

Procter & Gamble Hygiene and Health Care Limited

Investors & Analysts' Call

June 12, 2025

Start Time: 1:00 P.M.

Speakers:

Mr. V. Kumar, Managing Director

Ms. Mrinalini Srinivasan, Chief Financial Officer

Ms. Flavia Machado, Moderator, Investor Relations

Ms. Flavia Machado:

Good afternoon, everyone, and welcome to the Procter and Gamble Hygiene and Health Care Ltd.'s Investors and Analysts Call.

Thank you for joining us today. Today we will begin with presentation by the management of the company on the company's performance, results, strategies, and business outlook.

We have received questions submitted by the participants at the time of registration of the call. The management will address the questions received after the presentation.

Let me introduce our presenters for today. We have on the call, Mr. V. Kumar, Managing Director of the Company and Ms. Mrinalini Srinivasan, Chief Financial Officer.

All participants are placed on mute and can participate in the Listen only mode.

Please note that during the course of the call, the presentation and information shared by the management may include forward looking statements. This may include words, phrases, numbers that set forth anticipated results based on management's current plans and assumptions. Forward-looking statements are based on current expectations and assumptions, which are subject to risks and uncertainties that may cause results to differ materially from those expressed or implied in those statements. The Company cautions investors that any such forward-looking statements are not guarantees of future performance and that actual events or results may differ materially from those statements. Actual events or results may differ materially because of factors that affect international businesses and global economic conditions, as well as matters specific to the Company and the markets it serves. The Company undertakes no obligation to update these statements whether as a result of new information, future events or otherwise, except to the extent required by law.

With that, I now handover to V Kumar, for the management presentation.

Mr. V. Kumar:

Good afternoon, everyone. Thank you for joining us on the call. It is our pleasure to interact with all of you. Today, I shall take you through the work that we have been leading at Procter and Gamble Hygiene and Health Care Ltd., and what we have accomplished in the last fiscal year.

Let me start by taking you through our fiscal results for the year.

The year witnessed a continued challenging operating and macroeconomic environment, where we delivered balanced growth. Effective this year, the Company has changed its Financial Year from July 1 – June 30, to April 1 – March 31. Accordingly, the current Financial Year of the Company ended on March 31, 2025, covering a period of 9 months from July 1, 2024, to March 31, 2025. For the 9-month fiscal year ended March 31, 2025, we reported sales of Rs 3374 crore, up 3% versus the comparable 9-month period last year. Profit after tax was Rs 636 crores, up 7% versus the comparable period last year.

These results have been driven by the execution of our Integrated Growth Strategy. Portfolio, superiority, productivity, constructive disruption, and an empowered, agile and accountable organization - all in service of our consumers, customers, employees, society, and our shareowners.

These strategic choices reinforce and build on each other. When executed well, they grow markets – creating business – which, in turn, grows our share, sales, household penetration and profit. Importantly, this strategy is inherently dynamic. It adapts to the changing needs of stakeholders. It demands that we not sit still.

Let me take you through some highlights of how we bring this strategy to life. I would like to start by sharing more on the focused portfolio of daily -use products for the 2 categories we operate in - Feminine Care and Personal Healthcare. For both, we are committed to delivering superior products and delighting our consumers with offerings at multiple price tiers. We certainly believe that in these categories - performance plays a significant role in brand choice, and thus our focus remains on offering irresistible superiority to our consumers.

Feminine Care is, unsurprisingly, a very high-involvement, high-engagement category. Our endeavor is to serve our consumers with products that offer them superior benefits, helping improve their lives. In turn, the consumers reinforce their trust in the brand, which truly makes Whisper – a market leader.

Since the beginning, but more so in the past couple of quarters, we have brought in propositions that upgrade loved products to raise the bar on consumer delight– across the range and the sizes. For example – the Whisper Choice or the Whisper Ultra portfolio. Along with this, we continue to strengthen our portfolio with new introductions and expansions, like Whisper Period Panties. I will share more about these as we go along.

We have continued to invest in and build the feminine hygiene category with this robust portfolio. In fact, Feminine care category in India has grown 100 times in the over the last 30 years.

Our personal healthcare portfolio is designed with a consumer-first approach, offering a diverse range of products that address various needs, from single and multiple symptoms to customized solutions in various forms. Our trusted Vicks brand exemplifies this commitment of care, providing innovative options such as the all-new and improved Vicks Double Power drops, powerful Vicks Vaporub with new fragrance cues, and new introductions like the Vicks Cough Syrup which you might have seen on your preferred e-commerce platform. We remain dedicated to understanding our consumers' needs and delivering solutions that delight them.

Our next strategy element is our ongoing commitment to - and investment in - irresistible superiority. THIS is how we delight our consumers!

Our strategic choice of superiority is reflected through innovation across the five vectors of product, package, brand communication, retail execution and value – holistically defined. No one vector of superiority can carry the day by itself. It's all five working together.

Superior performing products in superior packages provide noticeably better benefits to consumers. They become aware of and learn about these products through superior brand communications. This comes to life in stores and online with superior retail execution and delivers superior consumer value at a price that is considered worth it across each price tier where we compete.

We look at superiority as a never-ending challenge and opportunity and we invest to raising the bar on our superiority standards in response to consumer needs and changes in our industry.

Our innovation history is one of the stronger bundles in recent times. We remain invested in developing innovation in each of our categories, and across our portfolios, to attract new users and help them more effectively tackle current and new jobs to be done.

Superiority also demands investment in our capabilities in response to consumer needs and changes in our industry. Let's take a look at what we are doing to build capabilities in the said vectors of superiority.

Vicks has been a trusted source of relief for cough, cold, and flu symptoms for generations of Indians and it continues to provide comfort and promote restful sleep for both adults and children by alleviating cough and cold symptoms.

We know, that parents rely on Vicks VapoRub as their go-to solution to ease their children's discomfort during cough and cold, ensuring they can sleep peacefully at night. To enhance this beloved product, we've upgraded the formulation with a "New Powerful Scent," further delighting our consumers and reinforcing our commitment to their needs.

To consistently delight our consumers while addressing their evolving needs, we have upgraded our range of Period Panty—a truly one-of-a-kind product. Designed to provide 360-degree leakage protection for heavy flow, it features enhanced absorption cues and a soft, breathable waistband. Our size-inclusive approach ensures that we meet the unique needs of all our consumers, delivering a comfortable and worry-free period experience.

In response to the evolving consumer preferences for advanced cough and cold relief solutions, we introduced Vicks Cough Syrup, a premium addition to our portfolio. This innovative product is designed to cater to the growing demand for herbal and ayurvedic remedies, offering a unique formulation that combines ayurvedic wisdom with a modern form factor. Positioned to reach new consumers through on-demand channels such as quick commerce, Vicks Cough Syrup represents our commitment to offering superior products to consumers within the cough and cold category. By addressing the needs of consumers seeking elevated and effective relief, we continue to build the category.

Superior communication requires each of our brands to optimize:

- Reach: presenting our messages in the right forums at just the right frequency
- Effectiveness: delivering compelling messages that attract consumers to our brands, and
- Efficiency: ensuring we're executing our advertising plans at the best possible value.

Let me share a few examples of how we are illustrating the same across our brands.

As we listen to our consumers' priority of ensuring a good night's sleep for their children with the trusted Vicks VapoRub and its new powerful scent, we ensure our communication aligns with this focus.

Our messaging emphasizes Vicks VapoRub's effectiveness in relieving cough and cold symptoms specifically in children, highlighting how it enables them to sleep peacefully and dream through the night. This approach resonates with parents, reinforcing the product's essential role in their nighttime routines.

To ensure that consumers use the product correctly for effective relief, we launched a unique campaign called "V-Banao, Vicks Lagao." This initiative encourages users to create a "V" shape by applying VapoRub on the chest, neck, and back, followed by a gentle massage. This not only educates consumers on the best application methods but also reinforces the comforting experience associated with Vicks VapoRub during cough and cold.

Let's play the video to understand better.

<audio-visual played>

To enhance the effective use of VapoRub, we expanded our initiatives to benefit communities through our partnership with P&G Shiksha and our NGO partners. Through the cough and cold hygiene awareness workshops, we have successfully educated over 800 mothers from a tribal community in Maharashtra, on the right usage of Vicks with the message "V-Banao, Vicks Lagao."

We recognize that today's Gen-Z consumers crave real, relatable content, even for categories that are highly personal like feminine care. To bring to life the product superiority of the new and improved Whisper Ultra, we have partnered with different relatable voices to raise awareness and educate audiences about the unique benefits, and the promise of fitting your body to leave upto No Gaps Ensuring No Leaks*. Through these engaging collaborations, we connect with young consumers in a way that resonates with their lifestyle and preferences.

Our focus on superiority extends to retail execution, where we are developing new tools and capabilities to win across all avenues, be it the physical shelf or the digital shelf.

Our innovations ensure that we are able to reach our consumer at the right touch point, with the right set of information and assortment to meet their needs. Maintaining availability,

consistent messages regarding our offerings, and the faith instilled by fellow-users reinforces brand choice with consumers growth across platforms to ensure consistent and personalised availability of products to our consumers basis their preferences and needs.

The strategic need to keep investing in superiority, coupled with the ongoing need to drive balanced top- and bottom-line growth, including margin expansion, underscore the importance of ongoing productivity.

We have developed a strong productivity muscle over the years. Productivity is fully embedded in our operating model and is embraced in every part of our operation.

Specifically last year, through our productivity interventions, PGHH achieved savings of Rs. 93 crores over Rs. 93 crores. That is the fuel that allows us to reinvest in superiority across the five vectors and stay ahead of what consumers want. Along with that we accelerate productivity to capture the strong growth opportunities ahead of us.

Success in an industry like ours can be achieved if we embrace agility with a constructive disruption mindset. For us, it translates to a willingness to change, adapt and create new trends, technologies and capabilities that will shape the future of our industry. We are focused on leading disruption in a constructive way that delivers better outcomes and creates value for consumers, customers, employees, society, and shareowners.

Let me illustrate this with some interesting examples:

1. We leverage data across all channels to create a smart assortment that ensures the right portfolio of our products is readily available at the right stores. We leverage insights based on trends, neighborhood analytics as well as consumer preference and purchase studies, to curate a delightful experience for the consumer, shopper and retailer alike!
2. With Supply 3.0 we continue to focus on the next phase of our supply chain optimization, seamlessly integrating the flow from suppliers to customers and extending all the way to retailers' shelves. By enabling advanced ordering, distributors can place their orders well in advance, providing our supply chain team with early visibility. This proactive approach allows us to efficiently plan raw material purchases, production, and distribution, ensuring that orders are delivered in full and on time. This means products you love are ALWAYS available and made available in an efficient manner!
3. Besides focusing on our availability across channels, we are also co-creating engagements and communications with our customer partners. Our recent co-creation with Zepto for Whisper Period Panty is a classic example of this. Such engagements enable us to customize experiences based on varying consumer behavior and preferences; while ensuring we reach the right consumers with the right information they seek about our superior product propositions.

Organization is an integral part of our Integrated Growth Strategy. After all, it is our people who deliver and execute these strategies. We have designed, and continue to refine and

strengthen, P&G's organization structure so that it enables P&G people to focus on our biggest opportunities for growth — fully empowered, agile, and accountable.

This year, P&G Shiksha, our flagship CSR program, proudly celebrates a significant milestone— 20 years of positively impacting over 50 lakh children. Initially focused on building educational infrastructure, the program has evolved to prioritize improving learning outcomes and closing the learning gap. To celebrate the 20th anniversary and the two-decade impact, we also introduced a very special collection of 20 remarkable stories of change and impact, called "Twenty Tales of Triumph".

Over the past three years, P&G Shiksha has focused on raising awareness about learning gaps—the difference between expected and actual learning levels. As per ASER 2024, over 50% children in grade 5, cannot read text of grade 2 level. As per a third-party survey, alarmingly, only 28% of adults fully understand learning gaps, highlighting the urgent need to emphasize the right interventions that help children learn and thrive at their own pace, ultimately working toward erasing the learning gap.

When a child falls behind, they often get labelled! Let's watch this video where we delve deeper into this insight and the emotions a child goes through!

<audio-visual played>

Many of our efforts, be it our brands, our community impact programs, our organization initiatives, and more - have been recognized externally at prestigious forums. This only motivates us to raise the bar and double down on our efforts to better serve all our stakeholders.

We believe that the best path forward remains to execute our dynamic, market-constructive – Integrated Growth Strategy. We call this an integrated strategy for a reason. Each element is incredibly important. The real advantage comes from being able to do all of these things at the same time – that's what we remain committed to, towards sustained excellence in service to all our stakeholders.

With that I handover to Mrinalini Srinivasan our CFO.

Mrinalini Srinivasan:

Thank You, Kumar! Good afternoon, Ladies and Gentlemen. My name is Mrinalini Srinivasan and I'm the CFO, Procter and Gamble Hygiene and Health care Ltd.

Kumar spoke about our Integrated Growth Strategy and how it is making a difference to our business results. You also saw 3% sales and 7% structural profit growth delivered for the past year. At this point, I would like to reflect the results over a longer period. I will also share with you our view on the recent trends and outlook for the industry. Of course, many of you sent over questions, which I will address during my section.

Our Integrated Growth Strategy is working for us. We have delivered consistent mid-single digit sales growth over the past 10 years. At the same time, we have delivered a compounded annual profit growth of 8%, while becoming more and more asset efficient. Our return on equity has tripled during this period. Our net profit margin in the same has increased by ~200 basis points, behind our strong productivity program across all spend buckets.

Another way to look at these numbers is in absolute. Our absolute sales and profit have both doubled over the past 10 years, demonstrating our ability to consistently deliver superior execution of our strategies.

This has resulted in us creating significant shareholder value over this period through a record 30 years of consistent dividend payout. Our share price has more than doubled, reflecting the consistency of business result delivery.

Before I address some of your questions, I want to talk about the external landscape and how we see it evolving.

The Indian economy continues to grow stronger amidst all global peers, nonetheless, it is important to acknowledge the sharp slowdown vs. the past 3 years. At 6.5% estimated for the year, India will grow well within the past 10 years trend. We continue to hold a cautiously optimistic outlook for the future. With steady government and private investment and economic indicators of tax collections, foreign reserves continuing to be healthy, there surely are reasons to be optimistic. But one must keep an eye on the evolving global trade policies, which can have an impact on inflation and demand.

Speaking of demand, within the FMCG industry, trends continue to evolve. While non-food Inflation continues to stay below RBI's medium-term target of 4%, consumer consumption trends are still shifting. With healthier monsoons last year and rural wages picking up, rural demand is showing signs of healthy recovery. On the contrary, urban India continues to face financial challenges. While the government has announced interventions in the budget, we expect the impact on urban consumption to take time.

Looking at the near term, we anticipate some challenges to continue. However, we remain confident in the dynamic and integrated nature of our strategy to help us navigate the difficulties and continue to serve and delight consumers to drive sustained, balanced results.

I'm now going to move to the Q&A session. Thank you to everyone who took out the time to share the questions with us in advance.

We will take questions in groups, as there many common themes in the questions you have shared with us. Please note, we will refrain from sharing anything that is unpublished, price sensitive or confidential to protect the competitive advantage.

We anticipate you may have questions regarding the recent announcement by P&G globally. As you would have seen in the announcement, market level plans are yet to be developed so we don't have any additional information to share at the moment.

With this let's get started with our first set of questions.

The first set of questions are around the feminine hygiene category.

Mehul Savla of Ripplewave Equity asked about the trend in market share in feminine hygiene business. Vishal Punmiya, of YES Securities, asked if we can talk about competitive intensity in feminine hygiene business. Similar questions received from Akash Shah of UTI Asset Management, Vishal Gutka, of Ask Investment Manager and Sunny Bhadra, of Nirmal Bang Institutional Equities. Ranjeet Hingorani also asked about strategy to accelerate growth in feminine hygiene business in context of competitive activity.

- We continue to be market leaders in the feminine care category with nearly half the market. The category has grown over 100 times in the last 30 years. Yet, the runway for further growth is significant. The category penetration today is still less than 50%.
- For example - in terms of value spent per consumer, we are one sixth of the average China consumption. We still have significant potential to grow the category, simply by growing household penetration among currently unserved and underserved consumers.
- The competitive landscape has definitely evolved over last few years and more players have entered the category. The D2C, unorganized and small sector has witnessed growth in niche channels but at a national scale, they cumulatively still represent less than ~10% of the market. And we believe that healthy competition can also help grow the category.
- At P&G, our focus has been to delight consumers and provide them with superior experiences that help improve their everyday life. Over the last few quarters, we have upgraded almost every part of our Whisper portfolio to raise the bar on consumer delight, in an endeavour to address the common and diverse challenges faced by menstruators across markets. We continue to make these superior propositions available to them. Apart from this, we continue our efforts on educating consumers, and busting taboos and myths regarding periods.
- You heard from Kumar on the upgrades in Whisper Period Pants, Whisper Choice, and how we communicated the superiority of the improved Whisper Ultra product. Taking an example of our continued commitment to raising the bar on how our consumers experience our products – let me share a little more about our Whisper Period Pants. This is a new sub-segment within the Femcare category and continues to be truly a one of its kind products. It is a classic example of bringing the consumer insights to life by designing a product that offers 360-degree leakage protection with enhanced absorption cues and a soft, breathable waistband. In fact, many consumers believe this is the best all-round leakage protection they have available in the market! Our size-inclusive approach ensures that we meet the unique needs of all our consumers, delivering a comfortable and worry-free period experience. We are also supporting

this by reaching consumers of this form, where they are present. We have seen ecommerce and quick commerce become very important platforms, so we are co-creating consumer communication and engagement with our partners to ensure our consumers have the right information to make their choice. Our recent co-created communication with Zepto is one such example where we beautifully highlight the key benefit of Whisper Period Panty with the crucial role of Zepto's swift 10-minute delivery in women's worry-free period care.

- With this and many other parts of our portfolio, we continue to create value and enhance our portfolio in the feminine hygiene care area, remaining focused on executing our integrated growth strategy and delighting consumers with propositions that are superior across the vectors.

I now move on to healthcare.

Nikhil Kapoor from LIC Mutual Fund and Vishal Gutka from Ask Investment Manager asked about the market response of targeted products like Vicks Steam Pods and Vicks ZZZQuil and any new products being launched in near term.

- While we can't talk about what is in the future, this year has witnessed many new launches and upgrades – all in service of better consumer experiences!
- Superior performing products in superior packages provide noticeably better benefits to consumers. They become aware of and learn about these products through superior brand communications. This comes to life in stores and online with superior retail execution and delivers superior consumer value at a price that is considered worth it across each price tier where we compete.
- We look at superiority as a never-ending challenge and opportunity and we invest to raising the bar on our superiority standards in response to consumer needs and changes in our industry. That's why, we are equally committed to improving our products and not just launching new ones!
- Just in the last few quarters, we have launched many new products, and the initial feedback has been very positive for many of these products. These are not just new launches, but an effort from the company to tap into evolving jobs to be done at our consumer's ends, with new propositions that don't exist today. To that effect, these are entirely new sub-categories that we are creating and hence will take some time to get established on a mass scale. However, we see compelling consumer reactions in cohorts and channels with more trialists.
- Delving a little more on Zzzquil, we're leveraging the right touchpoints to broaden our reach according to consumers need and preferences. We are available at leading pharmacies and ecommerce platforms in Tier I as well as Tier II cities. The consumer need and preference is at the core of our efforts. Zzzquil continues to be #1 bestseller on Ecommerce in the nutritional sleep supplements segment, and in fact has witnessed an exponential double-digit growth on ecommerce platforms.

- Let's also talk about steam pods. Steam inhalation has long been a cherished remedy for cough and cold in Indian households, handed down through generations. To elevate this traditional practice and accelerate relief from symptoms, we introduced Vicks Steam Pods—a multisymptomatic solution designed to quickly alleviate blocked noses, coughs, and headaches with a powerful blend of menthol, camphor, and eucalyptus. With this we want our consumers to experience the enhanced effectiveness of steam inhalation with Vicks Steam Pods and breathe easier.
- We also recently launched Vicks Cough Syrup exclusively on e-commerce! This new product offers fast-acting relief from dry and chesty coughs, thanks to a formula that is a powerful blend of Ayurvedic ingredients like Tulsi and Ginger. What consumers love is that it is a non-drowsy cough medicine. It also supports your immune system, ensuring you stay active and alert throughout the day.

Moving on. Meenakshi Verma, from the Hindu Business Line and Sunny Bhadra from Nirmal Bang Institutional Equities has asked about share of premium and future trend on premium portfolio.

- We know, that delivering superiority across every part of our portfolio is the path to growing categories, providing value to consumers and retailers, and creating value for shareowners. We must do this across all price points & all price tiers where we play, all retail channels, and all consumer segments we serve. The combination of premium and affordable innovation is working well for our categories like Feminine care, where these actions are linked to our evolving understanding of consumer-need and context. At the same time as we discover newer jobs to be done, we are bringing together a portfolio that can also serve these evolving needs with targeted products. Consumer needs are also evolving to become more heterogenous, and we have continued to invest in our portfolio to delight our current consumers, as well as have an opportunity to serve the cohorts of yet unserved and underserved consumers.

The next cluster of questions are on the A&P spends of the company. Mehul Savla - Ripplewave Equity Advisors LLP has asked about advertising costs growing ahead of sales and expectations for future.

- There are various factors that impact A&P spends. This spend is a function of the business need at hand and the right scale of consumer awareness needed to address it. It also considers the innovation pipeline and the awareness support it may require. Therefore, this could vary from year to year.
- When we have a superior product that we have innovated and brought into the market, we intend to make as many right consumers as possible aware of that superior proposition – with the right combination of messages and touchpoints. This year, we had a brilliant lineup of innovation, including the ones we discussed like Whisper Ultra XL, Vicks Double Power Cough Drops, and Whisper Period Pants. The focus has always been, and remains, growing the category by delighting our consumers with superior

propositions, investing in long term equity building and trust into our brands, being aware that payout is seldom within a couple of quarters.

Moving on to next set of questions on financials.

Akash Shah from UTI Asset Management and Shilpa Ranipeta from Network 18 have asked questions on the impact of cost inflation on Company's margins? Vipul Kumar Shah has asked about margins at a subsegment level and has sought clarity on increase in other expenses in the March 2025 quarter.

- Specific to the question on other expenses in March quarter, we would like the record to reflect the accurate picture of our results – other expenses grew 2% in the quarter vs. same period last year and 2% for the 9-month comparable period, not 30% as in the question. It is also sequentially down by 10% vs. Dec quarter.
- Our structural margins have improved significantly year on year, to the tune of 250 bps in the past 5-year basis. This year, despite a mid-single digit cost inflation across materials and manpower and a choiceful investment in advertising and promotion towards category growth, we have still been able to improve net margin by ~60bps. We have also already shared with you a long-term picture of our trends in the presentation. This is driven by our deliberate efforts on productivity across cost buckets, as well as innovation in the premium segments to enable consumers to trade up in line with their evolving aspirations. Note that we do not share sub segment level information for competitive reasons.
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- Overall, for us Productivity is more than cost cutting. It is a more efficient way of operating — in service to consumers and customers — every day. Like Kumar mentioned - We have developed a strong productivity muscle over the years. Productivity is fully embedded in our operating model and is embraced in every part of our operation. That is the fuel that allows us to reinvest in superiority across the five vectors and stay ahead of what consumers want. Along with that we accelerate productivity to capture strong growth opportunities ahead of us.

Darshit Vora from Asit C Mehta Investment Intermediaries has asked about price hikes taken or planned to be taken.

- I would not be able to comment on future plans, but let me illustrate our principle. We are focused on providing consumers with superior performing products at a variety of price points, package sizes and retail channels that deliver great value. We have learned over the past many innovation cycles, that consumers are more value conscious, than outlay conscious, where they are willing to pay for superior propositions.

There were questions on growth outlook by Anuj Momaya from Ideal Investments, Samyak Jain from Sanrity Algo, Piyann Bhatia from Anand Rathi and Akash Shah from UTI Asset Management.

- Our endeavour is to grow the category, and grow at a rate ahead of the industry average. More importantly, our endeavour is to grow in a manner that is consistent, sustained and rooted in better understanding consumers and serving them with propositions superior across all 5 vectors. Overall, our aim is to drive category growth by uncovering and serving new jobs to be done, with evolving consumer needs and aspirations. And, to do that, we believe that the best path forward remains to execute our dynamic, market-constructive – Integrated Growth Strategy for sustained excellence in service to all our stakeholders.

There were questions on Company's plans to launch new products or to bring in global brands as well as whether Company plans to explore entering into new categories. These questions came from Mehul Savla from Ripplewave Equity, Sriram Rajaram from Sampada Capital, Nikhil Kapoor from LIC Mutual Fund, Meenakshi Verma from Hindu Business Line, and Anuj Momaya from Ideal Investments. Saurabh H Ved from Anantya Capital has asked whether the Company is actively exploring acquisitions to complement its existing portfolio.

- We are market leaders in both Feminine care category (nearly half the market) and in the Cough and Cold category (over half the market). In the fiscal gone by, growth has been balanced across the segments, along with one of the strongest innovation pipelines we have seen in recent years. This has been possible because our focus has actually been to grow and build the category, and that's what we will continue to focus on.
- While we cannot comment on the future launches and plans, we still have significant opportunity for growth - both on consumption and innovation, in the categories we play in. We can unlock significant value for all stakeholders, in our endeavour to grow household penetration among currently unserved and underserved consumers. And we know that we can do that by bringing to life our proven integrated growth strategy.
- As you saw in the presentation by Kumar, our innovation bundle over the last few quarters is one of the most robust we have seen in the recent years. We remain invested in developing innovation in each of our categories to attract new users and help them more effectively tackle current and new jobs to be done.

Meenakshi Verma, from the Hindu Business Line, has asked whether we are witnessing signs of recovery in urban demand and by when would the urban demand become more robust. Priyann Bhatia from Anand Rathi asked about the trend in volume and value growth in the feminine care and healthcare categories.

- As you may recall from the outlook I presented, we continue to hold a cautiously optimistic outlook for the future. While rural demand is showing signs of healthy

recovery, with healthier monsoons last year and rural wages picking up, urban demand is not following the same trend. Urban India continues to face financial challenges. The government-announced interventions in the budget should help but will take some time to showcase the impact.

- However, if we zoom out to look at a longer-term picture, we have demonstrated a strong track record of performance. We have delivered consistent mid-single digit sales growth over the past 10 years. Our absolute sales and profit have both doubled over the past 10 years, demonstrating our ability to consistently deliver superior execution of our strategies.

Vishal Punmiya from Yes Securities, Priyann Bhatia from Anand Rathi, and Krishnan Sambamoorthy from Nirmal Bang have sent in some questions about our growth across channels and distribution reach.

- We have been consistently and effectively growing our coverage. In fact, we have expanded our coverage by 1 million stores in the last 3 years.
- However, what makes this even more impactful is how we are engaging the stores with the power of data and digital transformation. We developed an in-house Artificial intelligence & machine learnings algorithm that analyses consumer behaviour patterns to customize a range of P&G products at a store level – no matter which channel. Whether it is a physical store or a dark store – making the right assortment available is a priority, and the power of digital analytics is helping us do that. We also leverage AI to ensure the right shelving and visibility of our products at a store-level, to enable consumers to easily find products!

The final set of questions that we have received are on the strong legacy of Old Spice and some suggestions on strengthening the brand further including with newer audience.

- Thank you for your suggestions! To share with you, Old Spice has recently been engaging consumers on social media significantly, in relevant ways. By collaborating with creators from diverse genres such as fitness, comedy, and lifestyle, Old Spice is creating snackable, relatable content to effectively reach the right consumer cohorts with content that is crafted in Old Spice's signature humorous style. That has been resonating well with consumers, including younger Gen-Z audience. This approach has actually helped us double the business on e-commerce this year!

With that we come to an end of Q&A session. We hope today's session was both informative and exciting for you. We have endeavoured to respond to most of the questions that we received from you – either in the presentations or in the Q&A section at the end. Some questions, while not called out, would have also been addressed as part of what you heard from us today.

Once again, we thank you for joining us on the call today. You may disconnect now. Have a great day!

Disclaimer: This transcript has been edited to remove any grammatical inaccuracies or inconsistencies of English language that might have occurred inadvertently while speaking.

END OF TRANSCRIPT