

## Quarterly Update: 3QFY23

*This update provides an overall summary of the operating performance and demand trends during the quarter ended December 31, 2022. This will be followed by a detailed performance update, post the approval of the 3QFY23 financial results by the Board of Directors.*

During the quarter, the Indian FMCG sector witnessed slow growth driven by poor rural consumption and a slowdown post the festive season. However, despite the demand softness in India, we expect to deliver double-digit sales growth backed by low single-digit volume growth. There has also been a sequential improvement from high single-digit sales growth and mid single-digit volume decline in the previous quarter. The growth is broad based and led by around double-digit sales growth in both Home Care and Personal Care.

Our Indonesia business has started to see gradual recovery in performance, with constant currency sales decline in low single digits. However, growth ex-Hygiene, is marginally positive.

Godrej Africa, USA, and Middle East (GAUM) continues its strong sales growth momentum, clocking double-digit sales growth in constant currency terms.

At a consolidated level, we expect to deliver sales growth in mid-teens in constant currency terms and around double-digit in INR terms with flattish volumes. The growths have sequentially improved from mid-to-high single digit sales growth and mid-single digit volume decline in the previous quarters.

The quality of our profits should see meaningful improvement, led by Gross Margin recovery and continued marketing investments translating to high single-digit EBITDA growth.

## ABOUT GODREJ CONSUMER PRODUCTS

Godrej Consumer Products is a leading emerging markets company. As part of the 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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