

Quarterly Update: Q4 FY24

This update provides an overall summary of the operating performance and demand trends during the quarter ended March 31, 2024. This will be followed by a detailed performance update, post the approval of the 4Q FY24 financial results by the Board of Directors.

Operating conditions in India continue to remain subdued. Our India organic business continued to deliver strong underlying volume growth at high-single digit with growth being broad-based across both Home Care and Personal Care. While demand in Household Insecticides has been subdued due to an extended winter in the North and East, our GoodKnight Agarbatti launch was well received by consumers. Park Avenue and KamaSutra brands delivered in-line with category seasonality. Reported underlying volume growth continue to be in double-digit.

Indonesia business continues to consistently deliver strong performance with double-digit volume growth and sales growth.

The GAUM (Godrej Africa, USA, and Middle East) organic business delivered high single digit volume growth along with double-digit constant currency sales growth. However, due to Naira devaluation in January, sales in INR terms will see double-digit decline.

At a Consolidated level (organic), we expect to deliver underlying volume growth of high single digit and sales growth of mid-single digit driven largely by currency volatility. EBITDA (incl. forex) margin continues to expand year-on-year despite increased media investments. Reported underlying volume growth is expected to be in double-digit.

Update on East Africa Re-organisation: The transaction has been largely completed as of 31st March 2024. In Q4, we expect the impact on revenue of ~₹70 crores. Any potential charge on account of impairment testing of GAUM CGU and other one-time accounting assessments will be concluded in Q4FY24. The impact of re-organisation is likely to be positive on cash flows.

ABOUT GODREJ CONSUMER PRODUCTS

Godrej Consumer Products is a leading emerging markets company. As part of the over 125-year-young Godrej Group, we are fortunate to have a proud legacy built on the strong values of trust, integrity, and respect for others. At the same time, we are growing fast and have exciting, ambitious aspirations.

Today, our Group enjoys the patronage of 1.2 billion consumers globally, across different businesses. GCPL ranks among the largest Household Insecticides, Air Care and Hair Care players in emerging markets of India, Indonesia, and Africa. In Household Insecticides, we are the leader in India, the second largest player in Indonesia, and are expanding our footprint in Africa. We are at the forefront of serving the hair care needs of women of African descent, the number one player in Hair Colour in India and Sub-Saharan Africa, and among the leading players in Latin America. We rank number two in Soaps in India and are the number one player in Air Fresheners and Wet Tissues in Indonesia.

But for us, it is very important that besides our strong financial performance and innovative, much-loved products, we remain a good company. Approximately 23 per cent of the promoter holding in our Group is held in trusts that invest in the environment, health, and education. We are also bringing together our passion and purpose to make a difference through our 'Good & Green' approach to create a more inclusive and greener India.

At the heart of all of this, is our talented team. We take much pride in fostering an inspiring workplace, with an agile and high-performance culture. We are also deeply committed to recognising and valuing diversity across our teams.

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