August 6, 2022

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,

Subject: Information Update for the quarter ended June 30, 2022

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 ended June 30, 2022.

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: 2022.08.06 14:30:53 +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

CIN: L15140MH1988PLC049208
Email: investor@marico.com

marico
make a difference

Q1 FY23 Results

AUGUST 2022

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.

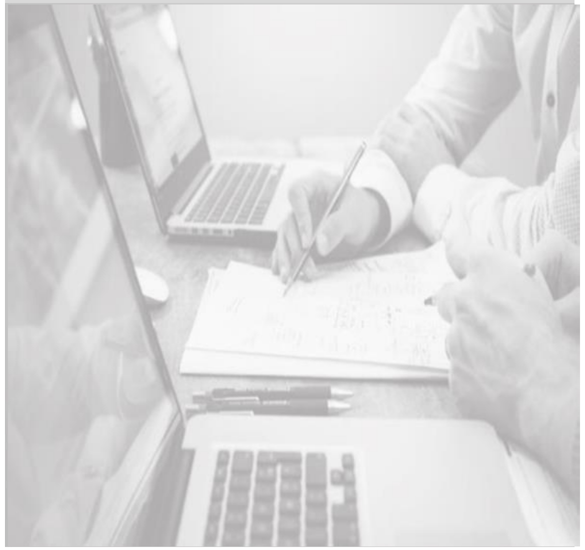
Index

Macro Overview 4

Performance Highlights 6

Outlook 17

Financials 20



Operating Environment stayed challenging

Retail Inflation & Currency Depreciation

Retail price inflation well above the RBI's upper tolerance limit of 6%

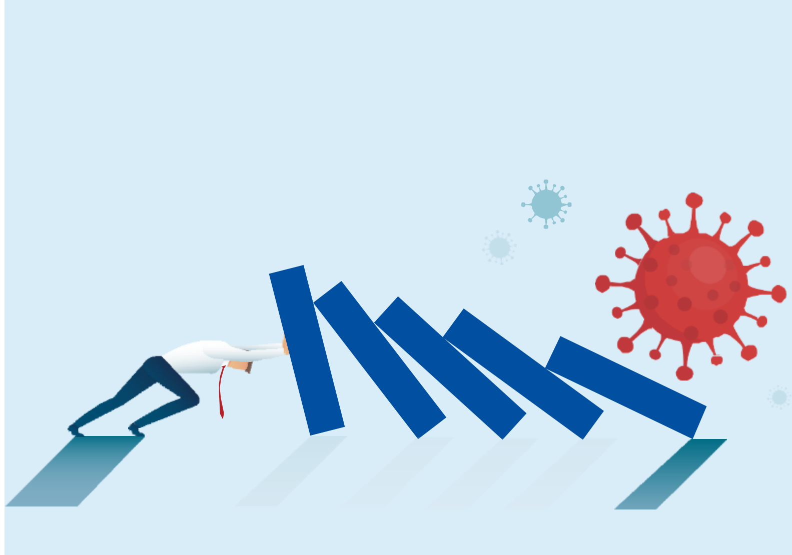
Sharpest depreciation in the Indian Rupee in four years

Demand Slowdown

FMCG sector witnessed volume decline for the third quarter in a row

Rural lagging urban | HPC weaker than Foods

Risk of external disruptions



World Uncertainty Index on the rise again after easing towards end of 2021

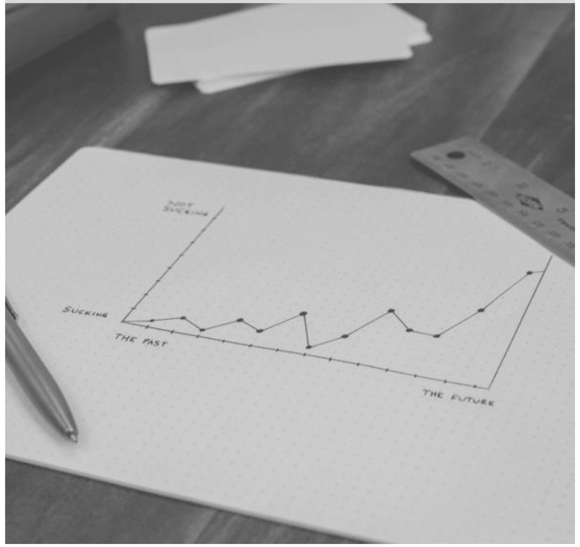
Index

Macro Overview
4

Performance Highlights
6

Outlook
17

Financials
20



Soft quarter for the domestic business | Stellar performance in International business

Q1 FY23 (YoY)

Domestic

(4%)

Revenue growth

International

18%

Constant Currency Growth

Consolidated

1%

Revenue growth

20.6%

Consolidated EBITDA Margin

10%

Consolidated EBITDA Growth

4%

Consolidated PAT Growth

Domestic volumes declined by 6%, dragged by significant headwinds in Saffola Oils.
Ex-Saffola Oils, domestic volumes grew by 1%.

401bps

Gross margin expansion (YoY)

159bps

EBITDA margin expansion (YoY)

14%

Increase in A&P Spends (YoY)

marico

make a difference

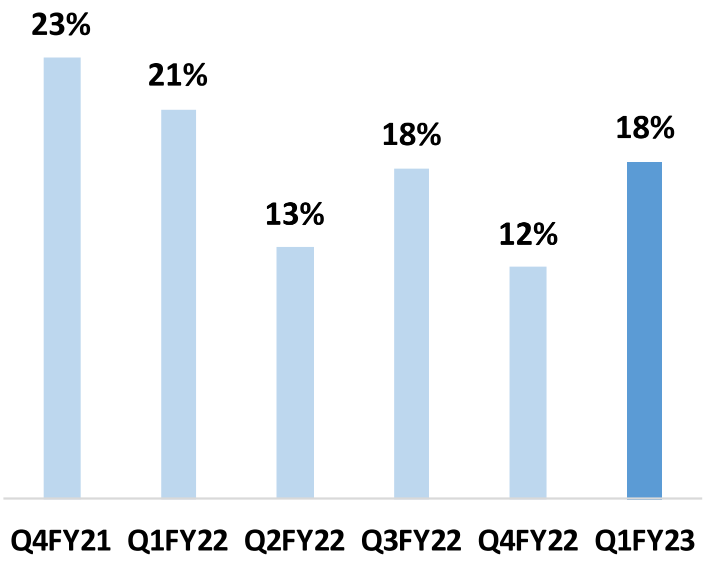
Exhibiting Strong Resilience

Strengthening Competitive Position in India

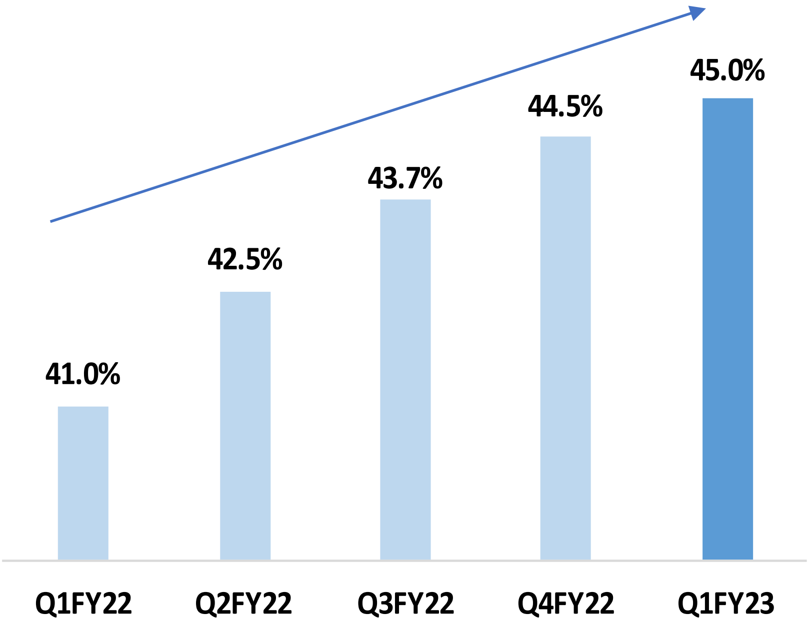
96% portfolio gained market Share

93% portfolio sustained Penetration

International Business CCG Trend



Consolidated Gross Margin Trend



Parachute: Market Share Solidifies | Gradual pickup in volumes expected from Q2

Q1FY23

(2%)

Volume Growth

(9%)

Value Growth

90 bps

Volume MS gain
in rigid packs
(MAT Jun'22)

Copra prices
to remain range-bound

170 bps

Value MS gain
in rigid packs
(MAT Jun'22)

5-7%

Medium-term volume growth Aspiration

VAHO: Steady performance | Value Market Share Strengthens Further

Broad-based growth across the portfolio amidst challenging consumption environment

5%

Q1 Value Growth

60bps

Value MS Gain
(MAT Jun'22)

Volume flattish
in Q1 after price hikes
and pack size reductions

Expect to deliver double
digit growth in
rest of the year

Saffola: Category headwinds weigh on Edible Oils | Foods holds steady despite sharp base effect

GROWING RELEVANCE OF HEALTHY LIVING

INCREASED PENETRATION

Saffola Oats franchise

420 bps

Gain in Value MS (MAT Jun'22)

Foods posted single digit value growth

Franchise posts low teen revenue decline in Q1

Q1 FY23

18%

Saffola Franchise 3-Year Value CAGR

43%

Saffola Foods 3-Year Value CAGR

Premium Personal Care: Building momentum

Livon Serums continues to clock double digit growth YoY

Set Wet portfolio nearing pre-COVID levels

- Leverage leadership position of our brands and low penetration of categories
- Beardo and Just Herbs in line with expectations
- Digital-first brands at circa INR 200 cr. ARR

Strategic Investment in True Elements: FOOD that does NOT LIE to YOU

- ~54% stake acquired in India's only food brand to be recognized as both 'Clean Label' & '100% Wholegrain‘
- Promises 0% preservatives, 0% chemicals & 0% added sugar
- 70+ products spanning across categories of Western breakfast (oats, quinoa, muesli, granola, flakes), Indian breakfast (poha, upma, dosa), Snacks (roasted seeds, seed mixes, raw seeds) , among others

Robust 18% CCG in the International Business | NPD launches continue to invigorate

Bangladesh

10%
Q1 CCG

New portfolios scaling up

South East Asia

34%
Q1 CCG

HPC segment in Vietnam picks up

South Africa

23%
Q1 CCG

Broad-based growth momentum

MENA

27%
Q1 CCG

Strong growth in the Gulf region and Egypt

International Business delivers double-digit CCG for the sixth quarter in a row

CCG – Constant Currency Growth

Recent Launches – International (1/2)

Bangladesh

Parachute Advansed
Onion Hair Growth Oil

Glo On
Skin Cream

South East Asia - Vietnam

X-Men For Boss
Male Keratin Shampoo Range

X-Men
Face Wash Range

Recent Launches – International (2/2)

South East Asia - Vietnam

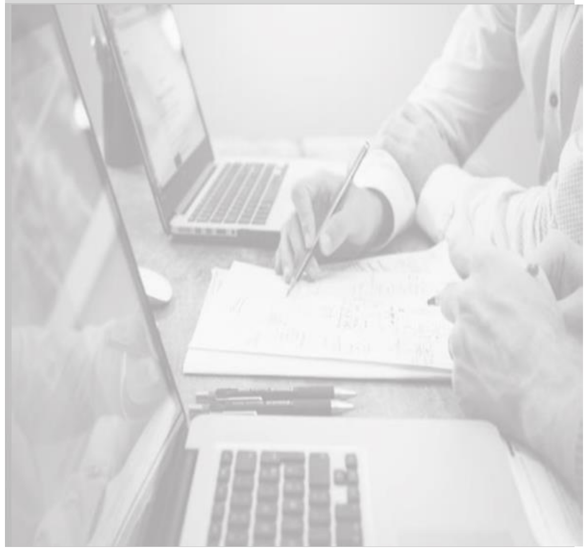
Lashe

Hair Care and Shower Gel Range

Index

Macro Overview
4

Performance Highlights
6



Outlook
17

Financials
20

Near Term Outlook

External Stimulus

- Retail Inflation and weakening INR subdue macro context
- Early signs of commodity inflation cooling off
- Improving rainfall forecast in the heartlands encouraging
- Rural sentiment remains key to recovery in FMCG growth

Business and Competitive Position

- Domestic business to grow ahead of market
- Maintain Market Share Gain Momentum
- Sustain growth momentum in the International Business

Margins

- Aim to deliver 18-19% operating margin in FY23
- Maintain Investments in Brand Building
- Sustained Focus on Cost Rationalization

marico
make a difference

Driving 4Ds to Make Marico Future-Ready

Unlock the next leg of growth through…

Diversification

Distribution

Digital

Diversity

…..and continue to maintain focus on

Grow the Core

Cost Management

ESG Commitments

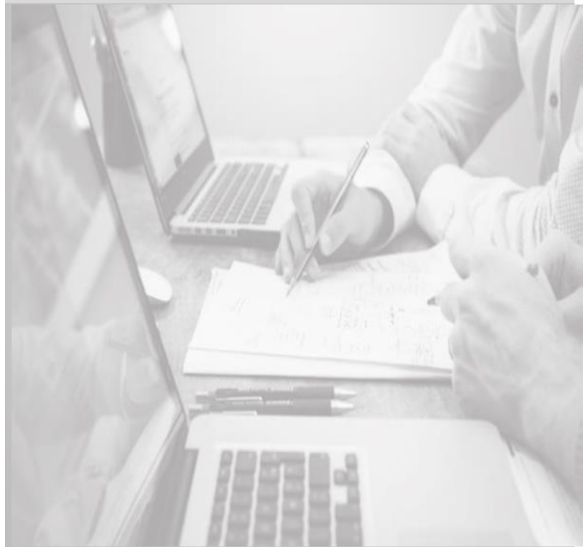
Index

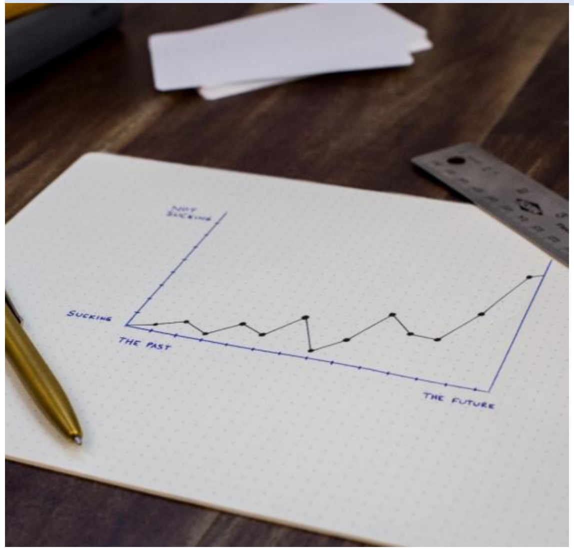
Macro Overview
4

Performance Highlights
6

Outlook
17

Financials
20





Consolidated Profit & Loss Statement

(in ₹ cr.)

Particulars	Q1FY23	Q1FY22	Change (%)
Revenue from Operations	**2,558**	**2,525**	**1%**
Material Cost	1,406	1,489	-6%
ASP	199	175	14%
Employee Cost	156	150	4%
Other Expenses	269	230	17%
EBITDA	**528**	**481**	**10%**
EBITDA Margin	20.6%	19.0%	159 bps
PBT	**499**	**467**	**7%**
PAT	**371**	**356**	**4%**

Note: Effective tax rate (ETR) was higher in Q1FY23 after the expiration of fiscal benefits in one of the manufacturing units.

Working Capital

Particulars	Q4FY22	Q1FY23
Debtors Turnover (Days)	29	27
Inventory Turnover (Days)	58	49
Net Working Capital (Days)	21	20

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

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

Particulars (% of Revenues)	Q1FY23	Q4FY22	Q1FY22	FY22	FY21
Material Cost (Raw + Packaging)	55.0%	55.5%	59.0%	57.1%	53.1%
Advertising & Sales Promotion (ASP)	7.8%	9.4%	6.9%	8.4%	8.7%
Personnel Costs	6.1%	6.4%	5.9%	6.2%	7.1%
Other Expenses	10.5%	12.2%	9.1%	10.6%	11.4%
PBDIT margins	20.6%	16.4%	19.0%	17.8%	19.8%
PBDIT before ASP	28.4%	25.8%	26.0%	26.1%	28.4%

Note: Figures excludes impact of one-offs in the respective periods.

Annexure 2: Market Shares in Key Categories in the India Business - MAT Jun'22

Franchise	~MS%	Rank
^ **Coconut Oil Franchise**	62%	1st
^ **Parachute Rigids within Coconut Oils**	53%	1st
* **Saffola Oats**	43%	1st
^ **Value Added Hair Oils**	37%	1st
^ **Post wash Leave-on Serums**	63%	1st
* **Hair Gels/Waxes/Creams**	55%	1st

^ Volume Market Share * Value Market Share

Annexure 3: ESG Performance Snapshot (till Q1 FY23)

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

Emissions & Energy

- **76.4%** reduction in GHG emission intensity (Scope 1+2)
- **66.2%** energy sourced from renewables

Water Stewardship

- **100% replenishment** of water consumed in operations
- **2,680 mn litres** of water capacity created till date

Circular Economy

- **96%** recyclable packaging by weight
- **537 tco2e** reduction in GHG emissions and **206MT** material savings from sustainable packaging projects.
- Successful prototype created for usage of **recycled plastic in primary packaging** of the non- edible products' portfolio

Sustainable Coconut

- **0.274 mn** acreage enrolled covering **68,490 farmers** till date
- **15%** improvement in productivity in farms that have completed more than a year under the program

Social Value Creation

- **0.3 mn+ teachers and 0.4 mn+** students impacted from Nihar Shanti Pathshala Funwala's Whatsapp-based English literacy program.
- **16,129 trees** planted till date as per of Marico's Afforestation Program generating carbon sequestration potential of **18,000 tco2e** over the lifespan of the trees.

Marico has committed to Net Zero emissions in its domestic operations by 2030 and global operations by 2040

marico
make a difference

Annexure 4: Awards and Recognitions

Marico was ranked among the top 3 Most Sustainable Companies in India by BW Businessworld IMSC 2021-22

Marico was recognized as the 'Masters of Risk' in the ESG category in the 8th edition of the India Risk Management Awards 2022 by CNBC-TV18 & ICICI Lombard

Marico was the only FMCG company to be placed in the 'Leadership category' as per CRISIL's ESG ratings published in Yearbook 2022

marico
make a difference

MARICO LIMITED

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

www.artofoiling.com
www.niharnaturals.com
www.hairsutras.com
www.parachuteadvansed.com
www.livonilovemyhair.com
www.saffola.marico.in
puresense.co.in
www.saffolalife.com
www.fitfoodie.in
www.setwet.com
www.cocosoul.in
www.maricoinnovationfoundation.org
www.beardo.in
www.parachutekalpavriksha.org

Thank You

Investor Relations Contact:
Mr. Harsh Rungta | Head - Investor Relations | ***harsh.rungta@marico.com***

Marico – Information Update for Q1FY23 (Quarter ended June 30, 2022)

Executive Summary: Consolidated Results

Particulars (₹ Cr)	Q1FY23	YoY Growth
Revenue from Operations	2,558	1%
EBITDA	528	10%
EBITDA Margin (%)	20.6%	Up 159 bps
Profit After Tax	371	4%
India Volume Growth (%)		-6%
International CCG (%)		18%

In Q1FY23, **Revenue from Operations grew by 1%** YoY to ₹2,558 crores. The domestic business had a soft quarter amidst a challenging consumption environment coupled with category specific headwinds in Saffola Edible Oils. In contrast, the international business posted another stellar quarter, making it the sixth consecutive quarter of double-digit constant currency growth.

In India, the FMCG sector witnessed volume decline in Q1FY23 for the third quarter in a row and value growth continued to be price-led. Rising retail inflation continued to exert pressure on demand as consumers appeared to exercise restraint in non-essential categories, while downtrading and downgrading in essential categories. Rural continued to underperform urban on a year-on year basis due to the accentuated impact of inflation on disposable incomes. On the other hand, premium discretionary categories fared relatively better given the lower base and lesser impact of inflation on the upper income consumer segment.

Domestic volumes declined by 6% yoy, dragged by a double-digit decline in Saffola Oils. **Ex-Saffola Oils, domestic volume growth was 1%. Domestic revenues at ₹1921 Crore was down 4%,** with overall pricing growth being minimal as price hikes in Hair Oils and Saffola Oils were largely offset by price cuts in Parachute Coconut Oil, owing to deflationary copra. The inherent strength of our brands, focused execution and brand building investments translated into **96% of the portfolio gaining market share and 93% of the portfolio sustaining penetration, both on a MAT basis.** In volume terms, GT declined in high single digits. Decline in urban exceeded that of rural due to higher salience of Saffola Oils. However, the 2 and 3 year CAGR in rural remained ahead of urban in line with industry trends. With mobility rising to normal levels, MT (13% of domestic sales) regained some traction and E-commerce (9% of domestic sales) witnessed moderation.

The International business sustained its strong momentum of predictable and profitable growth. The business delivered 18% constant currency growth in the quarter with each market contributing handsomely.

Gross margin expanded 401 bps yoy, attributable mainly to benign copra prices, cost rationalizations and favorable mix impact. A&P spends grew 14% on a year-on-year basis, as the Company maintained investments towards strategic brand building of core and new franchises. **EBITDA margin stood at 20.6%, up 159 bps YoY**, and **EBITDA was up 10% YoY. PAT was up 4% YoY,** due to higher effective tax rate (ETR) after the expiration of fiscal benefits in one of the manufacturing units.

Other highlights relating to the performance are as follows:

- **Parachute Rigids was down 2% in volume** terms owing to soft consumption trends and much slower conversion from loose to branded given the soft copra price environment. **The brand gained 90 bps in volume MS and 170 bps in value MS**, thereby further strengthening its hold in the branded coconut oil category. We are confident of posting volume growth from Q2 as we drive growth in core markets through small pack activations and continue to take calibrated pricing actions. The brand took incremental pricing cut of 2% towards the end of Q1.
- **Value Added Hair Oils posted value growth of 5%** and flattish volumes year-on year despite weak consumption sentiment, especially in rural. The Company countered higher input costs through a mix of price hikes and pack size reductions. **The franchise gained 60 bps in value MS on MAT basis.** We expect to hold steady in the near

term given the current consumption environment and accelerate towards double-digit value growth if rural recovery comes about on expected lines from H2.

- **The Saffola franchise,** comprising Refined Edible Oils and Foods**,** declined by 13% in value terms.
- **Saffola Edible Oils** declined sharply given high in-home consumption in the base, visible downgrading from super premium to mass segments and a volume drop in the ROCP category. The brand chose to maintain threshold margins over higher volumes in the face of unprecedented raw material inflation, muted trade sentiment, supply chain issues and the undesirable effect of price hikes on the absolute outlay for the consumer. In addition, stock limits imposed on retailers and lower CSD billing due to lag in effecting price changes played a part during this quarter. **We expect volume trends to improve from Q2 and aim to deliver growth in H2 as the base normalizes.**
- **Foods** had a slow quarter due to the high in-home consumption base in Oats and sharp decline in immunity-led categories like honey, among others. **Saffola Oats maintained its strong leadership position in the Oats category with 420 bps value MS gain on MAT basis**. Peanut Butter and Mayonnaise had an encouraging start. **The franchise should witness growth picking up gradually from Q2.**
- **Premium Personal Care and Digital-first portfolios** clocked high double-digit growths. Digital first brands, Beardo and Just Herbs, are scaling up in line with expectations.
- **Copra prices** were down **6% sequentially** and **down 26% YoY**. With seasonal supplies slowing down and onset of the festival season, prices should remain range-bound in the near term. **Rice Bran oil** was up 11% YoY and 13% sequentially. There are early signs of correction in the broader international vegetable oil complex and will be keenly watched. Crude derivatives such as **Liquid Paraffin** (LLP) and **HDPE** were up 36% and 26% YoY. Both are also likely to remain firm in the near term and track in line with crude oil prices.
- Within the International business, **Bangladesh** clocked 10% constant currency growth. The newer portfolios of Baby Care and Shampoos continued to ramp up, thereby supporting steady growth in the core franchises. **South East Asia** grew 34% in constant currency terms, led by strong resurgence in the HPC category in Vietnam. **MENA and South Africa** grew 27% and 23% in constant currency terms.
- EBITDA margin of the domestic business was at 21.7%, up 290 bps YoY, and the International business was at 25.5%, down 210 bps YoY.

Strategic Investment in 'True Elements'

In May 2022, the Company announced a strategic investment in HW Wellness Private Limited with an acquisition of ~54% equity stake. HW Wellness Solutions Private Limited owns "True Elements" (http://www.true-elements.com/), a clean label, digital-first brand playing in the rapidly growing healthy breakfast and snacks segment in India. True Elements is India's only food brand to be recognized as both 'Clean Label' & '100% Wholegrain'. The brand is anchored on providing "Food that DOES NOT LIE to you" and promises 0% preservatives, 0% chemicals & 0% added sugar in its offerings. It offers a wide range of products spanning across categories of Western breakfast (oats, quinoa, muesli, granola, flakes), Indian breakfast (poha, upma, dosa) and snacks (roasted seeds, seed mixes, raw seeds), among others. True Elements currently garners majority of its business through online marketplaces and is working towards ramping up its offline presence over the next few years.

Outlook

Near Term

In the **domestic business**, we will aim to be **ahead of market growth** and will maintain sharp focus on **driving penetration and market share gains** across our portfolios aided by distribution expansion, aggressive cost controls, and sufficient investment in market development and brand building. We will closely watch rural growth and are hopeful of a recovery in rural sentiment on the back of forecasted improvement in rainfall coverage in the heartlands, government subsidies and higher realizations for crops in the hands of rural consumer.

In the near term, we expect volume growth to be in the positive zone from Q2 under current demand conditions. We hope to **accelerate volume growth to our medium term target levels in H2**, provided inflation cools off and eases pressure on demand.

Marico – Information Update for Q1FY23 (Quarter ended June 30, 2022)

The **International business** has maintained a steady momentum of healthy profitable growth over the last 5 years. While there are risks of currency depreciation and inflation in some markets, **we are confident of maintaining the double-digit growth momentum** in the coming quarters.

Taking into account the quarterly gyrations of all cost line items, we would aim to deliver 18-19% EBITDA margin in FY23.

Medium Term

Over the medium term, we hold our aspiration to deliver 13-15% revenue growth on the back of 8-10% domestic volume growth in the domestic business and double-digit constant currency growth in the international business. We will aim to maintain consolidated operating margin above the threshold of 19% over the medium term.

India: In **Parachute Rigids,** we expect to grow volumes in the range of 5-7% over the medium term, given the market construct and strengthening brand equity. In **Value-Added Hair Oils,** we aim to sustain double-digit value growth over the medium term. Driving value share gains ahead of volume share in the overall portfolio through mix improvement and innovations in the premium segment will be our key focus over the medium term. In **Saffola Edible Oils**, we expect to deliver high single-digit volume growth over the medium term. In **Foods,** we aim to scale up to ₹850-1000 crores in revenues by FY24 on the back of innovation, distribution and market development. We will build the **Premium Personal Care** portfolios into growth engines of the future and deliver double-digit value growth over the medium term in these portfolios. We aim to accelerate our digital transformation journey by building a portfolio of at least three digital brands, either organically or inorganically, with a combined turnover of ₹450-500 crores by FY24. **Beardo** and **Just Herbs** are conscious steps in this direction.

International: In **Bangladesh**, the competitive strength of our brands and our distribution reach in the region have enabled the business to stay firmly on its accelerated growth trajectory. Over the medium term, we will maintain the double-digit constant currency growth in the business. In **Vietnam and MENA,** we have set the fundamentals right and will now suitably replicate attributes from the strategy that has worked in Bangladesh, in order to build a sustained growth momentum in both businesses. The MENA market presents an attractive growth opportunity and we will invest to grow in this market. In **South Africa,** we expect to protect the core franchise of ethnic hair care and health care over the medium term.

Marico – Information Update for Q1FY23 (Quarter ended June 30, 2022)

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)

Marico Limited – Q1FY23 Results

Consolidated Revenue up 1%
Domestic Business subdued by unabated inflation and muted demand
International business maintains robust momentum ; Delivers 18% CCG
Sequential Gross margin expansion continues
EBITDA margin up 159 bps YoY; EBITDA up 10%

In Q1FY23, Revenue from Operations grew by 1% YoY to ₹2,558 crores.

In India, the FMCG sector witnessed volume decline in Q1FY23 for the third quarter in a row and value growth continued to be price-led. Domestic volumes declined by 6% yoy, dragged by a double-digit decline in Saffola Oils. Ex-Saffola Oils, domestic volume growth was 1%. The inherent strength of our brands, focused execution and brand building investments translated into 96% of the portfolio gaining market share and 93% of the portfolio sustaining penetration, both on a MAT basis.

The International business sustained its strong momentum of predictable and profitable growth. The business delivered 18% constant currency growth in the quarter with each market contributing handsomely.

Gross margin expanded 401 bps YoY, attributable mainly to benign copra prices and favorable mix impact. A&P spends grew 14% on a year-on-year basis, as the Company maintained investments towards strategic brand building of core and new franchises. EBITDA margin stood at 20.6%, up 159 bps YoY, and EBITDA was up 10% YoY. PAT was up 4% YoY, due to higher effective tax rate (ETR) after the expiration of fiscal benefits in one of the manufacturing units.

Domestic Business

Marico's India Business delivered a turnover of ₹ 1,921 crore, down 4% on a YoY basis.

Parachute Rigids was down 2% in volume terms owing to soft consumption trends and much slower conversion from loose to branded given the soft copra price environment. The brand gained 90 bps in volume MS and 170 bps in value MS, thereby further strengthening its hold in the branded coconut oil category.

Value Added Hair Oils posted value growth of 5% and flattish volumes year-on year despite weak consumption sentiment, especially in rural. The Company countered higher input costs through a mix of price hikes and pack size reductions. The franchise gained 60 bps in value MS on MAT basis.

The **Saffola franchise**, comprising Refined Edible Oils and Foods, declined by 13% in value terms.

Saffola Edible Oils declined sharply given high in-home consumption in the base, visible downgrading from super premium to mass segments and a volume drop in the ROCP category. The brand chose to maintain threshold margins over higher volumes in the face of unprecedented raw material inflation, muted trade sentiment, supply chain issues and the undesirable effect of price hikes on the absolute outlay for the consumer. In addition, stock limits imposed on retailers and lower CSD billing due to lag in effecting price changes played a part during this quarter.

Marico was ranked among the top 3 Most Sustainable Companies in India by BW Businessworld IMSC 2021-22

Marico was recognized as the 'Masters of Risk' in the ESG category in the 8th edition of the India Risk Management Awards 2022 by CNBC-TV18 & ICICI Lombard

Marico was the only FMCG company to be placed in the 'Leadership category' as per CRISIL's ESG ratings published in Yearbook 2022

Marico was recognized among the Top 5 Water Positive Companies in the 2021 Capri Global Capital Ltd. HURUN INDIA Impact 50 List

Foods had a slow quarter due to the high in-home consumption base in Oats and sharp decline in immunity-led categories like honey, among others. **Saffola Oats maintained its strong leadership position in the Oats category with 420 bps value MS gain on MAT basis**. Peanut Butter and Mayonnaise had an encouraging start.

Premium Personal Care and Digital-first portfolios clocked high double-digit growths. Digital first brands, Beardo and Just Herbs, are scaling up in line with expectations.

International Business

The International business delivered a turnover of ₹ 637 crore with constant currency growth of 18%.

Bangladesh clocked 10% constant currency growth. The newer portfolios of Baby Care and Shampoos continued to ramp up, thereby supporting steady growth in the core franchises. South East Asia grew 34% in constant currency terms, led by strong resurgence in the HPC category in Vietnam. MENA and South Africa grew 27% and 23% in constant currency terms.

Outlook

Near Term

In the near term, we expect volume growth to be in the positive zone from Q2 under current demand conditions. We hope to accelerate volume growth to our medium term target levels in H2, provided inflation cools off and eases pressure on demand.

The **International business** has maintained a steady momentum of healthy profitable growth over the last 5 years. While there are risks of currency depreciation and inflation in some markets, **we are confident of maintaining the double-digit growth momentum** in the coming quarters.

Taking into account the quarterly gyrations of all cost line items, we would aim to deliver 18-19% EBITDA margin in FY23.

Medium Term

The Company holds its medium term aspiration of delivering 13-15% revenue growth on the back of 8-10% domestic volume growth and double-digit constant currency growth in the International business. The Company will aim to maintain operating margin above the threshold of 19% over the medium term.

Saugata Gupta, MD & CEO commented, *"The year began on a mixed note with the domestic business contending with persistent inflation and resultant weak demand conditions, while the international businesses posted a robust all-round performance. In India, despite the strong headwinds, we have continued to record market share and penetration gains, and deliver operating margin expansion. We expect volume trends to improve once inflation pressures ease. We are confident of maintaining the strong momentum in international markets as we single-mindedly focus on strengthening the fundamentals across each of our businesses. We will continue to weather transient headwinds with resilience and prioritize sustainable and profitable growth over the medium term."*

Marico was ranked among the top 3 Most Sustainable Companies in India by BW Businessworld IMSC 2021-22

Marico was recognized as the 'Masters of Risk' in the ESG category in the 8th edition of the India Risk Management Awards 2022 by CNBC-TV18 & ICICI Lombard

Marico was the only FMCG company to be placed in the 'Leadership category' as per CRISIL's ESG ratings published in Yearbook 2022

Marico was recognized among the Top 5 Water Positive Companies in the 2021 Capri Global Capital Ltd. HURUN INDIA Impact 50 List