

October 2, 2024

The Secretary,
Listing Department,
BSE Limited,
1st Floor, Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai – 400001
Scrip Code: 531642

The Manager,
Listing Department,
The National Stock Exchange of India Limited,
Exchange Plaza, C-1 Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400051
Scrip Symbol: MARICO

Sub.: Quarterly Update – Q2 FY2024-25

Dear Sir/Madam,

Please find enclosed an update on the operating performance and demand trends witnessed during the quarter ended September 30, 2024. The same will also be made available on the website of the Company shortly.

This will be followed by a detailed Information Update once the Board of Directors of the Company approves the un-audited consolidated and standalone financial results for the quarter and half year ended September 30, 2024.

Thank you.

Yours faithfully,

For **Marico Limited**

Vinay M A
Company Secretary & Compliance Officer

Encl.: As above



Quarterly Update: Q2 FY25

This update seeks to provide an overall summary of the operating performance and demand trends witnessed during the quarter ended 30th September, 2024. A detailed Information Update will follow this once the Board approves the financial results for Q2 FY25.

The sector witnessed stable demand trends with rural outperforming urban on a year-on-year basis for the third quarter in a row.

In the given context, **the domestic business posted mid-single digit volume growth**, exhibiting improvement on a sequential basis. **Parachute Coconut Oil** posted close to mid-single digit volume growth, partially impacted by ml-age reduction in one of the key price-point packs in lieu of a price increase. The brand recorded double-digit revenue growth, aided by pricing interventions made at the start of the year. The brand has taken another round of price increase at the end of this quarter given the sequential rise in copra prices. **Saffola Oils** posted low single digit revenue growth, while the pricing cycle for the brand turned slightly favourable after 8 quarters. **Value Added Hair Oils** was subdued amidst competitive headwinds in the bottom of the pyramid segment, but we expect gradually improving demand trends ahead on the back of visible ATL investments and brand activations across key franchises. **Foods** and **Digital-first brands** sustained their visibly strong momentum and scaled up well ahead of aspirations, thereby maintaining the pace of diversification as envisaged.

The **International business delivered robust low teen constant currency growth** with each of the markets contributing positively. Bangladesh posted high-single digit growth, demonstrating the strong resilience of our business model amidst a challenging operating environment which has now largely stabilized. Vietnam also grew in high single digits, while MENA and South Africa maintained their robust double digit growth trajectory.

Consolidated revenue growth remained in high single digits, as higher realisations in the domestic business was offset by incremental currency headwinds in some overseas markets. We expect consolidated revenue growth to move into double digits in the second half of the year.

Among key inputs, copra prices rose ahead of internal forecasts and the recent import duty hike led to vegetable oil prices moving higher towards the end of the quarter. Crude oil derivatives, however, remained rangebound. We expect gross margin to moderate on a year-on-year basis owing to partial absorption of higher input costs, as the Company prioritized expanding its consumer franchise in the current demand environment. Consequently, we expect a moderate lag in operating profit growth vis-à-vis revenue growth on a year-on-year basis.

The Company expects to deliver double-digit revenue growth in this year. In view of the higher-than-anticipated degree of inflation in copra prices, sharp import duty hike in vegetable oils and potential uncertainty in crude oil prices in the wake of recent geo-political tensions, the Company will focus on its stated revenue growth aspiration while remaining watchful on the margin front during the second half of the year.

The Company maintains its aspiration of delivering sustainable and profitable volume-led growth over the medium term, enabled by the strengthening brand equity of its core franchises and scale up of new engines of growth.

About Marico:

Marico (BSE: 531642, NSE: "MARICO") is one of India's leading consumer products companies present in global beauty and wellness categories. During FY 2023-24, Marico recorded a turnover of INR 96.5 billion (USD 1.2 billion) through its products sold in India and chosen markets in Asia and Africa.

Marico touches the lives of 1 out of every 3 Indians, through its portfolio of brands such as Parachute, Saffola, Saffola FITTIFY, Hair & Care, Parachute Advansed, Nihar Naturals, Mediker, Pure Sense, Coco Soul, Revive, Set Wet, Livon, Beardo, Just Herbs, True Elements and Plix. The overseas consumer products portfolio contributes to about 26% of the Group's revenue, with brands like Parachute, Parachute Advansed, HairCode, Fiancée, Purité de Prôvence, Ôliv, Caivil, Hercules, Black Chic, Code 10, Ingwe, X-Men, Thuan Phat and Isoplus.

Marico Limited

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