

August 07, 2023

BSE Limited

Corporate Relations Department
Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street,
Fort, Mumbai - 400 001
Scrip Code: 532424

The National Stock Exchange of India Ltd

Exchange Plaza, 4th Floor, Bandra-Kurla Complex,
Mumbai 400 050
Symbol: GODREJCP

Dear Sirs,

Subject: Investor and Analyst Presentation

We attach herewith a copy of the Investor Presentation on Unaudited Financial Results of the Company for the quarter ended June 30, 2023.

We are also enclosing copy of Press Release separately.

Please take the above information on record.

Thank you.

Yours faithfully,
For Godrej Consumer Products Limited

Rahul Botadara
Company Secretary & Compliance Officer



Q1FY2024 Investor and Analyst Performance Update

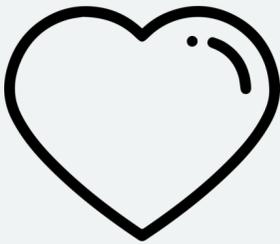
August 7, 2023



Disclaimer

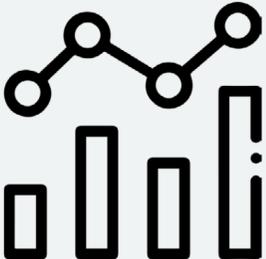
Some of the statements in this communication may be forward looking within the meaning of applicable laws and regulations. Actual results might differ substantially from those expressed or implied. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation, and labour relations.

Our purpose and strategy



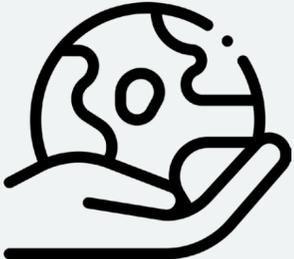
Purpose

Bring the goodness of health and beauty to consumers in emerging markets



Business aspiration

Drive penetration-led volume growth through category development



Environmental, social, and governance (ESG)

Become sustainability leaders, influence sustainable consumption, and drive social impact

Committed to our strategy



Lead through category development



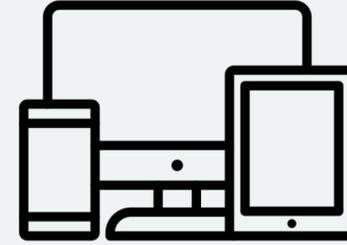
Funded by radical simplification



People and planet alongside profit



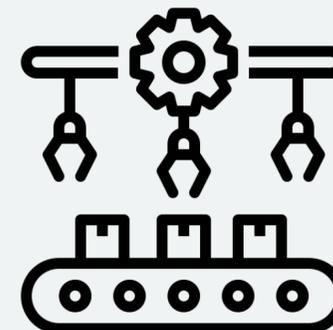
Lead through category development



+125%
increase in
Working Media



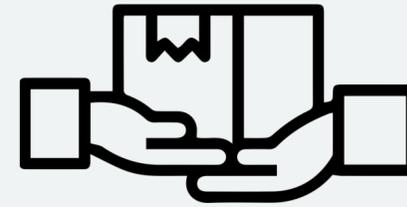
Launched **Aer O**
Car Air Fresheners



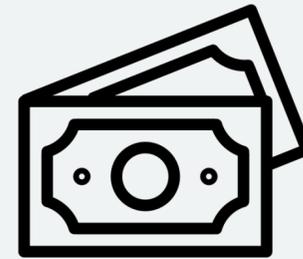
We plan to invest around
₹900 crores in organic
manufacturing capex over
the next **18-36 months**



Funded by radical simplification



Partnership with a **national distributor in Nigeria** is progressing well



Reduced channel inventory in Indonesia



**People and planet
alongside profit**



**Launched Magic
Floor Cleaner**

**FINANCIAL
PERFORMANCE
UPDATE**

Double-digit volume growth along with robust EBITDA performance

Growth (year-on-year)	Consolidated Business		India Business	
	Reported	Organic	Reported	Organic
Underlying Volume Growth	10%	8%	12%	10%
Net Sales (Constant Currency)	15%	13%	-	-
Net Sales	10%	9%	9%	6%
EBITDA	28%	~36%	21%	~32%
EBITDA + Working Media	39%	~43%	40%	~46%
EBITDA incl. Forex	23%	~32%	20%	~31%
Net Profit (Reported)	(8)%	-	22%	-
Net Profit (Without exceptional and one-off items)	19%	-	11%#	-
Operating Cash Flow	4.9X	-	1.6X	-

Organic EBITDA on estimated basis

#India profit reduced by dividend income received from subsidiary

Broad-based sales performance across clusters

Geography		Sales (₹ crore)	Growth (Year-on-year)	Constant Currency Growth (Year-on-year)
India	Reported	1,971	9%	-
	Organic	1,924	6%	
Indonesia		450	20%	15%
Africa, USA and Middle East		847	9%	16%
Latin America and SAARC		178	18%	79%
Total Net Sales	Reported	3,418	10%	15%
	Organic	3,370	9%	13%

Note: Total Net Sales includes the impact of contra and inter company eliminations

Strong margin expansion across key markets

	India		Indonesia	Africa, USA & Middle East	Latin America & SAARC
	Reported	Organic			
Q1FY24 Reported EBITDA Margin	25.2%	28.2%	19.1%	11.4%	0.8%
Business support charges, royalty and technical fees (₹ crore)	(5.1)	(5.1)	1.8	3.5	(0.2)
Q1FY24 Operating EBITDA Margin	25.0%	27.9%	19.5%	11.8%	0.6%
Change in EBITDA Margin (bps) (y-y)	+250	+540	+420	+350	(70)
Change in EBITDA + Working Media Margin (bps) (y-y)	+800	+1,030	+440	+300	(120)
Q1FY24 EBITDA incl. Forex margin	24.9%	27.8%	19.4%	7.8%	(0.4%)
Change in EBITDA incl. Forex Margin (bps) (y-y)	+240	+530	+410	+140	(140)

Exceptional and One-off Items

Consolidated Business	Q1 FY2024	Q1 FY2023
Net Profit (Reported)	319	345
Exceptionals (Post tax):		
Restructuring costs	2.8	1.8
Stamp duty and other costs (India)	57.0	-
Tax impact on dividend received from subsidiary	34.0	-
Others (Latin America)	0.6	(0.1)
Net Profit (Without exceptional and one-off items)	413	347

Note: All values are in ₹ crore and rounded off

INDIA BUSINESS UPDATE

Double-digit volume growth momentum continues

- Double-digit UVG of 12% (Reported), 10% (Organic)
- Home Care volume growth in teens and Personal Care (Organic) in mid-single digits

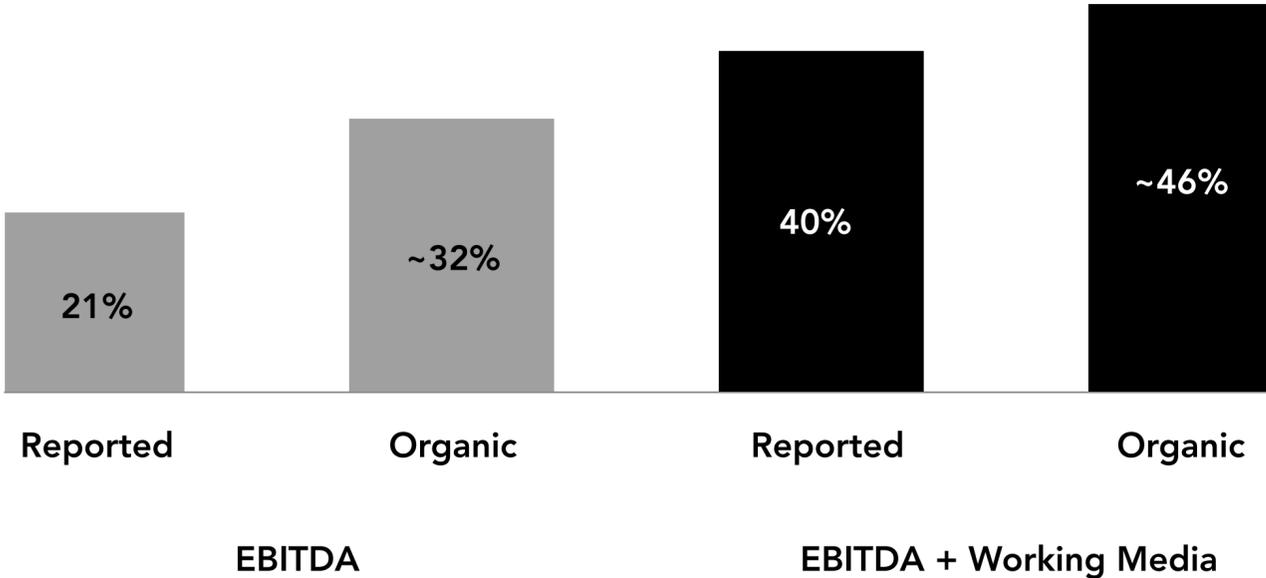
Robust margin improvement (Reported) continues:

- Gross Margin up **1,130 bps** year-on-year
- Increase in Working Media investment by **125%** year-on-year
- EBITDA margins of **25.0%**, up **250 bps** year-on-year

Sales growth (y-y)
(Reported)



Growth (y-y)



Organic EBITDA on estimated basis
 USG: Underlying Sales Growth; UPG: Underlying Pricing Growth; UVG: Underlying Volume Growth

Healthy volume-led growth across categories

Category	Sales (₹ crore)	Growth (Year-on-year)
Home Care	752	14%
Personal Care	1,109	2%
Total Branded	1,861	6%
Unbranded and Exports	62	1%
Total Net Sales (Organic)	1,924	6%
Personal Care (Inorganic)	48	-
Total Net Sales (Reported)	1,971	9%

Home Care (1/2): Household Insecticides continues double-digit growth momentum

- Household Insecticides sustain double-digit volume and value growth
- Performance led by strong growth in premium formats
- Scaling up distribution of access packs of **Goodnight Mini Liquid Vaporizer** and **HIT No-gas Spray**
- Continue to drive category adoption and penetration for long-term sustainable growth



Home Care (2/2): Consistently delivering double-digit growth in Air Fresheners

- Air Fresheners continue to consistently deliver strong double-digit growth
- Aer continues to gain share and enjoy market leadership
- Performance led by robust growth in Aer Pocket, Aer Matic and Car Range
- Continuing category development and relevance-building initiatives



Personal Care (1/2): Personal Wash delivers healthy volume-led growth

- **Personal Wash** delivers high-single digit volume growth; value growth in low-single digit as the benefit of lower input cost was passed on to consumers
- Growth ahead of category led by effective media campaigns and micro marketing initiatives
- Magic handwash delivers strong double-digit volume growth



Personal Care (2/2): Steady performance in Hair Colour

- **Hair Colour** grew in mid-single digits due to high base (launch of ₹15 Godrej Expert Crème access pack); 2-year CAGR in teens
- Growth led by steady performance across formats
- Scaling up distribution of the access pack of Godrej Selfie Shampoo Hair Colour



Integration of Park Avenue and KamaSutra brands on track

- Primary sales were ₹48 crore and secondary sales were more than 2x of primary sales
- Improvement in channel hygiene underway – reduced channel inventory and took stock returns
- Kicked off category development initiatives backed by media investments
- Completed ERP integration; distribution and manpower integration underway



**INTERNATIONAL
BUSINESS
UPDATE**

Indonesia business delivers improved performance

- Sales grew by 15% (constant currency) aided by structural initiatives taken last year
- EBITDA margins at 19.5%, up 420 bps year-on-year led by reduction in trade promotions and scale leverage
- EBITDA incl. Forex margin at 19.4%, up 410 bps year-on-year
- Continue to focus on category development initiatives, increase media investments and launch access packs to augment GT distribution



HIT Xpress
ANTI NYAMUK ELEKTRIK

Good knight

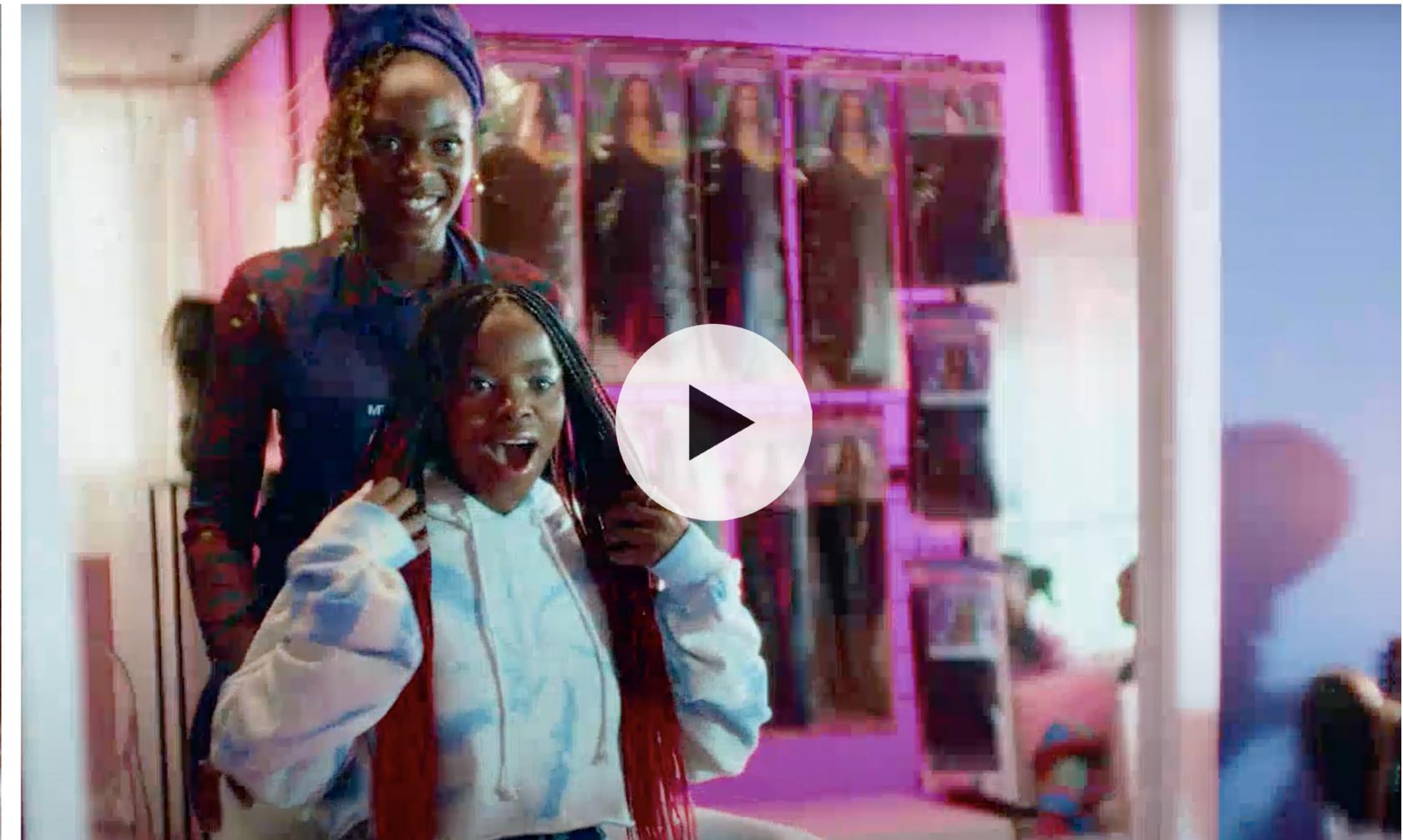
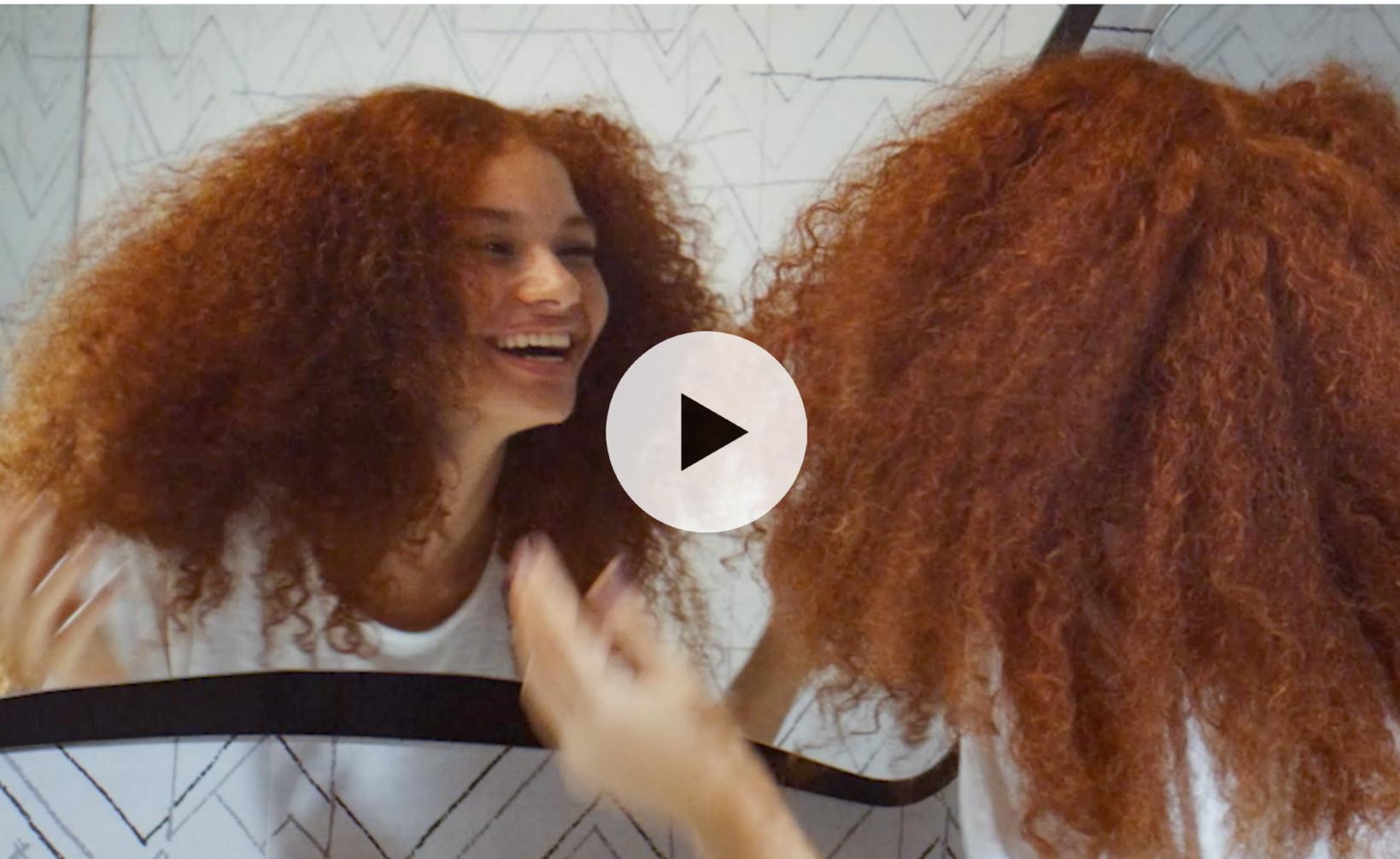
**HIT Goodknight Elektrik.
Untuk kenyamanan tidur lelapmu.**

The advertisement shows a woman and a child sleeping peacefully in a bed, framed by a red circle. Below the circle, there is a product shot of the HIT Goodknight Elektrik device and its packaging. The packaging is blue and red, with the text '2x' and '45' visible.

Paket Alat+Refill hanya
Rp. 20.000

Double-digit sales growth continues in Africa, USA & Middle East

- Sales growth of 16% in constant currency terms
- Performance in INR terms was impacted by the devaluation of NAIRA
- Continue to deliver healthy double-digit growth in FMCG categories
- EBITDA margins at 11.8%, up 350 bps year-on-year led by gross margin expansion
- EBITDA incl. Forex margin at 7.8%, up 140 bps year-on-year



**ENVIRONMENTAL,
SOCIAL, AND
GOVERNANCE
UPDATE**

Our ESG targets for FY2025 and Q4 FY2023 performance



Environment*

Vision	Goals for FY2025	Performance update
<p>Influence sustainable consumption</p>	<p>Ensure efficient waste management systems for 7 municipalities in India diverting over 5,000 MT of waste from landfills</p> <hr/> <p>20% reduction in packaging intensity. 80% of plastic used to be recyclable. Rigid plastics to be replaced by 30% recycled plastic by the fiscal year 2025-26. Flexible plastics to be replaced by 10% recycled plastic by the fiscal year 2026-27 and multi-layer plastics to be replaced by 5% recycled plastic by the fiscal year 2026-27.</p> <hr/> <p>Ensure one-third of all products are greener than in 2020 by carrying out lifecycle assessments (LCA) for major products (80% coverage by revenue)</p> <hr/> <ul style="list-style-type: none"> • Cover 75% of GCPL suppliers in India (by procurement spends), and 50% for our other geographies, under our sustainable supply chain policy. • Source 100% of paper packaging from sustainable sources. 	<p>Ongoing community waste management projects in 5 municipalities 1,786 MT municipal waste diverted from landfill and over 500 MT of plastic waste recycled</p> <hr/> <p>Over 34% of our plastic is recyclable Reduced our plastic packaging intensity by 17% from FY2019-20 baseline</p> <hr/> <p>Completed LCAs of 7 products that cover over 50% of our revenues</p> <hr/> <p>71% of India suppliers (by spend volume) covered under our sustainable supply chain policy and are being assessed</p>

Note: *India targets reported. We have similar targets for international locations.

Our ESG targets for FY2025 and Q4 FY2023 performance



Environment*

Vision	Goals for FY2025	Performance update
<p>Lead in sustainability action</p>	<p>45% reduction in GHG emission intensity and carbon neutrality for Scope 1 and 2 from FY11 baseline</p> <hr/> <p>40% reduction in specific energy consumption from FY11 baseline</p> <hr/> <p>Achieve 35% renewables in energy mix</p> <hr/> <p>Maintain 40% reduction in water intensity while maintaining water positivity</p> <hr/> <p>Achieve zero liquid discharge and maintain zero waste to landfill</p> <hr/> <p>Announce our commitment towards the global Science Based Targets initiative (SBTi) and publish our roadmap and targets for emissions reduction</p> <hr/> <p>Achieve 100% EPR compliance</p>	<p>48% reduction in GHG emission intensity</p> <hr/> <p>39% reduction in specific energy consumption</p> <hr/> <p>31.6% of energy is from renewables</p> <hr/> <p>30% reduction in water intensity and continuing to be water positive</p> <hr/> <p>Continue to be zero waste to landfill</p> <hr/> <p>SBT emissions reduction targets and roadmap have been created and submitted to SBTi, they are under validation. We're also committed to internal Scope 1 and 2 net zero by 2035 inline with SBTi.</p> <hr/> <p>We're plastic neutral and 100% EPR compliant</p>

Note: *India targets reported. We have similar targets for international locations.

Our ESG targets for FY2025 and Q4 FY2023 performance

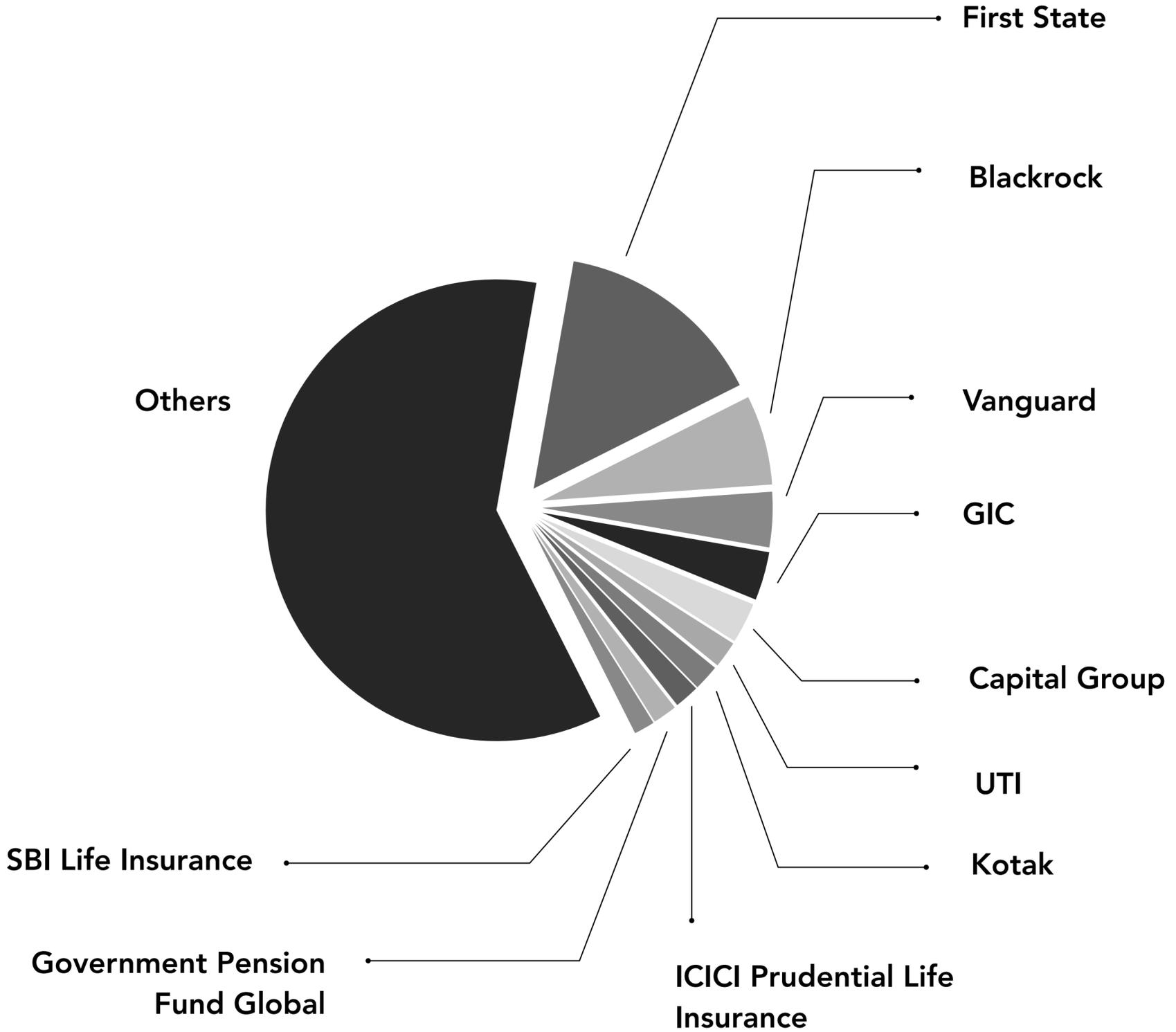
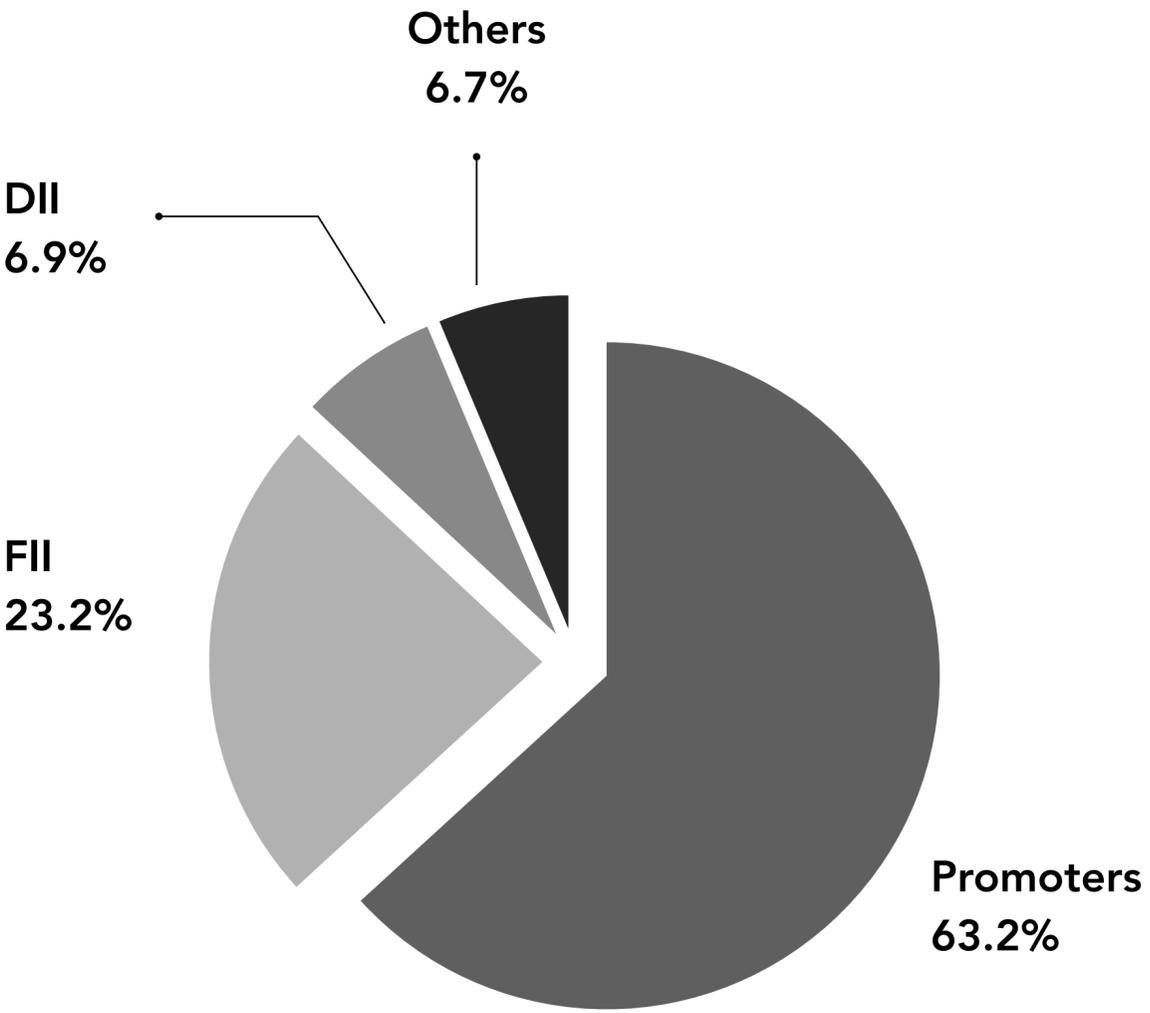


Vision	Goals for FY2025	Performance update
<p>Equip communities with skills that empower</p>	<p>Empower 200,000 women in beauty skills, across emerging markets globally</p>	<p>Trained and upskilled 14,6733 women beauty entrepreneurs, young girls, and men in India and Africa in beauty and hair styling skills and enterprise development</p> <p>17% Salon-i trained students placed with an average salary of INR 4,446; 13% self employed with average income INR 4,676</p>
<p>Improve health and well-being</p>	<p>Strengthen public healthcare systems in three states in India</p> <hr/> <p>Protect 30 million people against vector-borne diseases</p>	<p>Technical Support Unit for Integrated Vector Management (IVM): Supported NCVBDC to initiate national dengue control framework with inputs of best practices from endemic states</p> <hr/> <p>Reached out to 28.2 million people since FY16 Zero malaria cases reported in 4 out of 9 intervention districts in 3 years</p> <p>Malaria cases reduced by 54%; increase in reporting upto 44%; increase in treatment completion by 18%</p> <p>Dengue cases reduced by 39%; increase in testing for dengue increased by 332%; reduction in larvae sources by 9%</p>

Note: *India targets reported. We have similar targets for international locations.

APPENDIX

Shareholding pattern



Contact Us

Institutional investors

Tapan Joshi

Email: Tapan.joshi@godrejcp.com

Tel: +91 22 2519 5433

Retail investors

R Shivshankar

Email: r.shivshankar@godrejcp.com

Tel: +91 22 2519 4359

