



Ref No: AWL/SECT/2023-24/29

July 5, 2023

BSE Limited

Floor 25, P J Towers,
Dalal Street,
Mumbai – 400 001

Scrip Code: 543458

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Scrip Code: AWL

Dear Sir / Madam,

Sub: Quarterly Updates- Q1 FY 2023-24.

Please find attached quarterly updates for Q1 of FY 2023-24.

This will be followed by a detailed information update once the unaudited consolidated and standalone financial results for the quarter ended June 30, 2023 are approved by the Board of Directors of the Company.

Thanking You,
Yours faithfully,
For Adani Wilmar Limited

Darshil Lakhia
Company Secretary
Memb. No: A20217

Adani Wilmar Ltd.
Fortune House
Nr. Navrangpura Railway Crossing
Ahmedabad – 380 009
Gujarat, India
CIN: L15146GJ1999PLC035320

Tel +91 79 2645 5650
Fax +91 79 2645 5621
info@adaniwilmar.in
www.adaniwilmar.com

Registered Office: Fortune House, Nr. Navrangpura Railway Crossing, Ahmedabad 380 009, Gujarat, India



5th July 2023

Ahmedabad

Quarterly Update on Business (Q1 FY'24)

This document is a preliminary update on the standalone performance highlighting the key trends and operational updates during the quarter ended June 30, 2023. This will be followed by a detailed disclosure of financial results and earnings presentation once the board approves the financial results for the quarter.

The Company delivered another strong quarter of double-digit volume growth of 25% YoY, capturing the robust consumer demand. The sale of branded products in both edible oils and foods has been much stronger compared to overall sales of respective segments. While the volume growth was strong, the sales value decline on YoY basis is reflective of the sharp decline in edible oil prices.

The Food & FMCG segment recorded a revenue growth of 30%+ YoY to cross INR 1,000 crores of revenue for the quarter on a standalone basis. This was the eighth consecutive quarter with 20%+ volume growth and 30%+ revenue growth, on YoY basis, for the Food & FMCG segment.

Both urban and rural areas have witnessed strong demand. The oil and foods continued to grow at a rapid pace in the alternate channels (E-com, MT, eB2B etc.) and recorded around 50% YoY volume growth for the quarter. The Company kept its focus on expanding the distribution of both oil and food products in the General Trade channel. The sale of branded products to HoReCa clients continued to grow strongly with distribution expansion in more cities and acquisition of new client accounts.

Over the time, the "King's" brand has steadily built up a strong brand equity for edible oils in the masstige segment, delivering high-quality products to a large number of households. As a result, it has been the third-best selling brand of soyabean oil in India. The company is now strengthening the King's brand and positioning it across its entire range of packaged oils and foods to gain market share from regional brands.

Business Context

Since Q1 of the last fiscal year, the price of edible oils has been declining. This trend continued during Q1'24 with the price of edible oils experiencing further decline, in the range of 5% to 20% (Q1'24 vs Q4'23), before recovering as the quarter came to a close. This reduction has been attributed to a combination of factors, including the decline in consumer demand in developed economies, easing of supply at the Black Sea region and robust production of oilseeds globally.



The decline in the price of edible oils has had a stimulating effect on consumer demand in India, which has been robust for the last three quarters. A strong uptick in demand, is also evident in the growth of import of edible oils in India, which grew by 18% YoY till May-end, in the Oil Year 2022-23 (Nov'22 – Oct'23).

Unseasonal rains and hailstorms in key wheat producing states have adversely impacted the crop quality. Its impact on the quantity of output is yet to be ascertained by government agencies. Wheat prices have gone up during the quarter, prompting the government to release wheat in the open market from its stock to cool down prices. The ban on wheat export continues.

Sales performance by business segments:

Segment	Q1 '24 - YoY Growth %		Business Mix % in Q1 '24	
	Volume	Value	Volume	Value
Edible Oil	25%	-15%	60%	75%
Food & FMCG	20%	30%	15%	8%
Industry Essentials	20%	-15%	25%	17%
Total	25%	-15%	100%	100%

Note: Above sales growth figures are indicative & rounded off and will be finalized with book closure. All figures are on a standalone basis.

Edible Oil

The edible oil business grew by 25% YoY in volume terms during the quarter on the back of continued strong consumer demand as well as the weak base of Q1'23. The base quarter demand was disrupted by high edible oil prices with the onset of the Russia-Ukraine conflict. On a sequential basis also, the volume growth in Q1'24 over Q4'23 has been quite strong.

The edible oil segment had broad-based growth across all major edible oils in our portfolio. The company has been consistently focusing on growing the domestic oils – Mustard Oil and Rice Bran Health Oil. While AWL is the No.1 player in both the categories, there is a large scope of market share consolidation from regional players in a fragmented market.

We have been promoting Mustard Oil under King's brand, with targeted region-specific advertisements, and the product has shown good traction. During the quarter, a new TV commercial was unveiled for our "King's Kachi Ghani Mustard Oil" with communication focused on "exceptional pungency" and "purity of the product".

Edible oil prices have fallen by more than 50% in less than one year. Our robust risk management framework has mitigated the impact of falling prices on our gross profits to a significant extent. However, high-cost inventory in an environment of falling prices has



exerted pressure on our profitability throughout the previous financial year, and this trend persisted during Q1'24 as well.

The government allowed imports of crude soya bean oil and crude sunflower oil at zero basic customs duty and zero AIDC for TRQ (Tariff Rate Quota) license holders for FY'23 up to June 30, 2023. As we were allocated a much lower TRQ, in comparison to our total import requirements of soya and sunflower oils, we exhausted our quota last year itself. Like FY'23, we were once again at a disadvantage in Q1 in terms of the material cost, in comparison to the industry.

Food & FMCG

The Foods business continued to grow rapidly, with segment revenues rising 30% YoY to surpass INR 1,000 crores for the quarter on a standalone basis. This was fueled by rapid growth in sales of branded products in the domestic market. The majority of our branded food products recorded a volume increase of more than 25% for the quarter, with many of the new products that were launched in the market in the last 1 to 2 years, witnessing much faster growth. Exports of non-basmati Rice decreased in terms of volume due to the continued restrictions on Rice exports and levy of 20% export duty.

For the product categories that we have chosen, there is a sizable addressable market, which offers us room to grow rapidly for a long time. The shift in consumer preferences from unbranded to branded products is leading to a faster growth of branded food products.

In the Rice business, we benefit from having both Kohinoor and Fortune as strong brands in our portfolio. The premium-positioned Kohinoor is increasing its presence in Modern Trade and select General Trade stores. The brand has quickly enhanced its market share in the West after its re-launch. To offer our products across a range of price points, we have launched more variants under Kohinoor brand.

Industry Essentials

The Industry Essentials business grew by 20% YoY by volume in Q1'24. However, the revenues declined by 15% YoY due to steep correction in prices of oleo and castor products, which together contributes around 70% of this segment's revenue. The strong volume growth was primarily driven by good crush operations and exports of animal feed products.

In the Oleochemicals business, the company is focused on value-enhancement by selling downstream products which are ingredients for polymer additives, home & personal care, agrochemicals, lubricant additives, and food additives.

Our Castor business continued its leadership in exports during Q1'24, on the back of a strong procurement network and strategically located manufacturing facilities in



proximity to Mundra and Kandla ports. However, the demand from European markets remained tepid due to the economic slowdown in the region.

New Product Launches

Whole Wheat: Majority of households in India still prefer to purchase select varieties of whole wheat grain and have it ground on their own for Chakki Atta (wheat flour). Recognizing this pressing need for genuine and consistent quality of whole wheat options in the market, the Company launched four premium grades (including Sharbati) of Whole Wheat under the Fortune brand in select markets.

The brand 'Fortune' is built on the pillars of trust, purity, and premium-ness. This entry into a new category will enable brand penetration into more households and strengthen its brand equity for premium quality products. Fortune is the only national brand to offer branded whole wheat as a category.

Multi-purpose Cleaner: The company is focused on the forward-integration of its oleo-chemical products, which are essential ingredients in many home & personal care products. Soap, under Alife brand, was the first product launched in FY'20 which is now clocking INR 100 crores+ of annual revenues. In Q1'24, the Company launched a multi-purpose cleaning concentrate liquid, under the Ozel brand. The offering is aimed at HoReCa clients for surface and utensils cleaning. This will allow us to serve HoReCa customers with a wider product basket, positioning us as a key supplier for their essential needs.



About Adani Wilmar Limited

Adani Wilmar Limited (AWL), a joint venture between Adani Group of India and Wilmar Group of Singapore, is one of the largest consumer Food FMCG companies in India. The company has a diversified product portfolio offering most of the primary kitchen essentials including edible oil, wheat flour, rice, pulses, besan and sugar with market leading positions across products. AWL's flagship brand "Fortune" is a household brand reaching over 113 million households, indicating at least 1 out of every 3 household consumes a "Fortune" product. Fortune is also the largest selling edible oil brand in India. AWL has 23 plants in India which are strategically located across 10 states, comprising 10 crushing units, 19 refineries and food capacities. AWL's refinery in Mundra is the largest single location refinery in India with a designed capacity of 5,000 Ton Per Day.

For more information, please visit Website - www.adaniwilmar.com

For media queries, please contact: Priya Agarwal | priya.agarwal@adaniwilmar.in

For Investor Relations, please contact:

Pulkit Mittal	Abhik Das
Tel: 91-79-2645 9100	Tel: 91-79-2645 8774
pulkit.mittal@adaniwilmar.in	abhik.das@adaniwilmar.in