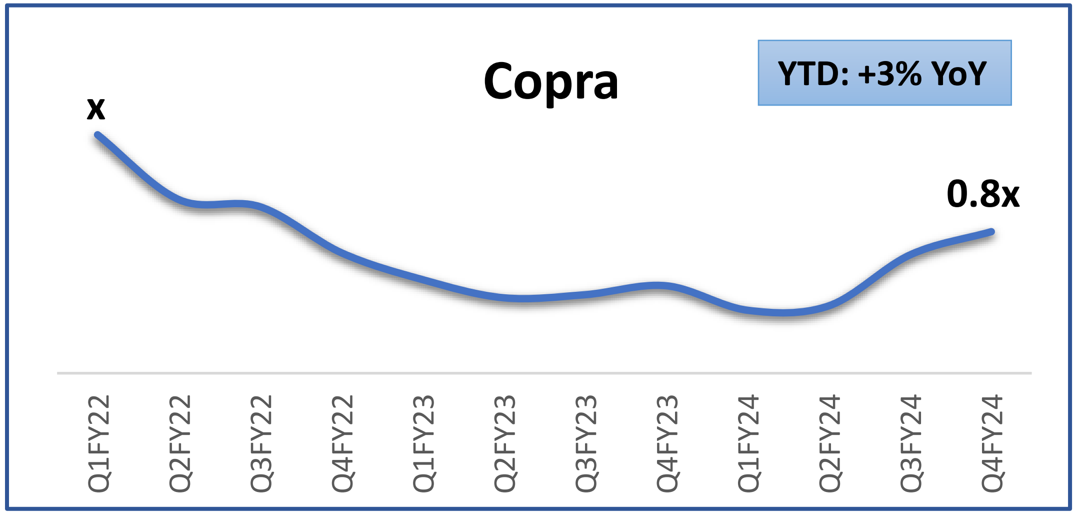
Particulars (% of Revenues)	Q4FY24	Q3FY24	Q4FY23	FY24	FY23
Material Cost (Raw + Packaging)	48.4%	48.7%	52.6%	49.2%	54.8%
Advertising & Sales Promotion (ASP)	9.9%	10.2%	9.4%	9.9%	8.6%
Personnel Costs	8.2%	7.8%	7.6%	7.7%	6.7%
Other Expenses	14.1%	12.1%	12.9%	12.3%	11.3%
PBDIT margins	19.4%	21.2%	17.5%	21.0%	18.5%
PBDIT before ASP	29.3%	31.3%	26.9%	30.9%	27.2%

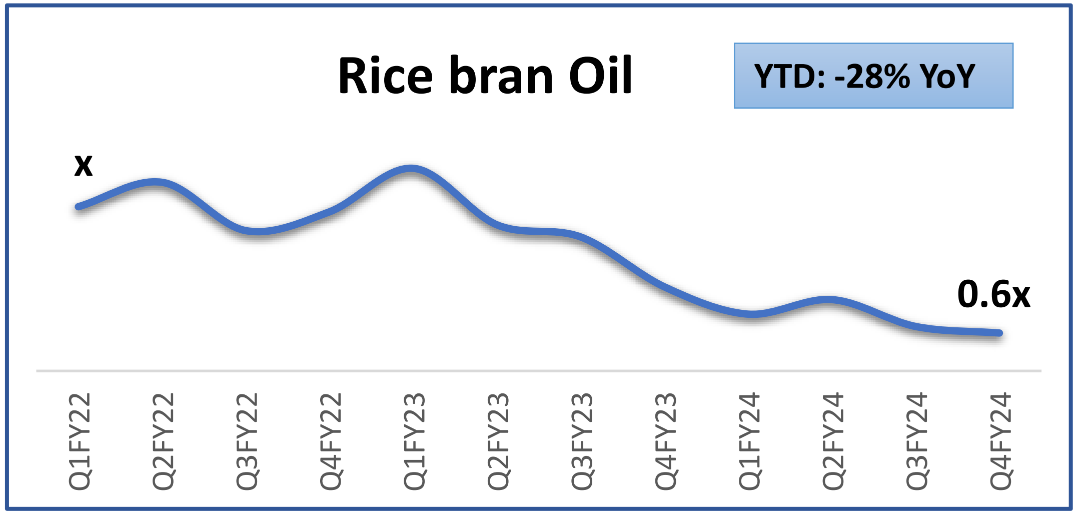
Annexure 2: Working Capital

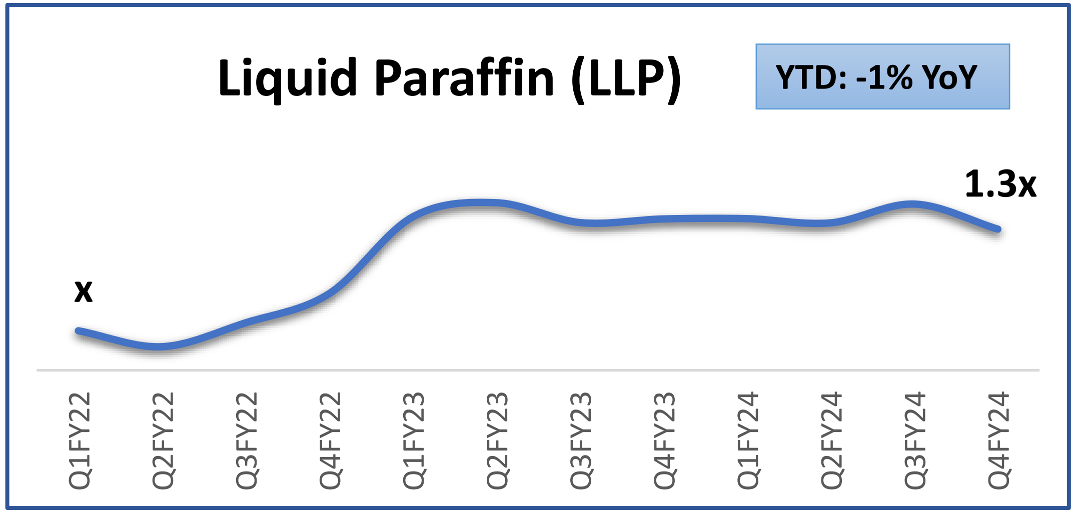
Particulars	Q4FY24	Q3FY24
Debtors Turnover (Days)	46	45
Inventory Turnover (Days)	52	48
Net Working Capital (Days)	36	27

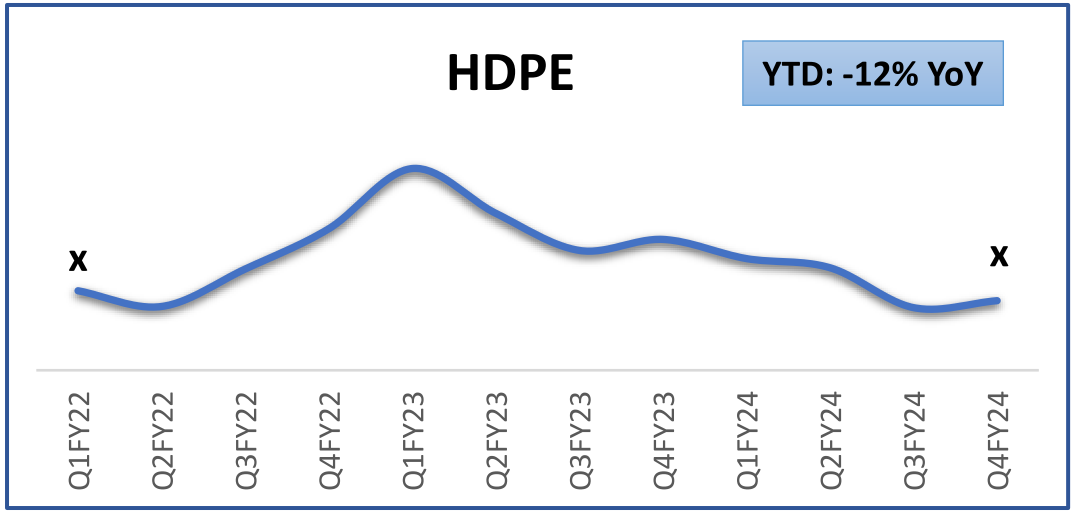
Note: The Company has maintained healthy working capital ratios through the year.

Annexure 3: Movement of Key Raw Material Prices









**The charts above exhibit the trend of average market prices on a quarterly basis and do not represent Marico's actual purchase prices.*

Annexure 4: Market Shares in Key Categories in the India Business - MAT Mar'24

Franchise	~MS%	Rank
^ Coconut Oil Franchise	63%	1st
^ Parachute Rigids within Coconut Oil	54%	1st
* Saffola Oats	41%	1st
* Value Added Hair Oils	27%	1st
^ Post wash Leave-on Serums	50%	1st
* Hair Gels/Waxes/Creams	52%	1st

^ Volume Market Share   * Value Market Share

Annexure 5: ESG Performance Snapshot (Q4 FY24)

Emissions & Energy

- **80%** reduction in GHG emission intensity (Scope 1+2)
- **67%** Renewable energy share (thermal + electrical)

Water Stewardship

- **936** farm ponds constructed**; 377+ crore liters** of water conservation potential created till date

Responsible Sourcing

- **75%** critical vendors have completed Level 1 (Educate) of Samyut**,** Marico's Responsible Sourcing program
- **18%** critical vendors have completed Level 2 (Evaluate)

Sustainable Coconut

- **0.370 Mn** acreage enrolled covering **101120 farmers** till date
- **17%** improvement in productivity in farms that have completed more than a year under the program

Social Value Creation

- **>1.5L** trees planted till date under Marico's Afforestation program
- **>750 Marico members** actively engaged in at least one social impact initiative during the year, as part of Marico's **"Be the Impact"** 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 https://sustainability.marico.com/

Annexure 6: Awards and Recognitions

Marico was awarded as the Best Employer of India - 2023-24, by Kincentric

Marico has been recognised as the "Most Consumer Centric Brand of the Year" at the 3rd Smart CX Summit & Awards 2024.

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

Marico is honoured to be recognized yet again, in the 'LEADERSHIP' category at the annual assessment in the Indian Corporate Governance Scorecard for 2023 by IiAS

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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

Thank You

Investor Relations Contact:
Harsh Rungta| Head – M&A and Investor Relations | ***harsh.rungta@marico.com***
Dhwani Chheda| Manager- Investor Relations | ***dhwani.chheda@marico.com***

Marico – Information Update for Q4FY24 (Quarter ended March 31, 2024)

Executive Summary: Consolidated Results

Particulars (₹ Cr)	Q4FY24	YoY Growth	FY24	YoY Growth
Revenue from Operations	2,278	2%	9,653	(1%)
EBITDA	442	12%	2,026	12%
EBITDA Margin (%)	19.4%	Up 186 bps	21.0%	Up 245 bps
Profit After Tax (excl. one-offs)	318	14%	1,470	15%
Domestic Volume Growth (%)		3%		2%
International Business (% CCG)		10%		9%

In Q4FY24, Revenue from Operations was at ₹2,278 crore, up 2% YoY, with underlying volume growth of 3% in the domestic business and constant currency growth of 10% in the international business.

The **domestic operating environment during the quarter was closely akin to the preceding quarters of this year**. Across various FMCG categories, **premium and urban-centric segments stayed ahead of rural and mass segments**. Although, we did witness an uptick in rural sentiment towards the end of the quarter. Among channels, **alternate channels continued to gain salience** vis-à-vis General Trade, as the latter has been contending with subdued realizations and profitability headwinds.

Domestic revenue was flattish at ₹1,680 crore, as pricing corrections in key portfolios anniversarized to a larger extent on a sequential basis. Offtakes remained healthy across key portfolios with 75% of the business either gaining or sustaining market share and 100% of the business either gaining or sustaining penetration, both on MAT basis.

The **International business delivered strong broad-based growth** led by Bangladesh recovering quickly after facing transient headwinds in the preceding quarter and sustained momentum in most of the other markets.

Gross margin expanded by 420 bps YoY, owing to softer input costs and favourable portfolio mix. **A&P spends was up 8% YoY,** as the Company sustained focus on strategic brand building of core and new businesses. **Consequently, EBITDA margin stood at 19.4%, up 186 bps YoY and EBITDA grew by 12%. PAT bei was up 14%, as the impact of lower Other Income was offset by lower tax charge.**

Other highlights relating to the quarterly performance are as follows:

- **Parachute Rigids registered 2% volume growth** amidst the ongoing pick up in loose to branded conversions. During the quarter, the franchise gained ~53 bps in market share on MAT basis. We expect to maintain an improving trajectory in volumes as copra prices trend up favorably. **Owing to the rise in copra prices, we implemented price hikes in select packs in April 2024, resulting in ~6% increase at a brand level.**
- **Value-Added Hair Oils declined 7% in value terms on a high base (13% growth in Q4FY23) amidst persistent sluggishness in the bottom of the pyramid segment**. Mid and premium segments of VAHO continued to fare relatively better. We expect the franchise to exhibit a gradual pickup during the course of next year.
- **Saffola Edible Oils** registered **mid-single digit volume growth**, as the base normalized and trade sentiment settled owing to price stability. **Revenue decline was in the mid-teens on a year-on-year basis** due to erstwhile pricing corrections yet to anniversarize. As the pricing base normalizes early next year, we expect the portfolio to resume a steady growth trajectory during the course of FY25. Shortly after the World Health Day, the brand launched a powerful campaign on the importance of taking 'Roz ka Healthy Steps!' through Saffola's entire range of offerings, which emphasized the fact that healthy eating is a lifelong journey and not a temporary fad. This marked the initiation of **range advertising under the master branding of 'Saffola'**.
- **Foods** logged **24% value growth YoY, closing the year at ~4x of its scale in FY20**. **Saffola Oats** maintained its category leadership, while **newer franchises continued to scale up** on expected lines. During the quarter, the brand launched four gourmet-style flavours in its flavoured Oats range. For the first time, Saffola Oats will offer two sweet flavours viz **Nutty Chocolate** and **Apple 'n' Almonds**, in addition to expanding the portfolio of savoury

 For further information / clarification, contact Marico on Tel (91-22) 6648 0480, E-mail: investor@marico.com

(Masala) oats with the launch of two new flavours viz **Spicy Mexicana** and **Cheesy Italia**. **True Elements** and **Plix** maintained their accelerated growth momentum.

- **Premium Personal Care** sustained its healthy growth trajectory during the quarter, with the Digital-first portfolio clocking an **exit ARR of ~₹450 crore. Beardo has scaled ~3x since FY21 and achieved positive EBITDA this year. Just Herbs has crossed INR 1bn ARR in FY24,** while the traction in the Personal Care portfolio of Plix has been encouraging.
- We have made steady progress in our portfolio diversification efforts, as the **composite share of Foods and Premium Personal Care (incl. Digital-first brands) in domestic revenues stood at ~20% in FY24 (~15% in FY23).**
- **Copra prices** has inched up in line with expectations and continues to exhibit an upward bias. **Rice Bran Oil (RBO)** has been stable and is expected to be rangebound in the near term. **Liquid Paraffin (LLP) and HDPE** have hardened sequentially and may trend upwards in light of recent bullishness in crude oil prices. **We will exercise the pricing power of our key franchises judiciously to alleviate any input cost pressures during the course of next year.**
- Within the International business, **Bangladesh registered 8% CCG** (constant currency growth) as the business reverted to its healthy course post transient macroeconomic headwinds. **South-East Asia was flat in CC terms,** amidst slower HPC demand in Vietnam. **MENA** continued its strong growth momentum and **delivered 19% CCG** with both the Gulf region and Egypt faring well. **South Africa registered 13% CCG** driven by the ethnic hair care segment. **NCD and Exports posted 34% growth**.
- The EBITDA margin of the **domestic business** was at **22.4%, up ~260 bps YoY**, and that of the **International business** was at **26.8%, up ~310 bps YoY**.

Project SETU – Renewed Focus on GT through Transformative Expansion of Direct Reach

Amidst modest consumption sentiment over the last couple of years, the sector has witnessed growing salience of organized trade and E-Commerce, while General Trade has faced growth and profitability pressures. We believe that the General Trade channel will continue to be source of scale and competitive advantage over the long term, especially in our core categories. Therefore, the Company initiated a number of steps over the last few months, including implementing primary stock reduction and extended credit terms on selective basis to improve the profitability of our partners and structurally revive growth in the channel.

In Q1FY25, we have also rolled out **Project SETU, laying a phased 3-year roadmap to improve our direct reach from ~1 million outlets currently to 1.5 million outlets in FY27**. This will be backed with substantial investments behind coverage and infrastructure enhancement, and demand generation initiatives. **The expected outlay by FY27 is INR 80-100 cr.** and will be funded through re-allocation of resources viz. by optimizing promotional spends and indirect distribution costs in wholesale channel, reduction in organized trade promotional spends and savings from improving process efficiencies and reducing wastages. Therefore, **Project SETU will be cost neutral.**

In addition to **improved direct reach and weighted distribution,** we expect **Project SETU** to **drive market share gains across categories in urban and rural, as well as enhance assortment levels in urban stores, thereby enabling diversification & premiumisation in the domestic business**.

Outlook

FY24 has been a mixed year with sectoral volume growth consolidating on a low base, while commodity and consumer pricing trended lower. While premium and discretionary segments within FMCG continued to witness positive traction, demand trends in mass consumption categories belied expectations of a visible pickup owing to the slower-than-anticipated recovery in rural and urban sentiment, subdued General Trade and resurgence of regional and unorganized competition.

Amidst the backdrop of improving macro-indicators and forecast of a normal monsoon, we expect a **gradual uptick in the growth of our core categories** through the ongoing initiatives to enhance the profitability of our General Trade (GT) channel partners and transformative expansion in our direct reach footprint with the roll out of **Project SETU**. We continue to draw confidence from **healthy offtakes and market share gains in our key portfolios**. We will continue our focus on driving **differential growth in our urban-centric and premium portfolios** through the organised retail and E-Commerce channels. Therefore, we expect to deliver consistent and competitive growth over the medium term through a much sharper and targeted portfolio and SKU strategy in each channel.

Sustained investment towards driving accelerated growth in new businesses has led to a significant shift in the revenue construct of the domestic business since FY20. We will continue to **aggressively diversify the portfolio through the scale up of Foods and Premium Personal Care portfolios**, while improving profitability parameters in line with our medium-term strategic priorities. After successful initiatives towards refinements in supply chain and GTM during FY24, **we aim to grow Foods at 20%+ CAGR and scale to 2x of its current scale in FY27**. The scale up of the Digital-first portfolio has met our stated aspirations and we expect the ARR of this portfolio to scale to **2x of its current run rate in FY27**. **Consequently, we expect the domestic revenue share of the Foods and Premium Personal Care portfolios to expand from ~20% currently to ~25% by FY27.**

We will also focus on driving consistent improvements in profitability as constituent franchises of the Foods and Digital-First portfolios attain critical mass. Focused initiatives in this direction have led to a robust **GM expansion of ~800 bps in the Foods portfolio in FY24 alone**. We have also achieved **positive EBITDA in Beardo in FY24** through premiumisation and scale benefits and **aim to move towards double-digit EBITDA margin next year**. We will aim to replicate the Beardo playbook as we scale the Digital-first franchises and **achieve double-digit EBITDA margin in the portfolio in FY27**.

The International business has been resoundingly resilient in FY24 in the face of transient macroeconomic and currency devaluation headwinds in select regions. In addition to Bangladesh bouncing back, the strong growth momentum in the MENA and South Africa businesses has visibly strengthened the broad-based construct and offers margin upside over the medium term. This has resulted into visible geographical diversification in the overall international business, reflecting in the **reducing revenue dependence on Bangladesh business from ~51% in FY22 to ~44% in FY24.** We will continue to invest aggressively towards diversifying the portfolio, expanding the total addressable market and driving market share gains in each of the markets. We will aim to **maintain the double-digit constant currency growth momentum in FY25 and beyond.**

We will also **continue to scout for inorganic growth opportunities** that offer meaningful potential to consolidate our competitive position in existing categories, expand the total addressable market in existing geographies or access markets of interest, thereby adding visible levers to drive long term value creation.

While erstwhile pricing interventions in the domestic portfolio and currency devaluation headwinds in certain overseas markets have muted realizations this year, **consolidated revenue growth has moved into positive territory in Q4 and is expected to trend upwards during the course of FY25**. We expect **domestic revenue growth to outpace volume growth from Q1FY25**, in light of the upward bias in prices of some of the key commodities.

We have delivered our highest-ever operating margin in FY24 led by robust gross margin expansion, even while investments towards brand-building (A&P to Sales at ~10% in FY24) remained a key thrust area, in line with the strategic intent to strengthen the long-term equity of the core and drive differential growth in the new franchises. We will continue to drive steady progress towards our key strategic objectives in the domestic as well as the International businesses and aim to deliver **healthy revenue-led earnings growth in FY25**.

In the medium term, we aim to deliver **double-digit revenue growth** through **consistent outperformance vis-à-vis the category and market share gains in the domestic core portfolios, accelerated growth in the Foods and Premium Personal Care** and **double-digit constant currency growth in the International business**. We expect **operating margin to inch up over the next few years** with leverage benefits as well as premiumisation of the portfolios across both the India and International businesses.

Marico – Information Update for Q4FY24 (Quarter ended March 31, 2024)

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 – M&A and Investor Relations	(harsh.rungta@marico.com)
Dhwani Chheda	Manager – Investor Relations	(dhwani.chheda@marico.com)

Marico Limited – Q4FY24 Results

Sequential Improvement in Domestic Volume Growth
Foods Business scales ~4x since FY20
Digital-first portfolio clocks exit ARR of ₹ 450 crore+
International business bounces back to record 10% CCG
EBITDA up 12% YoY; PAT up 14% YoY on like-to-like basis
Record high operating margin of 21.0% in FY24

In Q4FY24, Revenue from Operations was at ₹2,278 crore, up 2% YoY, with underlying volume growth of 3% in the domestic business and constant currency growth of 10% in the international business.

The domestic operating environment during the quarter was closely akin to the preceding quarters of this year. Across various FMCG categories, premium and urban-centric segments stayed ahead of rural and mass segments. Although, we did witness an uptick in rural sentiment towards the end of the quarter. Among channels, alternate channels continued to gain salience vis-à-vis General Trade as the latter has been contending with subdued realizations and profitability headwinds.

The India business posted volume growth of 3%, as pricing corrections in key portfolios anniversarized to a larger extent on a sequential basis. The business recorded a turnover of ₹ 1,680 crore, flattish on year-on-year basis. Offtakes remained healthy across key portfolios with 75% of the business either gaining or sustaining market share and 100% of the business either gaining or sustaining penetration, both on MAT basis.

The International business delivered strong broad-based growth led by Bangladesh recovering after facing transient headwinds in the preceding quarter and strong growth momentum in MENA and SA.

Gross margin expanded by 420 bps YoY, owing to softer input costs and favorable portfolio mix**. A&P spends** was **up 8% YoY. EBITDA margin was 19.4%, up 186 bps YoY. EBITDA grew by 12%. PAT bei was up 14% YoY, as the impact of lower Other Income was offset by lower tax charge.**

Domestic Business

Parachute Rigids registered 2% volume growth amidst the ongoing pick up in loose to branded conversions. During the quarter, the franchise gained ~53 bps in market share on MAT basis. We expect to maintain an improving trajectory in volumes as copra prices trend up favorably. Owing to the rise in copra prices, we implemented price hikes in select packs in April 2024, resulting in ~6% increase at a brand level.

Value-Added Hair Oils declined 7% in value terms on a high base amidst persistent sluggishness in the bottom of the pyramid segment**.** Mid and premium segments of VAHO continued to fare relatively better. We expect the franchise to exhibit a gradual pickup during the course of next year.

Saffola Edible Oils registered mid-single digit volume growth, as the base normalized and trade sentiment settled owing to price stability. As the pricing base normalizes early next year, we expect the portfolio to resume a steady growth trajectory during the course of FY25.

Foods logged **24% value growth YoY, closing the year at ~4x of its scale in FY20. Saffola Oats** maintained its category leadership, while **newer franchises continued to scale up** on expected lines**.**

Premium Personal Care sustained its healthy growth trajectory during the quarter, with the **Digital-first portfolio** clocking an **exit ARR of ~₹450 crore. Beardo** has scaled **~3x since FY21** and achieved positive EBITDA this year**. Just Herbs** has crossed **INR 1bn ARR in FY24,** while the traction in the Personal Care portfolio **of Plix has been encouraging.**

The composite share of Foods and Premium Personal Care was at ~20% of domestic revenues in FY24.

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

Marico has been awarded as the "Best Employer of India - 2023-24", by Kincentric

Marico has been recognized as the "Most Consumer Centric Brand of the Year" at the 3rd Smart CX Summit & Awards 2024 in Bangalore

Marico is honoured to be recognized yet again, in the 'LEADERSHIP' category at the annual assessment in the Indian Corporate Governance Scorecard for 2023 by IiAS

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

International Business

Bangladesh registered 8% constant currency growth as the core business and new franchises performed well. **South-East Asia** was flat in CC terms. **MENA** continued its strong growth momentum and delivered 19% CCG with both the Gulf region and Egypt faring well**. South Africa registered 13% CCG** driven by the ethnic hair care segment**. NCD and Exports** posted 34% growth.

Outlook

Amidst improving **macro-indicators** and forecast of a **normal monsoon,** we expect a gradual uptick in the growth of our core categories through the ongoing initiatives to enhance the profitability of our General Trade (GT) channel partners and transformative expansion in our direct reach footprint with the roll out of **Project SETU (in Q1FY25)**. **Project SETU lays a** 3-year phased roadmap to **improve our direct reach from ~1 million outlets currently to 1.5 million outlets**. This will be backed with substantial investments behind coverage and infrastructure enhancement, and demand generation initiatives, and will be funded through re-allocation of resources by optimizing trade spends and improving supply chain efficiencies. **Therefore, Project SETU will be cost neutral.**

After successful initiatives towards refinements in supply chain and GTM during FY24, **we aim to grow Foods at 20%+ CAGR and scale to 2x of its current scale in FY27**. The **scale up of the Digital-first portfolio** has met our stated aspirations and we expect the **ARR of this portfolio to scale to 2x of its current run rate in FY27**. Consequently, we **expect the domestic revenue share of the Foods and Premium Personal Care portfolios to expand from ~20% currently to ~25% by FY27.**

Focused initiatives towards scaling the Foods business profitably has led to a **robust GM expansion of ~800 bps in the Foods portfolio in FY24**. We have also **achieved positive EBITDA in Beardo in FY24** through premiumisation and scale benefits and **aim to move towards double-digit EBITDA margin next year**. We will aim to replicate the Beardo playbook as we scale the Digital-first franchises and **achieve double-digit EBITDA margin in the portfolio in FY27.**

The International business has been resoundingly resilient in FY24. The visible geographical diversification in the overall international business, marked by the accelerated ramp up in MENA and SA businesses over the last few years, reflected in the **reducing revenue dependence on Bangladesh business from ~51% in FY22 to ~44% in FY24**. **We will aim to maintain the double-digit constant currency growth momentum in FY25 and beyond.**

Consolidated revenue growth has moved into positive territory in Q4 and is expected to trend upwards during the course of FY25. We expect domestic revenue growth to outpace volume growth from Q1FY25. We have delivered our highest-ever operating margin in FY24 led by robust gross margin expansion, even while investments towards brand-building (A&P to Sales at ~10% in FY24) remained a key thrust area. We will continue to drive steady progress towards our key strategic objectives in the domestic as well as the International businesses and **aim to deliver healthy revenue-led earnings growth in FY25**.

Saugata Gupta, MD & CEO, commented, *"We have closed fiscal 2023-24 on a promising note, delivering our highest-ever annual operating margin with sequential improvement in both the domestic and international businesses. In the domestic business, we expect a gradually improving growth trajectory in the core categories through ongoing initiatives to enhance GT channel partner profitability and transformative expansion in direct reach via Project SETU, while we aggressively drive the profitable scale up of Foods and Digital-first brands. As the Bangladesh business regained its momentum, the ramp up in the MENA and South Africa businesses has visibly strengthened the growth construct of the International business. We will aim to deliver healthy revenue-led earnings growth in the near and medium term, aided by the positively evolving operating environment."*