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CIN : L24246MH2000PLC129806

January 24, 2025

BSE Limited

Phiroze Jeejeebhoy Towers, Dalal Street,
Fort, Mumbai - 400 001
Scrip Code: 532424

The National Stock Exchange of India Ltd

Exchange Plaza, Bandra-Kurla Complex,
Mumbai 400 051
Symbol: GODREJCP

Dear Sirs,

Subject: Press Release

In continuation of our letter of today's date on Consolidated and Standalone Unaudited Financial Results for the quarter ended December 31, 2024, we enclose herewith a copy of Press Release.

Please take the above information on record.

Thanking you,
Yours faithfully,

For Godrej Consumer Products Limited

Tejal Jariwala
Company Secretary & Compliance Officer
(F9817)



PRESS RELEASE

Q3 FY 2025 results - Subdued performance due to temporary headwinds

Mumbai, January 24, 2025: Godrej Consumer Products Limited (GCPL), a leading emerging markets FMCG company, today announced its financial results for the quarter ending December 31, 2024.

FINANCIAL OVERVIEW

Q3 FY 2025 FINANCIAL PERFORMANCE SUMMARY:

- Q3 FY 2025 consolidated organic sales grew by 6% year-on-year. Segment wise results are as under:
 - Standalone business sales grew by 4% and volumes were flat year-on-year
 - Indonesia volumes grew by 6% and sales grew by 9% in INR terms, year-on-year
 - Africa, USA and Middle East (organic) sales declined by 8% in INR terms and grew by 1% in constant currency terms, year-on-year
 - Latin America and Others sales grew by 165% in INR terms and 28% in constant currency terms, year-on-year
- Q3 FY 2025 consolidated EBITDA margin at 20.2%
- Q3 FY 2025 consolidated net profit declined by 14% year-on-year (without exceptional items and one-offs) due to temporary headwinds

GCPL recognised on the Dow Jones Sustainability Index (DJSI) 2024:

- Attained spots in **DJSI Index 2024 for Emerging Markets** and **DJSI World Index for Consumer Goods companies**
- This ranks GCPL among the top 3 global FMCG companies
- GCPL scored the highest among Indian companies and second highest globally

MANAGING DIRECTOR AND CEO'S COMMENTS

Commenting on the business performance of Q3 FY 2025, Sudhir Sitapati, Managing Director and CEO, GCPL, said:

Demand conditions in India have witnessed temporary headwinds over the past few months, led by a slowdown in urban consumption. Surge in palm oil prices by more than 40% along with weak seasonality in Household Insecticides has led to a flat underlying volume growth and mid-single digit underlying sales growth for our Standalone business. The surge in palm oil costs is negatively impacting our EBITDA margin. Our reported Standalone EBITDA margin at 22.6% is lower than our normative margin. Our categories of Air Fresheners, Laundry Liquids, etc. have continued to deliver strong double-digit underlying volume growth. In Household Insecticides, Goodknight Agarbatti has outperformed and gained significant market share in the Incense Sticks category. Premium formats in Household Insecticides were impacted due to Urban slowdown and category seasonality, however we have started to gain market share within premium formats, which suggests that the RNF molecule is working amongst consumers.

In Indonesia, we continue to consistently deliver healthy performance with 6% volume growth and EBITDA margin expansion. In organic terms, Africa, USA and the Middle East sales grew by 1% in constant currency terms and declined by 8% in INR terms and delivered ~15% EBITDA margin for the fourth consecutive quarter. This translated into Consolidated organic sales growth of 6%.

We remain focused on driving volume-led growth along with healthy investments in our brands and improvement in profitability. We continue to have a strong balance sheet. We are on track in our journey to reduce wasted cost and are deploying this to drive profitable and sustainable volume growth across our portfolio through category development.

BUSINESS UPDATE - INDIA

Performance Highlights

- Q3 FY 2025 India sales grew by 4% and volumes were flat
- Q3 FY 2025 EBITDA declined by 21%

Category Review

Home Care

Home Care grew by 4%

- Household Insecticides was impacted by a relatively poor season. Goodknight Agarbatti has seen strong outperformance and has gained significant market share in the Incense Sticks category, soon to be the clear market leader in this category. Premium formats have been impacted by the urban consumption slowdown; however, we have started to gain share amongst premium formats, which suggests that the RNF molecule is working amongst consumers.
- Air Fresheners continues to perform well, delivering double-digit volume growth and continuing to enjoy market leadership. Launched Mini Aer Pocket in a few states in South India at INR 30. Re-launched Aer Spray at INR 99 across India.
- Fabric Care delivered strong double-digit volume growth. Godrej Fab has been scaled up nationally and continues to gain market share.

Personal Care

Personal Care grew by 2%

- Personal Wash volumes declined by mid-high single digit during the quarter; almost compensated by commensurate pricing growth. Continue to witness significant cost pressures due to inflation in palm derivatives; significant price hikes taken across the portfolio. As communicated earlier, this will result in reduced UVG and increased UPG; margin pressure to remain for the next few months. Magic Handwash continues to deliver strong double-digit volume growth.
- Hair Colour volumes grew in mid-single digit. Godrej Expert Rich Crème access packs continue to perform well and grow in double-digit. Shampoo Hair Colour volumes continue to grow in strong double-digit.
- Sexual Wellness grew value in double-digit and continues to gain market share. GTM integration in cosmetic outlets is almost complete for Deodorants; performance has been stable.

BUSINESS UPDATE - INDONESIA

- Sales grew by 8% in constant currency terms and 9% in INR terms. Volumes grew by 6%.
- We continue to improve EBITDA margins led by gross margin expansion, up ~60 bps year-on-year to 21.5%.
- Hair Colour recorded strong double-digit volume growth led by Shampoo Hair Colour. Stella Pocket continues its robust performance with volumes doubling year-on-year. Household Insecticides delivered teens volume growth on a 2-year CAGR.

BUSINESS UPDATE - AFRICA, USA AND MIDDLE EAST

- Africa, USA and Middle East (organic) sales grew by 1% in constant currency terms while it declined by 8% in INR terms. EBITDA margin at 14.8%, up ~340 bps year-on-year led by gross margin expansion, mix improvement and reduction in controllable costs. Absolute EBITDA at INR 114 crore, grew 9% year-on-year.

ABOUT GODREJ CONSUMER PRODUCTS

Godrej Consumer Products is a leading emerging markets company, driven by the purpose of bringing the goodness of health and beauty to consumers in emerging markets. As part of the Godrej Industries Group, we are fortunate to have a proud legacy of over 125 years, 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, we enjoy the patronage of 1.4 billion consumers globally. We rank among the largest Household Insecticide and Hair Care players in emerging markets. In Household Insecticides, we are the leader in India, the second largest player in Indonesia and are expanding our footprint in Africa. We are the leader in 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.

We believe that we are only as good as what we do next. So, we strive to continuously improve how we do business, and how we live in the world; shaping a more sustainable and responsible future by placing our planet and people alongside profit. Through Godrej Good & Green, we are helping create a more inclusive and greener planet, in line with the United Nation's Sustainable Development Goals, and the needs of local communities. At the Godrej DEI (Diversity, Equity, Inclusion) Lab, we work on empowering inclusion, help build DEI ecosystems across corporate India, and aim to bring ideas and innovation related to DEI to the mainstream.

Disclaimer:

Some of the statements in this communication may be "forward looking statements" within the meaning of applicable laws and regulations. These forward-looking statements are based on currently available information, current assumptions and expectations and projections about future trends, which are inherently subject to risks and uncertainties that may cause actual results to differ substantially from those expressed or implied in those statements. Such risks and uncertainties include, but are not limited to, general industry and market conditions, changes in industry structure, changes in Indian and international political and economic environment, domestic and global demand and supply conditions, changes in tax regimes, government regulations, import duties, exchange rate fluctuations, corporate actions including acquisitions, litigation or regulatory proceedings and labour relations. Investors are advised to exercise caution and not place undue reliance on any forward-looking statements. The Company does not undertake to update, amend or revise any forward-looking statement, whether as a result of any new information, subsequent development, future events or otherwise.