ITC Limited
Virginia House
37 J. L. Nehru Road
Kolkata, 700 071, India
Tel.: 91 33 2288 9371
Fax: 91 33 2288 0655

Media Statement

July 31, 2026

Financial Results for the Quarter ended 30th June, 2026

Highlights

Standalone

- **FMCG Segment delivers robust Revenue growth of 12% YoY (ex-Staples up 16% YoY); Segment PBIT up 21% YoY.**
- **Strategic and calibrated response by the Cigarettes Business to the unprecedented increase in tax, balancing the interests of all stakeholders**
  - Staggered and agile pricing actions aiding in mitigating the risk of accelerated volume migration to illicit trade while protecting consumer franchise
  - Multiple interventions implemented within a short span of time towards re-architecting & fortifying the product portfolio, leveraging powerful trademarks across segments and price points
  - Focused execution with speed & agility to enhance market responsiveness and reinforce market standing.
- **Paper Segment sustains recovery momentum - Revenue up 9% YoY; Segment PBIT up 38% YoY.**
- **Agri Business Segment delivers underlying Revenue growth of 9% YoY,** adjusting for impact of West Asia conflict led trade disruptions and timing difference (wheat).
- Overall, Gross Revenue up 28% YoY; Net Revenue lower by 14% YoY [ex-Agri (-) 6% YoY]
  - EBITDA and PAT lower by 28% YoY and 27% YoY respectively.

Consolidated

- **Robust performance by Group companies** led by ITC Infotech India Limited, Surya Nepal Private Limited, Sproutlife Foods Private Limited (subsidiary w.e.f. 1st April 2026) and ITC Hotels Limited
  - **FMCG: Segment Revenue up 15% YoY; Segment Results up 22% YoY**
  - Gross Revenue up 28%, EBITDA & PAT (before exceptional items) lower by 24% YoY & 23% YoY respectively.

PERFORMANCE HIGHLIGHTS[1]

- **FMCG Segment delivers robust performance; Revenue up 12% YoY (ex-Staples up 16% YoY) & PBIT up 21% YoY**
  - Dairy, Snacks, Noodles and Frozen Snacks led with 20%+ growth, complemented by mid-teens growth in Personal Care Products
  - Atta performance tempered by transient factors including heat waves, LPG shortage and benign wheat prices
  - Strong rebound in Notebooks sales
  - Sustained growth momentum in Premium portfolio and NewGen channels
  - Segment EBITDA margin up 55 bps on YoY basis (ex-Sresta)
    - Sharp cost increase in fuel, edible oil, soap noodles, packaging inputs etc. amid West Asia conflict; cushioned by strategic inventory covers & commodity hedges. Ongoing impact being proactively

[1] *Standalone financials*

mitigated through focused cost management initiatives, smart net revenue management and price-volume rebalancing

- Robust momentum continues in **Digital-first & Organic portfolio; ARR**[2] clocking appx. **Rs. 1500 cr.**

- **Agri Business Segment performance reflects impact of West Asia conflict led trade disruptions and high base (Segment Revenue: 2 Yr. CAGR +8%)**
    - **Underlying Revenue up 9% YoY**, adjusting for timing difference of wheat business (YoY) and West Asia conflict related disruptions
    - Strong growth in Value-added Agri products (VAAP) driven by Spices and Fruits & Vegetables
    - Indian Leaf Tobacco Business impacted on account of lower domestic demand, accentuated by subdued global offtake and delayed call offs amidst disruptions in West Asia
    - Exports of Nicotine and Nicotine derivative products continues to be scaled up leveraging state-of-the-art[3] facility at Mysuru.

- **Paper Segment sustains strong recovery momentum; Segment Revenue up 9% YoY & Segment PBIT up 38% YoY; Segment PBIT margin expands 200 bps**
    - Strong performance in anchor grades of value-added products, sustainable paperboards & packaging and exports
    - Broad based improvement in net realisations; wood cost moderates YoY
    - Robust growth in both Flexibles and Cartons packaging portfolio
    - West Asia led cost escalations mitigated through agile cost management & judicious pricing actions.

- **Fresh Food Business continued its robust growth trajectory**
    - GMV grew **90%** YoY; ARR crosses **Rs. 300 cr.**
    - Kitchen footprint expanded to 75 cloud kitchens across 5 cities.

Q1 FY27 was marked by heightened uncertainty in the operating environment due to the ongoing conflict in West Asia, that triggered a sharp increase & volatility in the price of crude oil & crude-linked products along with significant trade & supply chain disruptions.

While consumption demand, both in rural and urban markets, remained resilient during the quarter, imported inflation is a key watch-out in the near-term. India is currently experiencing significant deficit in monsoon and lower Kharif sowing levels compared to the same period last year. Additionally, spatial and temporal variations in monsoon would remain a key monitorable. A protracted conflict in West Asia, alongside emerging El Niño conditions that may weaken monsoons and intensify heatwaves, could weigh on growth, inflation and the Current Account.

The macroeconomic fundamentals of the Indian economy remain resilient supported by proactive and agile policy actions by the Government of India. Sustained public capex, stable monetary conditions, banking and liquidity measures to support credit growth, and steps to attract foreign capital, curb foreign exchange volatility and strengthen investment activity, augur well for sustained growth of the Indian economy.

FMCG–Others

FMCG–Others delivers robust performance; Segment Revenue up 12% YoY (ex-Staples up 16% YoY) & Segment PBIT up 21% YoY

- Dairy, Snacks, Noodles, Frozen Snacks, Personal Care products drive robust growth.
- Atta performance reflects impact of transient factors including heat waves, LPG shortage and benign wheat prices.
- Notebooks Business registered strong rebound.

[2] *Annual Revenue Run rate*
[3] *Set up by the Company's wholly owned subsidiary, ITC IndiVision Limited*

- Segment EBITDA margin improved 55 bps YoY (ex-Sresta). Inflationary pressures arising from the West Asia conflict impacted prices of fuel, edible oil, soap noodles and packaging inputs, partially cushioned by strategic inventory covers and commodity hedges. The Businesses continue to mitigate the impact through focused cost management initiatives, smart net revenue management and price-volume rebalancing.
- Trade & marketing investments were sustained at competitive levels towards supporting growth and market standing.
- Digital-first & Organic portfolio, comprising the Yogabar, 24 Mantra, Prasuma & Meatigo and Mother Sparsh brands, sustained its high-growth trajectory clocking ARR of appx. Rs. 1500 cr.
- NewGen channels (viz. e-Commerce, Quick Commerce, Modern Trade) witnessed robust growth on the back of sharp execution of channel-specific joint business plans, collaborations, format-based assortments and category-specific sell-out strategies.

➢ **Branded Packaged Foods Businesses**

- **'Aashirvaad' Atta** continued to consolidate its leadership position across markets
  - The value-added portfolio, consisting of Multigrain, Select and Sugar Release Control Atta posted healthy growth driven by superior value propositions.
  - 'Aashirvaad Besan', 'Aashirvaad Soya Chunks', 'Aashirvaad Rava' (Suji Rava, Bansi Rava, Samba Rava), 'Aashirvaad Vermicelli', 'Ready-to-Cook Chapati' and 'Organic Atta' sustained their high growth trajectory. Reinforcing its commitment to making nutritious everyday foods more accessible, the brand strengthened its portfolio with the launch of *'Aashirvaad Chana Sattu'* in select markets. Made from carefully sourced quality chana and prepared through a specialised roasting process, the product delivers distinctive roasted aroma, flavour and golden colour associated with authentic Sattu.
  - Value-Added variants and Staples adjacencies have grown three-fold over the last 5 years, with salience in the portfolio doubling over this period.
- **'Aashirvaad' Salt** sustained its strong growth momentum, supported by its distinctive positioning – 'Iodine Assured salt for a Smarter India'.
- **'Sunrise' Spices** enhanced its market standing in the core market of West Bengal while making gains in adjacent markets of Northeast, Bihar and Jharkhand. Product portfolio was augmented with the launch of *'Sunrise Sattu Masala'* during the quarter.
- **'Sunfeast' Biscuits and Cakes** recorded resilient performance during the quarter on the back of powerful brand propositions, differentiated offerings and strong consumer connect. Recent launches including 'Sunfeast Mom's Magic Shines', 'Sunfeast Baked Creations' continued to scale up. 'Sunfeast Dark Fantasy' range of differentiated cookies continued to fortify its leadership position in the premium segment.
- **'YiPPee!' Noodles** delivered a **robust volume-led growth**, sustaining its market standing as a strong No. 2 brand in Instant Noodles category. The Business continued to deploy high-decibel campaigns to enhance consumer connect and reinforce momentum.
- **'Bingo!' Snacks** registered a **robust growth**, while further strengthening its market leadership in the Bridges segment. The Business continued to strengthen its product portfolio through innovative offerings across snacks. During the quarter, the brand introduced *'Bingo! Churros'*, bringing a first-to-market packaged Mexican snacking experience in India. The launch, along with other recent innovations, garnered encouraging consumer traction.
- The **'ITC Master Chef'** range of Frozen snacks continued to grow at an accelerated pace, powered by a range of delicious and innovative products catering to 'any time' snacking and meal occasions. The portfolio comprising of 80+ high quality and differentiated products across both traditional and NewGen channels is rapidly gaining consumer franchise. Together with the wide range of offerings from 'Prasuma', the Frozen foods portfolio straddles multiple cuisines, viz. North Indian, Pan Asian, Oriental etc.
- In the **Dairy category, 'Aashirvaad Svasti'** fresh dairy portfolio comprising pouch milk, curd, lassi and paneer continued to record **robust growth** on the back of best-in-class quality, differentiated products and superior taste profile. The fresh dairy portfolio is currently available in Bihar, West Bengal and

Jharkhand markets and continues to enhance market penetration through rapid scale-up of its distribution network.

- The **Beverages category** registered **strong growth** during the quarter. The portfolio was refreshed through focused innovation, including the launch of *'B Natural Coconut Cola'*, a unique fusion beverage bringing together the familiar taste and fizz of cola with the goodness of coconut water. Further, leveraging the strong equity of 'Sunfeast', the portfolio was expanded with the launch of *Berry* and *Mango smoothies*.
- The '**24 Mantra'** range of organic products continues to post robust growth in both domestic and export markets. Integration of the business was smoothly completed during the quarter, enabling realisation of synergy benefits going forward.

➢ **Personal Care Products Business,** recorded **strong growth**, led by 'Fiama' range of Personal Wash products, 'Savlon' range of Health & Hygiene portfolio and 'Nimyle' range of Homecare products. The Business augmented its product portfolio with the launch of *'Fiama Japanese Hokkaido Milk Body Wash'* in 2 variants, catering to evolving consumer preferences for premium personal wash solution. In the Fragrances category, the recently launched 'Engage Brazilian Maracuja EDPs' continued to scale up and receive increasing consumer traction.

➢ The **Education and Stationery Products Business** further strengthened its leadership position amidst heightened competitive intensity especially from regional/local players. Notebooks sales registered strong rebound, driven by strong traction in the premium portfolio. The Business continued to focus on portfolio premiumisation & innovation with the launch of *'Vérité by Classmate'* notebooks, featuring an innovative lay-flat binding for a seamless writing experience, complemented by superior paper quality.

➢ **'Mangaldeep' Agarbattis and Dhoop,** recorded **strong growth** during the quarter leveraging a range of differentiated products backed by sustained & impactful communication of brand attributes, execution of channel-led trade inputs and retail distribution drives. The Business fortified its portfolio with new variants of *'Anushri 3 in 1'*, offering differentiated brown batti formats and contemporary fragrances.

FMCG – CIGARETTES

Strategic and calibrated response by the Cigarettes Business to the unprecedented increase in tax, balancing the interests of all stakeholders

- Over 30 interventions have been implemented within a short span of time towards re-architecting & fortifying the product portfolio, leveraging powerful trademarks across segments and price points. Several of these interventions are progressing well and have achieved meaningful scale.
- Staggered and agile pricing actions are aiding the Business to mitigate the risk of significant migration of volumes to illicit trade while protecting consumer franchise.
- Focused execution with speed and agility is enabling the Business to respond swiftly to market dynamics and reinforce its market standing.

AGRI BUSINESS

Agri Business Segment performance during the quarter reflects the impact of West Asia conflict led disruptions and high base; Underlying Revenue up 9% YoY

- Exports remained subdued as trade disruptions led to deferrals of customers' order offtakes.
- The Business registered strong growth in Value-added agri portfolio (e.g. Spices, Fruits & Vegetables)
  - Strategic focus of the Business continues to be on accelerating growth by rapidly scaling up its VAAP portfolio, straddling multiple value chains comprising Spices, Coffee, Frozen Marine Products and Processed Fruits, amongst others.
- Indian Leaf Tobacco Business was impacted on account of lower domestic demand. This was further accentuated by subdued global offtake and delayed call offs by customers amidst disruptions in West Asia. The Business remains focused on leveraging its strong customer relationships, crop development & processing expertise and globally recognised sustainability credentials for new business development and strengthen its competitive position.

- The Business continued to provide strategic sourcing support to the Branded Packaged Foods and Cigarettes Businesses with sharply aligned procurement strategies in line with category-relevant market dynamics. 95% of the wheat of requisite quality for Aashirvaad Atta has already been secured within the buying season.
  - Direct sourcing from FPOs through ITCMAARS (Metamarket for Advanced Agriculture and Rural Services) – a crop-agnostic 'phygital' full stack AgriTech platform, has now scaled up to about 40% of the wheat sourced for Aashirvaad Atta and Agri Business, leading to procurement related efficiencies and quality enhancement.
- Commercial sales from state-of-the-art facility to manufacture and export Nicotine & Nicotine derivative products (set up by the Company's wholly owned subsidiary, ITC IndiVision Limited) continues to be scaled up, with the business turning PBIT positive in the last 2 quarters.

PAPERBOARDS, PAPER & PACKAGING

Paper Segment sustains strong growth momentum; Segment Revenue up 9% YoY and Segment PBIT up 38% YoY; Segment PBIT margin expands 200 bps

- The Business delivered strong growth on the back of higher realisations and volume growth.
  - Robust traction in anchor grades of value-added paperboards, sustainable paperboards & packaging, and exports.
- Wood costs witnessed moderation during the quarter on a YoY basis.
- Continued focus on accelerating plantations in core areas, developing new areas, collaborating with other wood-based industries and implementing satellite-based plantation monitoring systems, among others.
- Industry continues to engage with policy makers for sustained safeguard measures in respect of low-priced imports of paperboards and coated/uncoated paper.
  - Minimum Import Price (MIP) on Virgin Multi-layer Paperboard extended till 30th September 2026
  - The Directorate General of Trade has recommended imposition of Anti-dumping Duties on supplies from Indonesia; pending approval from Ministry of Finance.
- The Packaging and Printing Business delivered robust growth during the quarter driven by both Flexibles and Cartons portfolio. The Business remains focused on accelerating new business development, offering innovative and customised solutions.
  - The Business continued to provide strategic support to the Cigarettes Business, enabling agile execution and accelerated turnaround for new launches.

Fresh Food Business

Fresh Food Business, a new vector of growth envisioned in the ITC Next strategy, leverages the Company's institutional strengths in Foods Science & Manufacturing, FMCG Food brands and Culinary expertise to capitalise on the burgeoning online food services segment.

- The delectable range of cuisines being offered under 4 brands - '**ITC Master Chef Creations**', '**ITC Aashirvaad Soul Creations**', '**ITC Sunfeast Baked Creations**' & '**Sansho by ITC Master Chef**' – continues to witness increasing consumer traction and is being rapidly scaled up.
  - The Business delivered a robust GMV growth of **90%** YoY, with ARR crossing Rs. **300 cr.**
  - The full-stack platform has scaled up to **75 cloud kitchens** across 5 cities and is now being progressively introduced across India.

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

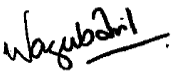
ITC is a global exemplar in 'Triple Bottom Line' performance and is the only enterprise in the world of comparable dimensions to have achieved and sustained the three key global indices of environmental sustainability of being **'water positive' (for 24 years), 'carbon positive' (for 21 years), and 'solid waste recycling positive' (for 19 years).** The Company sustained its **'AA'** rating by **MSCI-ESG** for the 8th successive year. The Company has also been included in the **Dow Jones Best-in-Class (DJ BIC) Emerging Markets Index** - a reflection of being a sustainability leader in the industry and a recognition of its continued commitment to people and planet.

The Company continued to be part of the prestigious **'A List'** for **CDP Water** by achieving the **highest 'A' rating 'Leadership Level'**. For **CDP Climate**, the Company retained **'Leadership Level'** score of **'A-'**. In addition, the Company achieved a **'Leadership Level'** score of **'A'** for **CDP Forest**, earning inclusion in the 'A List' in its first year of participation. The Company's infrastructure facilities continue to set new benchmarks of sustainability. Till date, **9 units** of the Company have achieved Platinum level certification under the Alliance for Water Stewardship (AWS) Standard. The Sustainability Report 2026 is available on the Company's corporate website at:

https://itcportal.com/content/dam/itc-corporate/pdfs/sustainability-report/itc-sustainability-report-2026.pdf

Please refer link below for performance highlights of the quarter:
https://itcportal.com/content/dam/itc-corporate/pdfs/financial-result/quarterly-results-2026-2027/june-2026/ITC-Quarterly-Result-Presentation-Q1-FY2027.pdf

The Board of Directors, at its meeting on 31st July 2026, approved the financial results for the quarter ended 30th June 2026, which are enclosed.



(Nazeeb Arif)
Executive Vice President
<u>Corporate Communications</u>