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Date: 7th March, 2026

Stock Code :-

BSE: 544622

NSE: KWIL

ISIN: INE2KCE01013

BSE Limited
Department of Corporate Services,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street, Mumbai – 400 001

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051

**Sub: Press Release on Unaudited Financial Results for the quarter ended 31st December, 2025
and for the period 10th January, 2025 to 31st December, 2025**

Dear Sir/ Ma'am,

Pursuant to the applicable provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, please find enclosed a copy of the press release on Unaudited Financial Results of the Company for the quarter ended 31st December, 2025 and for the period 10th January, 2025 to 31st December, 2025.

Please take the above information on record.

Thanking you.

Yours sincerely,

For Kwality Wall's (India) Limited

Anand Upadhyay
Company Secretary & Compliance Officer
Membership No: A23622

Encl.: As above

Kwality Wall's (India) Limited

Registered Office: 13th Floor, Oberoi Commerz II, International Business Park, Oberoi Garden City, Goregaon East,
Mumbai, Maharashtra, India, 400063

CIN - L10505MH2025PLC437886 | Website – www.kwalitywallsindia.com | Phone: 022 45747000 | Email - kwalitywalls.india@unilever.com

Announcement of Results for the Quarter ended December 31, 2025

Q3FY26 Results

Organic sales growth: -6.5%

Volume growth: 1.2%

EBITDA loss at ₹64.2 Cr

EBITDA loss (Pre-IND AS 116) at ₹83.8 Cr

Mumbai, March 6, 2026

Comparability Statement: The Company did not operate as a standalone entity prior to the demerger on December 1, 2025. It was incorporated on January 10, 2025, and the Ice Cream business was transferred from Hindustan Unilever Limited (HUL) on the effective demerger date. The Company was subsequently listed on Indian stock exchanges on February 16, 2026.

While part of HUL, the Ice Cream business was reported under Foods & Refreshment segment. Q3 FY25 financials have been prepared on a pro forma basis, as if the business had operated independently, with accounting policies applied consistently with those used for the quarter ended December 31, 2025. Some of the metrics have been reported using reference to those financial statements.

KWIL Business Performance

- Demerger from Hindustan Unilever Limited (HUL) has been successfully completed, and the Company's equity shares listed on Indian stock exchanges on February 16, 2026.
- The Magnum Ice Cream Company Hold Co 1 Netherlands B.V and its Group Companies, launched an open offer to acquire up-to 26% of the paid-up equity shares of the Company.
- For Q3 FY26, revenue was at ₹222 crores, with organic sales growth (OSG) of -6.5% year-on-year and volume growth of 1.2%. The impulse portfolio delivered mid-single digit volume growth during the quarter. However, the in-home portfolio saw a muted response and is planned to be relaunched with an improved offering for the 2026 season.
- Gross margin for the quarter stood at 41.5%, impacted from one-off trade investments of ~600 bps related to higher MRP stock liquidation, as well as ~400 bps due to commodity inflation led by cocoa prices.
- Earnings before Interest, taxes and Depreciation (EBITDA) before exceptional items was at -₹64 crores reflecting the impact of lower gross margins, and continued growth led investment made across the value chain.
- Exceptional items (expense) of ₹94 Cr during the quarter primarily relate to non-recurring costs recognised in the current period.

Financials

Q3 FY26

Sale of products (In ₹Cr)	222.0
Organic Sales growth (%)	-6.5
Volume growth (%)	1.2
EBITDA (In ₹Cr)	-64.2
EBITDA (Pre-IND AS 116) (In ₹Cr)	-83.8



In Q3 FY26, the Company reported revenue of ₹222 Crores. The company made continued progress across its strategic growth pillars, reinforcing its commitment to expanding consumption occasions through consumer-centric innovations and strengthening its distribution footprint through company-owned cabinets.

During the quarter, the Company sustained its competitiveness in the **price-piano strategy**, despite ongoing commodity headwinds. The portfolio remained well-positioned at popular hot-snacking price points, supported by new product introductions that improved consumer accessibility.

The Company continued to expand **physical availability**, driven by the growth of company-owned cabinets. The numeric distribution of company owned cabinets increased in line with our plans during the quarter, enabling deeper retail penetration that will support the growth outlook in the coming quarters.

Momentum in the **Q-Commerce (Q-Com) channel** remained strong, with sales delivering robust double-digit growth. The channel continues to unlock new consumption occasions, drive premiumisation and reach consumers through faster and more convenient shopper journeys.

The Company's **premiumisation strategy**, led by Magnum and Cornetto range, delivered encouraging results. The building block of our strategy of differentiated innovations, expanding new snacking occasions and capturing strategic price points helped Magnum and Cornetto widen its consumer base.

In addition, the Company as part of its product roadmap has taken decisive steps to **relaunch its in-home portfolio** which will be available in the coming 2026 season.

The Company continued to strengthen **digitalisation of its route-to-market capabilities** thereby enabling better quality of reach and improved servicing, supported by better analytics.

While the reported Gross Margin stood at 41.5%, it has been impacted by certain one offs as called out above and it is to be noted that conversion costs paid to third party contract manufacturers are recorded under purchase of stock-in-trade, and on an adjusted basis for these one-offs and accounting impact, the margins remain healthy.

Employee benefit and other expenses increased as the Company transitions to a standalone listed organisation and undertakes investments to upgrade its supply-chain infrastructure, strengthening the end-to-end value chain to manage peak-season demand. These investments are expected to create long-term value for shareholders, and the Company remains committed to prioritising growth-led investments to deliver its volume-driven growth strategy.

We have made strong progress on our **cost productivity program**, targeting non-consumer-facing costs across the value chain. Our procurement initiatives have yielded encouraging results, driven by specification harmonization, strategic partnerships, and the development of alternative sourcing options leading to a competitive cost structure. On the manufacturing and



distribution front, we have made progress across three key pillars: developing regional networks to reduce logistics costs, professional warehousing infrastructure to deliver productivity and improve the asset utilisation. These initiatives are expected to deliver benefits in the coming quarters.

Chitrang Goel, Deputy Managing Director of Kwalty Wall's (India) Limited stated,

“This quarter marks an important milestone for our Company as we commence external reporting following the completion of the demerger. The period under review has been both transformative and challenging. This marks the start of a new chapter, with a clear focus on delivering superior experiences for our consumers, creating opportunities for our people, and driving long-term shareholder value.

The ice cream category in India is at an attractive inflection point, with low levels of per capita consumption, headroom for cabinet penetration, improved refrigerator penetration at homes, and unlocking of new snacking consumption occasions enabled by the rise of quick commerce—providing a strong foundation for sustained volume growth.

Q3 FY26 growth was muted due to prolonged monsoon conditions and GST transition-related impacts. In this context, our power brands, Magnum and Cornetto, delivered strong volume growth, underscoring the resilience of our portfolio and continued consumer demand. Performance of the in-home portfolio was muted, and corrective actions are underway. We have initiated structural cost control measures aimed at restoring margin discipline without compromising growth investments.

We have laid the foundation for a focused Ice-Cream Company with sharper strategic intent and greater agility to deliver sustainable and profitable growth. I would like to thank our employees, customers, partners, and shareholders for their continued support during this transformative phase.”

Business Outlook

Looking ahead, the Company remains focused on executing its growth strategy with a strong emphasis on innovation and expanding consumption occasions. We expect the Company's growth momentum to strengthen beginning with the 2026 season, supported by our continued focus on differentiated offerings at strategic price points, increasing distribution and premiumising the portfolio—actions that will help drive growth and market penetration.

At the same time, we remain committed to disciplined cost management and ongoing productivity initiatives across the value chain. While investments in capability building and growth initiatives may keep the cost base elevated in the near term, these actions are expected to drive operating leverage and support margin improvement as volumes scale.



Commodity Outlook

Input costs are expected to remain mixed in the near term. Dairy prices are likely to stay elevated, reflecting tighter milk supply, lower yields, and persistently higher fodder costs, which continue to keep dairy and its derivatives prices firm. Sugar is expected to remain mildly inflationary, driven by anticipated increases in the minimum selling price (MSP). While cocoa prices have moderated from recent highs, the benefit is partly offset by currency depreciation. Meanwhile, energy prices remain volatile amid ongoing geopolitical developments, which may limit the pace of overall cost relief.

Cautionary Statement

Statements in this Press Release, particularly those which relate to outlook, describing the company's projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

Industry Information

All references to market data, industry statistics and industry forecasts in this document consist of estimates compiled by industry professionals, competitors, organisations or analysts, of publicly available information or of the Company own assessment of its sales and markets.

Definitions and Abbreviations

OSG refers to the increase in revenue for the period, excluding any change in revenue resulting from disposals. The impact of disposals is excluded from OSG for a period of 12 calendar months from the applicable closing date. OSG includes increases or decreases in sales of an acquired business immediately following the business combination, unless a reliable historical baseline is not available for the 12 months prior to the acquisition, in which case sales during the first 12 months of the acquisition are excluded from OSG. The Company believes this measure provides valuable additional information on the organic sales performance of the business and it is a key measure used internally.

Ice Cream includes, without limitation, frozen dessert, frozen yoghurt, dairy fat based ice cream, plant-based ice cream and unpackaged ice cream.

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