

August 08, 2023

EFL/BSE/2023-24/48

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400001

**Scrip Code: 543482**  
**Scrip ID: EUREKAFORBE**

**Sub: Press Release and Presentation on the Financial Results for the Quarter ended June 30, 2023**

Dear Sir/Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith Press Release and Presentation on the Financial Results for the Quarter ended June 30, 2023.

This is for your information and records.

Thanking you,

For Eureka Forbes Limited  
(formerly Forbes Enviro Solutions Limited)

Pragya Kaul  
Company Secretary & Compliance Officer

Encl: As Above



## 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

**Safe Harbor Statement:**

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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The statements contained in this document speak only as at the date as of which they are made and certain statements made in this presentation relating to the Company's objectives, projections, outlook, expectations, estimates, among others may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties and actual results may differ from such expectations, projections etc., whether express or implied. These forward-looking statements are based on various assumptions, expectations and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, competitive intensity, pricing environment in the market, economic conditions affecting demand and supply, change in input costs, ability to maintain and manage key customer relationships and supply chain sources, new or changed priorities of trade, significant changes in political stability in India and globally, government regulations and taxation, climatic conditions, natural calamity, commodity price fluctuations, currency rate fluctuations, litigation among others over which the Company does not have any direct control. These factors may affect our ability to successfully implement our business strategy. The Company, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein and the Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any statements contained herein to reflect any change in events, conditions or circumstances on which any such statements are based. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of the management of the Company on future events. Further, no part of this document should be considered as a recommendation that any investor should subscribe to or purchase securities of the Company and should not form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever.



- **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

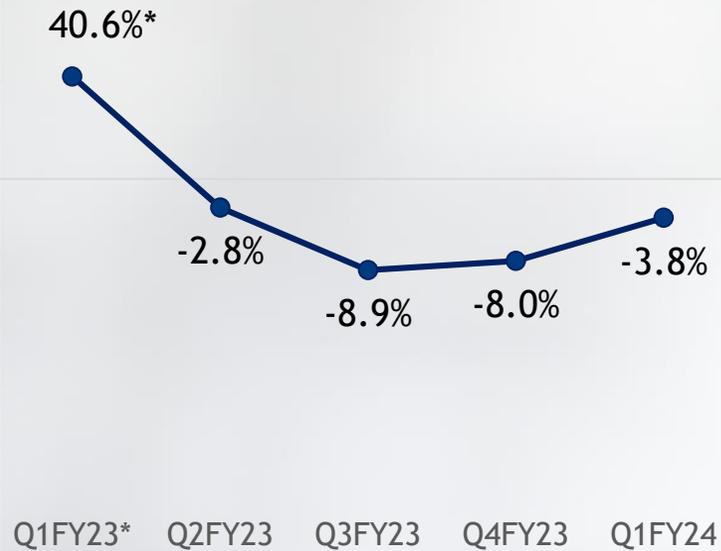
# Q1 FY24 : Standalone P&L Statement

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%
<b>Total Expenses</b>	<b>-255.5</b>	<b>-273.5</b>	<b>-6.6%</b>	<b>-256.3</b>	<b>-0.3%</b>
<b>Total Expenses % of Revenue</b>	<b>-50.6%</b>	<b>-52.1%</b>	<b>152bps</b>	<b>-50.4%</b>	<b>-12bps</b>
Adj. EBITDA	49.6	42.9	15.5%	47.4	4.6%
<b>Adj. EBITDA %</b>	<b>9.8%</b>	<b>8.2%</b>	<b>164bps</b>	<b>9.3%</b>	<b>49bps</b>
ESOP charge	-3.8	0.0	NM	0.0	NM
<b>EBITDA</b>	<b>45.8</b>	<b>42.9</b>	<b>6.7%</b>	<b>47.4</b>	<b>-3.3%</b>
<b>EBITDA %</b>	<b>9.1%</b>	<b>8.2%</b>	<b>89bps</b>	<b>9.3%</b>	<b>-26bps</b>
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%
<b>Adj. PBT Before Exceptional items/ ESOP Charges</b>	<b>34.8</b>	<b>24.4</b>	<b>42.6%</b>	<b>35.0</b>	<b>-0.4%</b>
Exceptional Items	0.0	0.0	NM	-9.1	-100.0%
<b>PBT after Exceptional items and ESOP Charge</b>	<b>31.1</b>	<b>24.4</b>	<b>42.6%</b>	<b>25.8</b>	<b>34.8%</b>
<b>PAT</b>	<b>22.1</b>	<b>17.8</b>	<b>23.8%</b>	<b>16.3</b>	<b>35.5%</b>

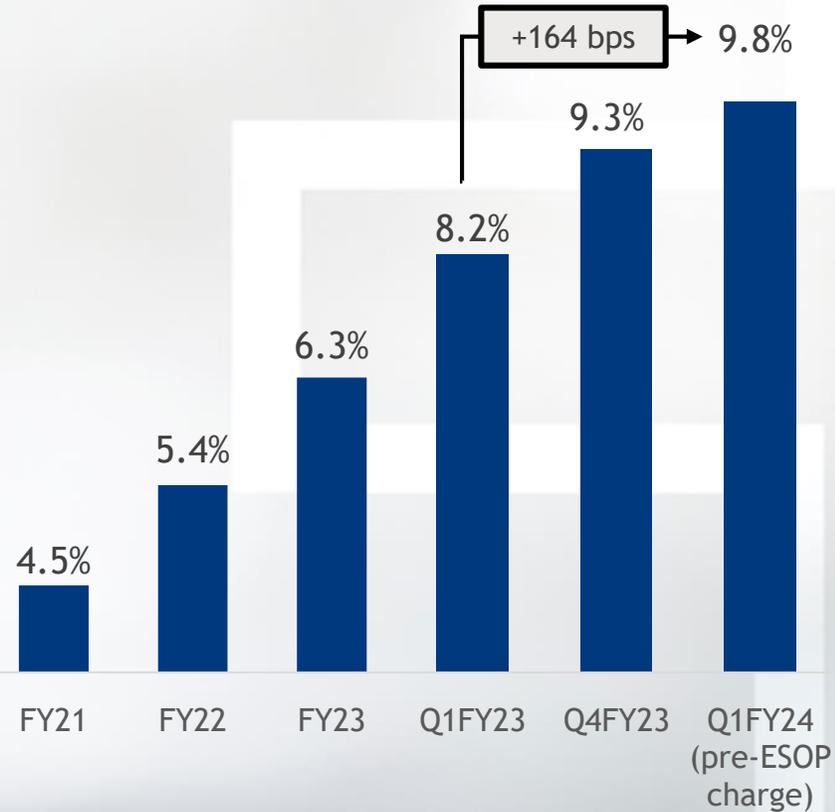
- Drop in Q1FY24 revenue owing to weak demand environment
- Q1FY24 Adj. EBITDA margin expanded by +164bps YoY led by cost efficiencies; Adj. EBITDA grew +15.5% YoY
- Adj. PBT grew +42.6% YoY
- Lower finance costs enabled by reduction in borrowings

# Key Trends

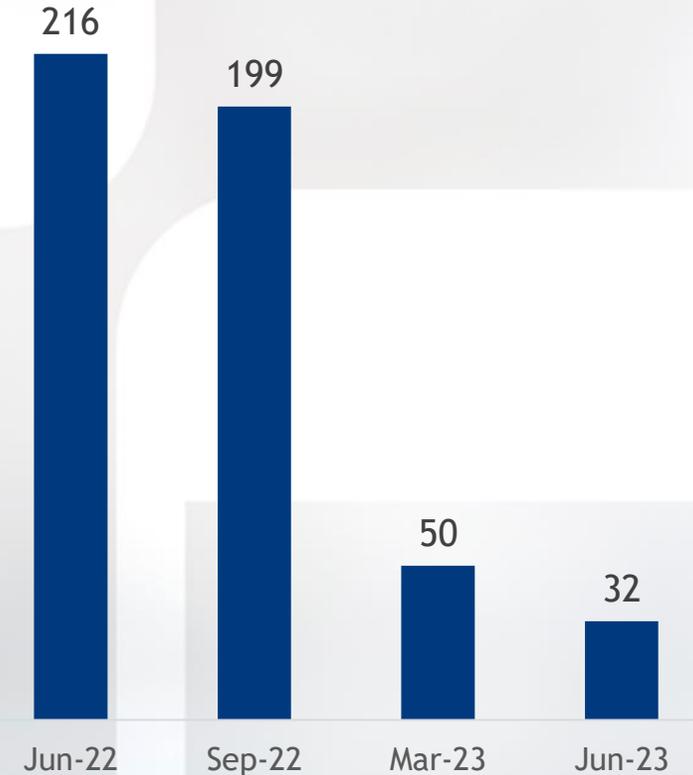
## Revenue Growth (YoY %)



## Adj. EBITDA %



## Net debt - INR Cr



\*Includes impact of low base in Q1 FY22

# Management Views

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Mr. Pratik Pota  
Managing Director and CEO

“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.

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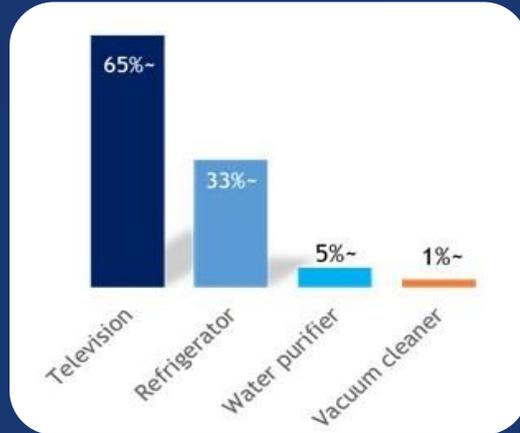
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# Macro environment supportive of growth



**Growing  
consciousness on  
health & hygiene**

Especially post Covid



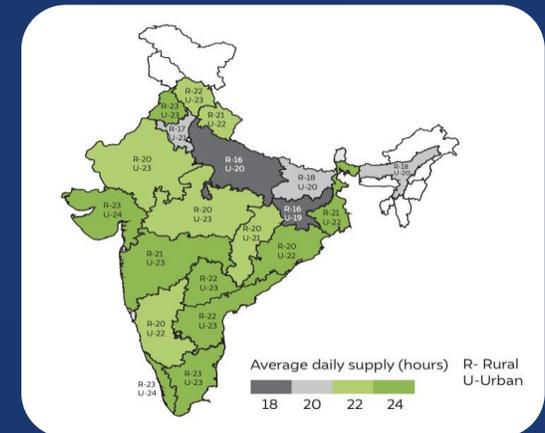
**Low Category  
Penetration of the  
core categories**

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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- Q1 FY24 Highlights
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# Eureka Forbes: Introduction



# Pioneers & Leaders

Vacuum cleaners



Water purifiers



Direct selling



# Diversified portfolio

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**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** <sup>+ PIN</sup>  
**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:

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**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

**EFL BSE Scrip ID :** EUREKAFORBE

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**