



PRESS RELEASE

Mumbai, August 08, 2023

Financial Results for Q1 FY24

Margin expansion continues with record high Adj. EBITDA margin of 9.8%

Eureka Forbes Limited, one of India's largest health and hygiene companies, today announced its financial results for the quarter ended June 30, 2023.

Highlights of the quarter period ended June 30, 2023 (on a standalone basis) -

- Revenue from operations stood at Rs. 505.3 Cr (-3.8% YoY). This represented a sequential improvement in the trajectory of the business.
- Adj. EBITDA stood at Rs. 49.6 Cr (+15.5% YoY). Adj. EBITDA margin improved 164bps YoY and 49bps QoQ to 9.8%. Adjusted EBITDA is pre-ESOP charges.
- Adj. PBT stood at Rs. 34.8 Cr (+42.6% YoY). Profit After Tax stood at Rs 22.1 Cr (+23.8% YoY). Adjusted PBT is pre-ESOP charges.
- During the quarter, the Company's net debt stood at Rs 32 Cr, reduction of 85% YoY.

As part of its transformation, during the quarter, the Company rolled out an attractive and inclusive ESOP program for its employees and issued 1.49 Cr ESOP grants. Under the program, one of the largest of its kind in the consumer industry, every single manager of the Company has been given stock options for driving a performance-oriented culture.

Commenting on the Q1FY24 performance, Mr. Pratik Pota, MD, and CEO, Eureka Forbes Limited said, "We made encouraging progress against our key strategic priorities in Q1 FY24.

Our recent efforts in growing the category and driving volumes are beginning to bear fruit with overall volume growth in Electric Water Purifiers and Vacuum Cleaners during the quarter.

Execution of specific transformation initiatives helped improve our Adj. EBITDA margin to 9.8%, up by 164 bps YoY. This combined with an 85% YoY reduction in our net debt has fundamentally improved the financial health of the business.

We also rolled out an industry-first, company-wide ESOP program that grants stock options to every single manager in the company; we believe this will drive collaboration and shared ownership towards the transformation.

Looking ahead, we see the key transformation levers beginning to fall in place and are confident of driving sustained and profitable growth in the quarters ahead."

About Eureka Forbes:

Eureka Forbes Limited is India's leading health and hygiene brand. With over four decades of existence, it is today a multi-product and an omni-channel organization. Eureka Forbes' product portfolio encompasses water purification, vacuum cleaning & air purification. It has direct, retail, e-commerce and institutional sales channels, an inventive business partner network and one of the most expansive service networks across India.

For further information, please contact:

Eureka Forbes Limited
Investor.Relations@eurekaforbes.com

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Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors

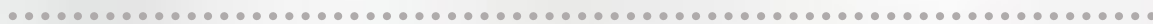
Q1 FY24 Earnings Presentation

August 8, 2023



Disclaimer

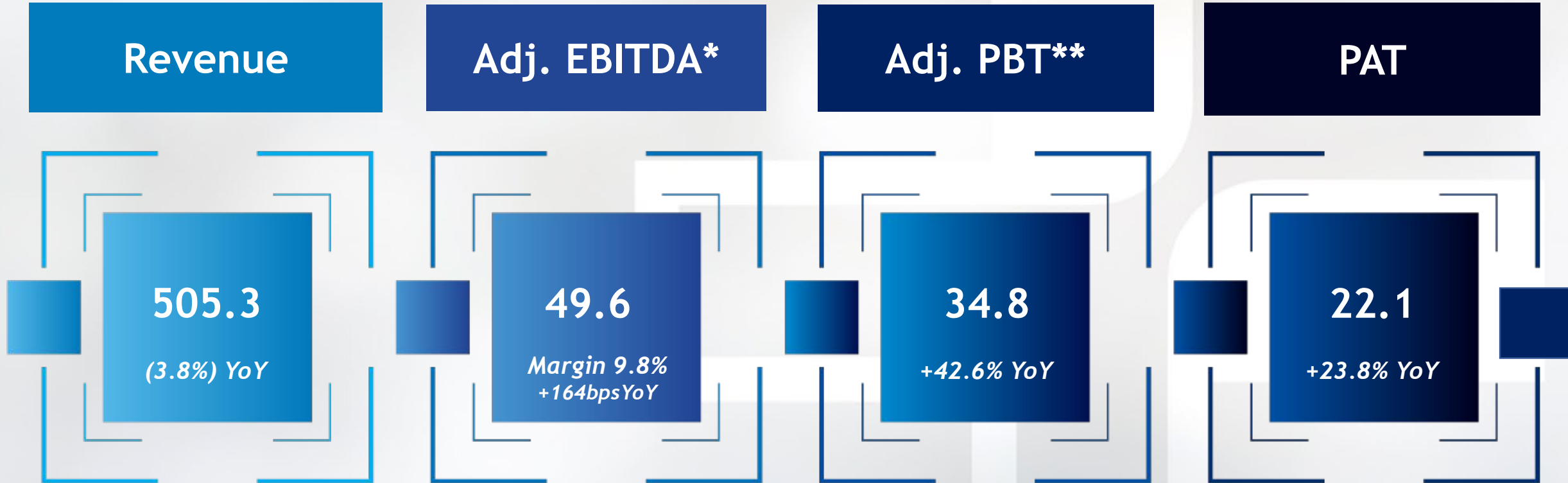
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- **Q1 FY24 Highlights**
- Key Focus Areas
- Eureka Forbes - An introduction

Q1 FY24 Highlights (Standalone Results)

Figures in Rs Cr



* Adj. EBITDA is defined as PBT (before exceptional items) + Finance cost + Depreciation + ESOP charge less other non-operating income

** Adj. PBT is defined as PBT (before exceptional items) + ESOP charge

Q1 FY24 : Standalone P&L Statement

Particulars (Rs. Cr)	Q1FY24	Q1FY23	YoY (%)	Q4FY23	QoQ (%)
Revenue	505.3	525.1	-3.8%	508.1	-0.6%
Employee Benefit Expenses	-71.6	-68.2	5.0%	-61.6	16.3%
Service Charges	-69.9	-77.5	-9.8%	-77.1	-9.4%
Other Expenses	-114.0	-127.8	-10.8%	-117.6	-3.1%
Total Expenses	-255.5	-273.5	-6.6%	-256.3	-0.3%
Total Expenses % of Revenue	-50.6%	-52.1%	152bps	-50.4%	-12bps
Adj. EBITDA	49.6	42.9	15.5%	47.4	4.6%
Adj. EBITDA %	9.8%	8.2%	164bps	9.3%	49bps
ESOP charge	-3.8	0.0	NM	0.0	NM
EBITDA	45.8	42.9	6.7%	47.4	-3.3%
EBITDA %	9.1%	8.2%	89bps	9.3%	-26bps
Finance Cost	-3.4	-6.3	-45.8%	-3.5	-2.9%
Depreciation	-13.2	-13.3	-0.7%	-12.9	2.1%
Other Income	1.8	1.0	75.2%	4.0	-54.1%
Adj. PBT Before Exceptional items/ ESOP Charges	34.8	24.4	42.6%	35.0	-0.4%
Exceptional Items	0.0	0.0	NM	-9.1	-100.0%
PBT after Exceptional items and ESOP Charge	31.1	24.4	27.1%	25.8	20.2%
PAT	22.1	17.8	23.8%	16.3	35.5%

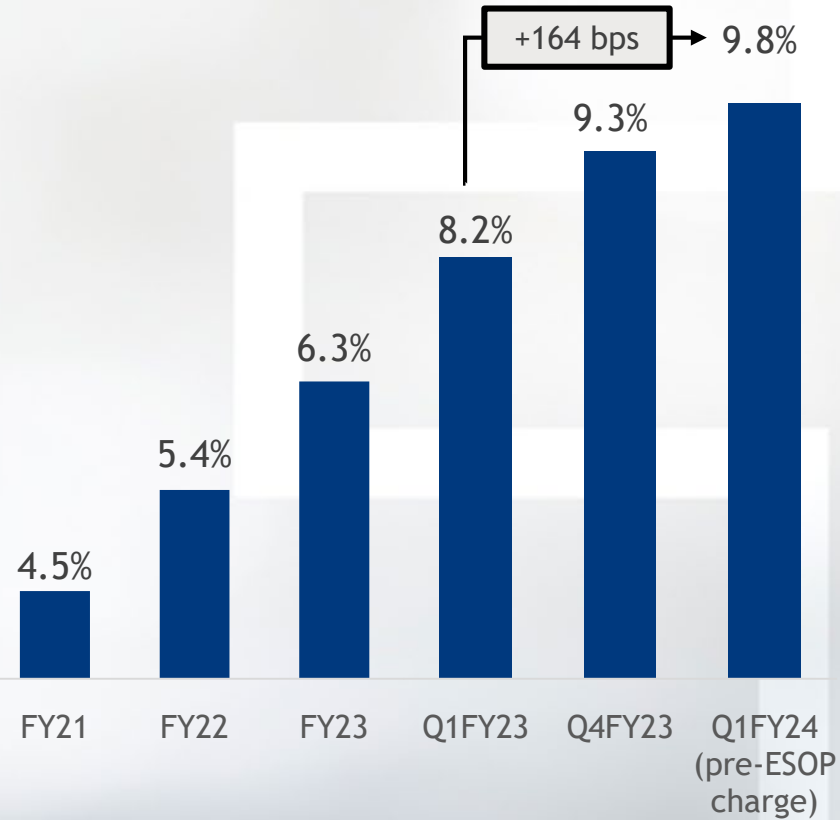
- Drop in Q1FY24 revenue owing to weak demand environment
- Q1FY24 Adj. EBITDA margin expanded by +164bps YoY led by cost efficiencies; Adj. EBITDA grew +15.5% YoY
- Adj. PBT grew +42.6% YoY
- Lower finance costs enabled by reduction in borrowings

Key Trends

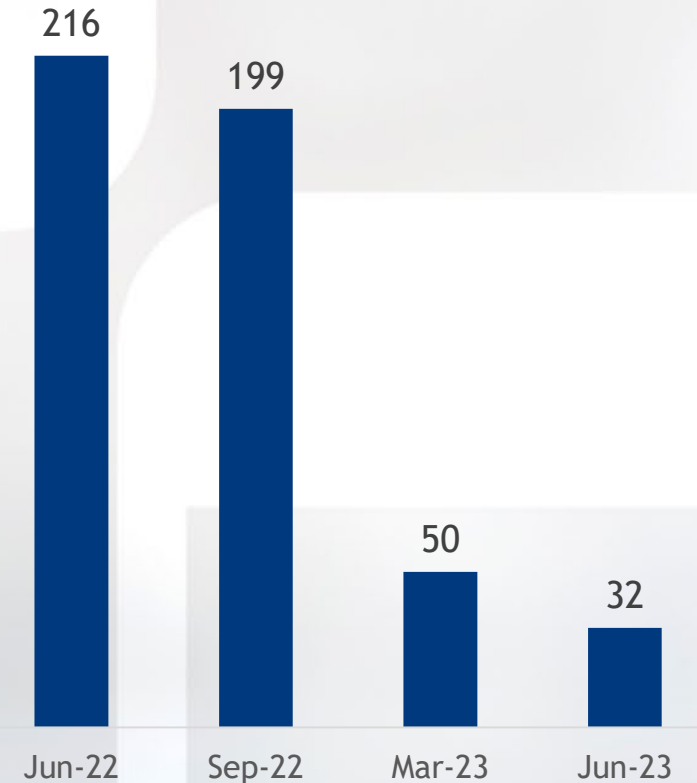
Revenue Growth (YoY %)



Adj. EBITDA %



Net debt - INR Cr



*Includes impact of low base in Q1 FY22

Management Views



Mr. Pratik Pota
Managing Director and CEO

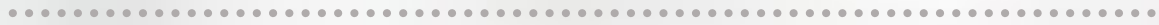
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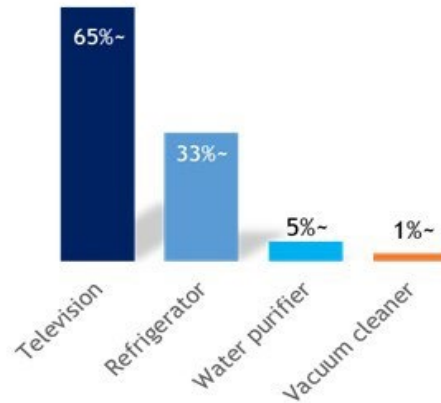
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Macro environment supportive of growth



**Growing
consciousness on
health & hygiene**

Especially post Covid



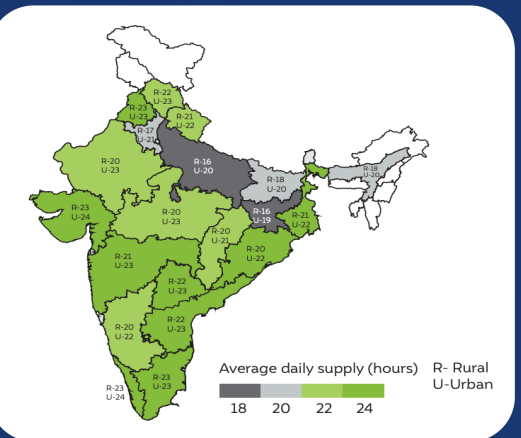
**Low Category
Penetration of the
core categories**

Amongst the lowest
in consumer durables
segment



**Availability &
Access to piped
water**

Jal Jeevan Mission
now covers over 40
Mn. households



**Growth in
Electrification**

96.7% of Indian
households now
connected to the grid
and receive 20.6 hrs.
of power supply



EFL's key strategic priorities for profitable growth

01

Grow the water purifiers business

- Innovation and new product development
- Jump shift in distribution

04

Drive Lean Cost Structures

- Productivity unlocks
- “Zero based” approach to all costs

02

Expand Portfolio

- Nurture and grow cleaning category
- Smart devices

05

Go Digital First

- Give customers control and visibility
- Digital enablement of value chain

03

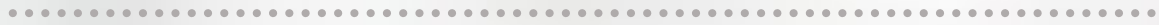
Transform Customer Experience

- Deliver reimagined service standards
- Leverage insights for customised solutions

06

Build Future Ready Organisation

- Invest in capabilities of the future
- Agile and customer centric



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Eureka Forbes: Introduction



Pioneers & Leaders

Vacuum cleaners



Water purifiers



Direct selling



Diversified portfolio

Market leaders in water purifiers and vacuum cleaners

Wide range of products with state-of-the-art technology

Product portfolio catering to both B2C and B2B customers

Diversified revenue streams across product and service



Brand strength

Strong association of brand Aquaguard with product category

High brand health scores

Top of mind recall > 65%



Omni channel presence

Direct sales

General trade

Modern retail

Ecommerce

B2B

Canteen Stores (CSD)



Extensive service network and strong customer connect

In home service in over

10500 + PIN CODES



Large active database of customers



~ **8** **MILLION**
CUSTOMERS

EFL Management Team



Pratik Pota
MD & CEO

30+ yrs/~1 yr
Jubilant FoodWorks,
PepsiCo, Airtel, HUL



Ajit Dheer
Chief Operating
Officer

26+ yrs/<1 yr
HT Media, Pepsico,
Spencers Retail,
Reckitt Benckiser,
Cargill, Dabur



Anurag Kumar
Chief Growth
Officer

25+ years/<1 yr
Unilever, Tata
Play, ICI Paints



Gaurav Khandelwal
Chief Financial
Officer

21+ yrs/~1 yr
HUL, Airtel,
Oyo Hotels &
Homes



Mahnaz Shaikh
Chief Human
Resources Officer

19+ yrs/<1 yr
Udaan, Godrej
Consumer Products
Limited, P&G



Shubham Srivastava
Chief Product &
Technology Officer

17+ yrs/<1 yr
Makemytrip,
iTrust, Aricent



Nithyanand Shankar
Chief Digital
Business Officer

16+ yrs/<1 yr
Amazon, P&G



Suresh Redhu
Chief Technical
Officer

33+ yrs/11 yrs
Bluestar,
Aquamall



Satish Satyarthi
Chief Innovation
& R&D Officer

23+ yrs/<1 yr
Bajaj Electricals,
Philips, Buhler, Applied
Materials, Bluestar,
Cummins



Anirudha Karnataki
Head, Supply Chain &
Procurement

26+ yrs/<1 yr
CEAT, Asian Paints,
Thermax

Name

Designation

Experience: (overall)/(Eureka Forbes)

Previous organization(s)

Contact Us:

Corporate Identification No: L27310MH2008PLC188478

Investor e-mail id: Investor.Relations@eurekaforbes.com

Website: <https://www.eurekaforbes.com/>

Regd. & Corporate Office: B1/B2, 7th Floor, 701, Marathon Innova, Ganpatrao Kadam Marg,
Lower Parel, Mumbai -400013

EFL BSE Scrip Code : 543482

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Note: 1. All financial data in this presentation is derived from reviewed standalone IND-AS financial statements
2. Due to rounding-off, the financial figures may not recalculate exactly

Thank you