

November 10, 2023

EFL/BSE/2023-24/72

**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 September 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 September 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, November 10, 2023

# Financial Results for Q2 FY24

**Transformation initiatives drive revenue growth, highest ever Adj. EBITDA margin of 10.5%, company becomes net debt free.**

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

### Highlights of the quarter period ended September 30, 2023 (on a standalone basis)

- Revenue from operations increased 3.0% YoY and 17.2% QoQ to Rs 592.3 Cr. Continuing businesses grow 4.8% YoY.
- Adj. EBITDA stood at Rs 62.0 Cr vs Rs 0.2 Cr in Q2 FY23; Adj. EBITDA margin improved to 10.5%, up 1,043bps YoY and 65bps QoQ.
- Adj. PBT (before exceptional items and pre-ESOP) stood at Rs 47.8 Cr vs a loss of Rs (20.5 Cr) in Q2 FY23.
- Profit After Tax stood at Rs 25.5 Cr vs a loss of Rs (26.8 Cr) in Q2 FY23.
- Adj. PAT (pre-ESOP) stood at Rs 32.9 Cr vs a loss of Rs (26.8 Cr) in Q2 FY23.

Revenue growth during the quarter was mainly driven by volume growth. This was the second consecutive quarter of volume growth. Adj. EBITDA margins continued to expand for the fourth successive quarter driven by operating leverage and cost optimization programs. The Company turned net cash positive with a surplus of Rs 9 Cr vs a net debt of Rs 199 Cr in Q2 FY23.

Commenting on the Q2FY24 performance, Mr. Pratik Pota, MD, and CEO, Eureka Forbes Limited said, "One year into our transformation, I am pleased with our Q2 results with encouraging volume-driven revenue growth along with the fourth consecutive quarter of margin expansion.

Revenue growth in our continuing business was 4.8% and Adjusted EBITDA margins came in at 10.5%. In addition, we exited the quarter with no net debt, a significant improvement over our net debt of Rs.199 Cr last year.

The transformation efforts of the past year are now beginning to reflect in our performance and looking ahead, we expect to build on the growth momentum and see visible progress in other transformation areas like customer service, innovations, and digitization.

The quarter just gone by reinforces our deep conviction about the exciting headroom for growth in our categories and we will remain focused on driving execution of our transformation strategy to deliver sustained and profitable growth."

**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.

# Q2 FY24 Earnings Presentation

November 10, 2023



# Disclaimer

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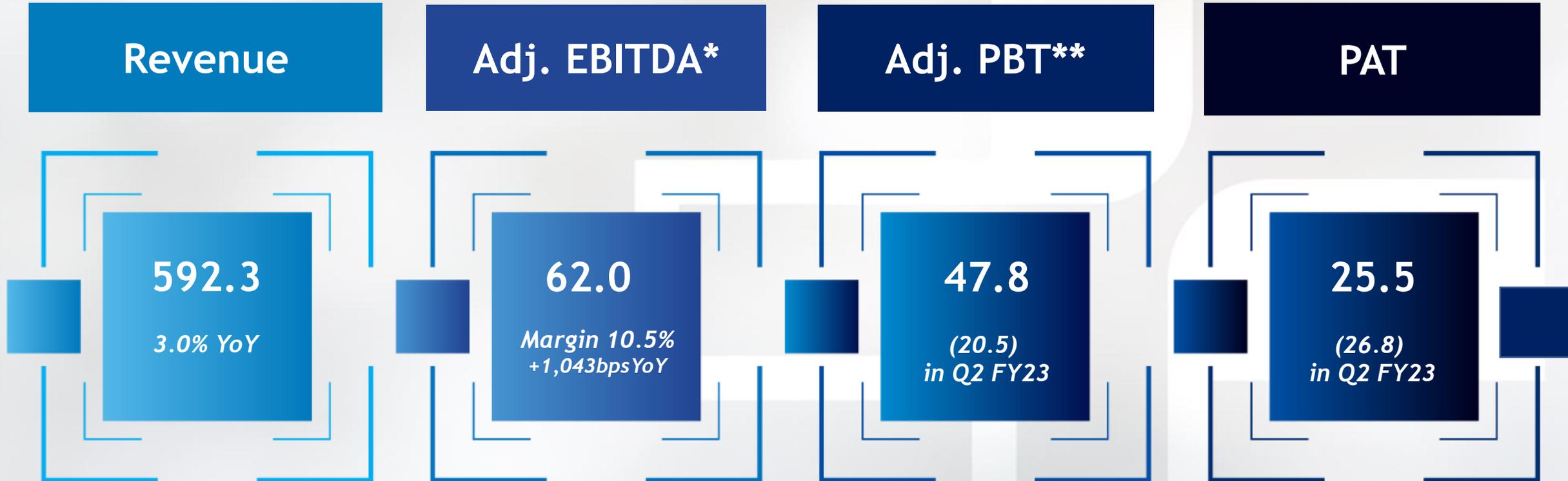
The statements contained in this document speak only as at the date as of which they are made and certain statements made in this presentation relating to the Company's objectives, projections, outlook, expectations, estimates, among others may constitute 'forward-looking statements' within the meaning 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.



- **Q2 FY24 Highlights**
- Key Focus Areas
- Eureka Forbes - An introduction

# Q2 FY24 Highlights (Standalone Results)

Figures in Rs Cr



\* Adj. EBITDA is defined as PBT + Finance cost + Depreciation + ESOP charge less other non-operating income

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

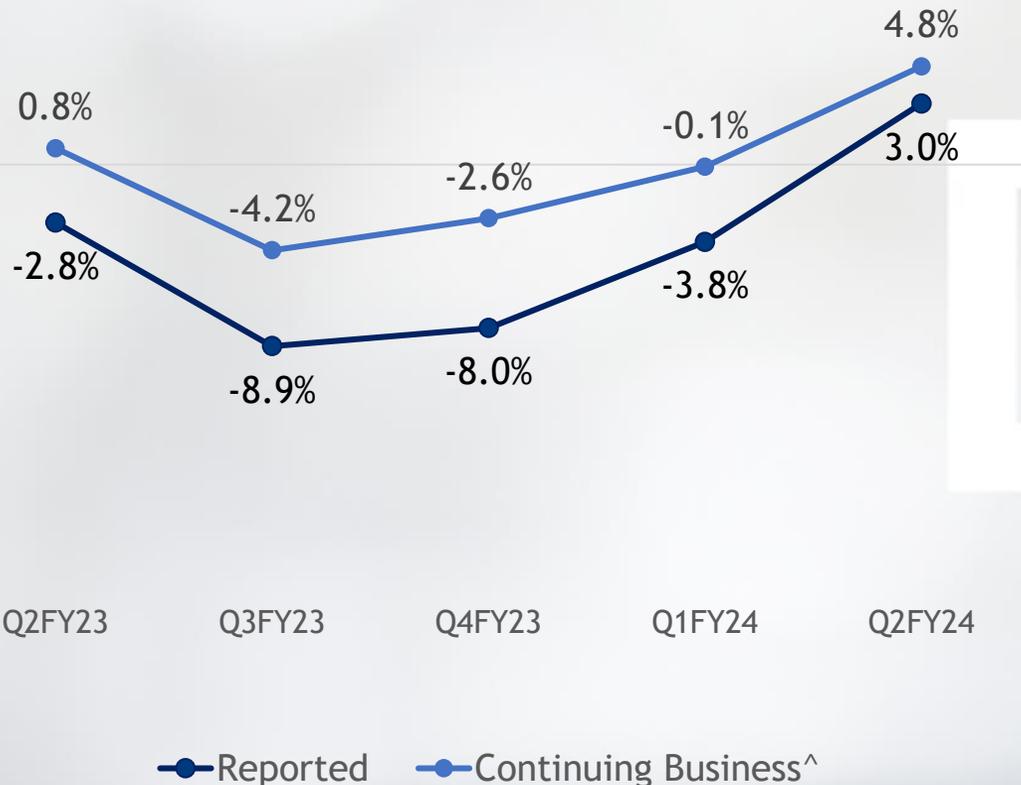
# Q2 FY24 : Standalone P&L Statement

Particulars (Rs. Cr)	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)
Revenue	592.3	575.1	3.0%	505.3	17.2%
Employee Benefit Expenses	-74.7	-103.1	-27.6%	-71.6	4.2%
Service Charges	-82.0	-73.6	11.4%	-69.9	17.3%
Other Expenses	-121.2	-159.3	-23.9%	-114.0	6.3%
<b>Total Expenses</b>	<b>-277.8</b>	<b>-335.9</b>	<b>-17.3%</b>	<b>-255.5</b>	<b>8.7%</b>
<b>Total Expenses % of Revenue</b>	<b>-46.9%</b>	<b>-58.4%</b>	<b>-1,152bps</b>	<b>-50.6%</b>	<b>-367bps</b>
Adj. EBITDA	62.0	0.2	-	49.6	25.0%
<b>Adj. EBITDA %</b>	<b>10.5%</b>	<b>0.0%</b>	<b>1,043bps</b>	<b>9.8%</b>	<b>65bps</b>
ESOP charge	-10.7	0.0	-	-3.8	184.2%
<b>EBITDA</b>	<b>51.2</b>	<b>0.2</b>	<b>-</b>	<b>45.8</b>	<b>11.9%</b>
<b>EBITDA %</b>	<b>8.6%</b>	<b>0.0%</b>	<b>861bps</b>	<b>9.1%</b>	<b>-41bps</b>
Finance Cost	-2.9	-5.7	-49.1%	-3.4	-14.2%
Depreciation	-13.0	-15.7	-17.2%	-13.2	-1.4%
Other Income	1.7	0.7	144.9%	1.8	-5.9%
<b>Adj. PBT Before Exceptional items/ ESOP Charges</b>	<b>47.8</b>	<b>-20.5</b>	<b>-</b>	<b>34.8</b>	<b>37.2%</b>
Exceptional Items	0.0	-15.9	-	0.0	-
<b>PBT after Exceptional items/ ESOP Charges</b>	<b>37.0</b>	<b>-36.4</b>	<b>-</b>	<b>31.0</b>	<b>19.3%</b>
<b>Adj. PAT (pre-ESOP Charges)</b>	<b>32.9</b>	<b>-26.8</b>	<b>-</b>	<b>24.9</b>	<b>32.3%</b>
<b>PAT</b>	<b>25.5</b>	<b>-26.8</b>	<b>-</b>	<b>22.1</b>	<b>15.4%</b>

- Q2 FY24 revenue increased 3.0% YoY to Rs 592.3 Cr driven by volume growth
- Adj. EBITDA increased to INR 62.0 Cr from Rs 0.2 Cr in Q2 FY23 mainly due to lower Employee costs and other operational efficiencies
- Adj. EBITDA margin expanded 1,043bps YoY and 65bps QoQ to 10.5%
- Q2 reflects full quarter impact of ESOP charges
- Financing costs declined due to reduction in debt; Company turned net debt free
- Adj. PBT of Rs 47.8 Cr in Q2 FY24 vs a loss of Rs 20.5 Cr in Q2 FY23

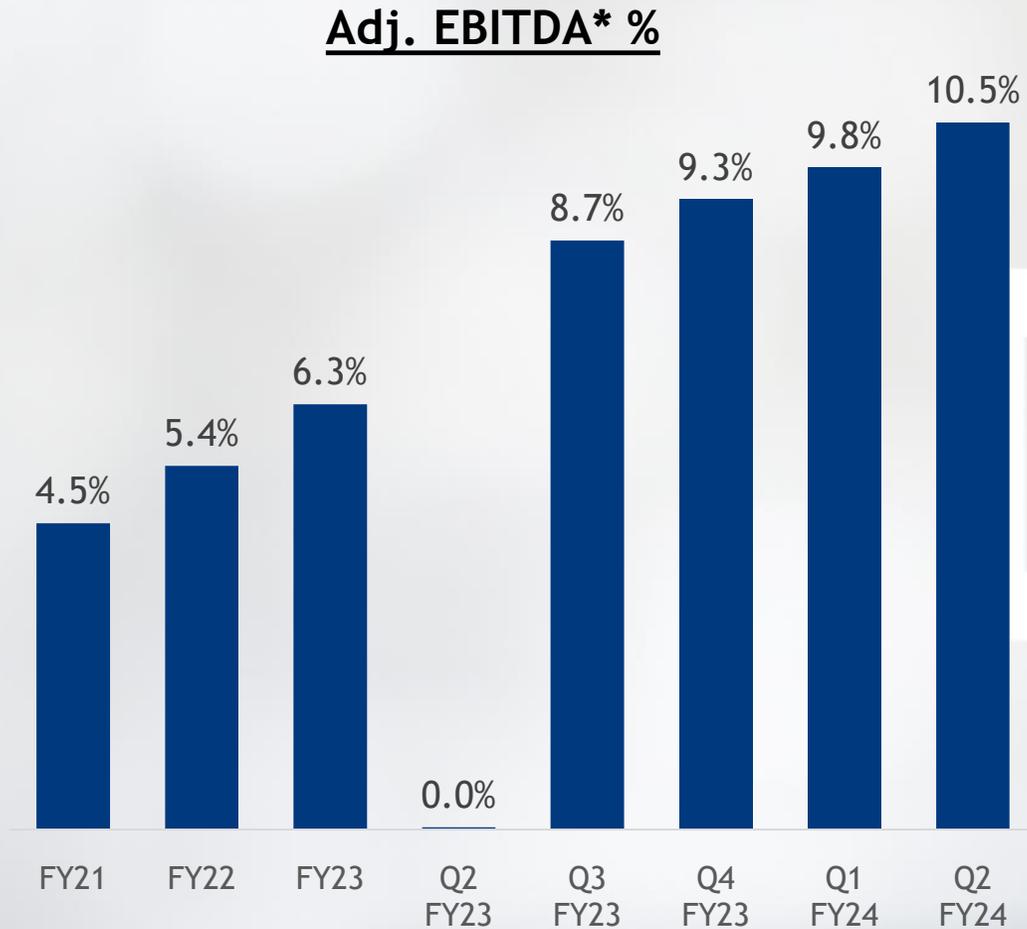
# Revenue growth driven by volumes

## Revenue Growth (YoY %)



- Continuing businesses grow 4.8% YoY; Highest growth in 5 quarters
- Growth driven by volumes; 2<sup>nd</sup> successive quarter of volume growth
- Broad based volume growth; in both Water Purifiers and Vacuum Cleaners

# Adj. EBITDA margin continues to expand

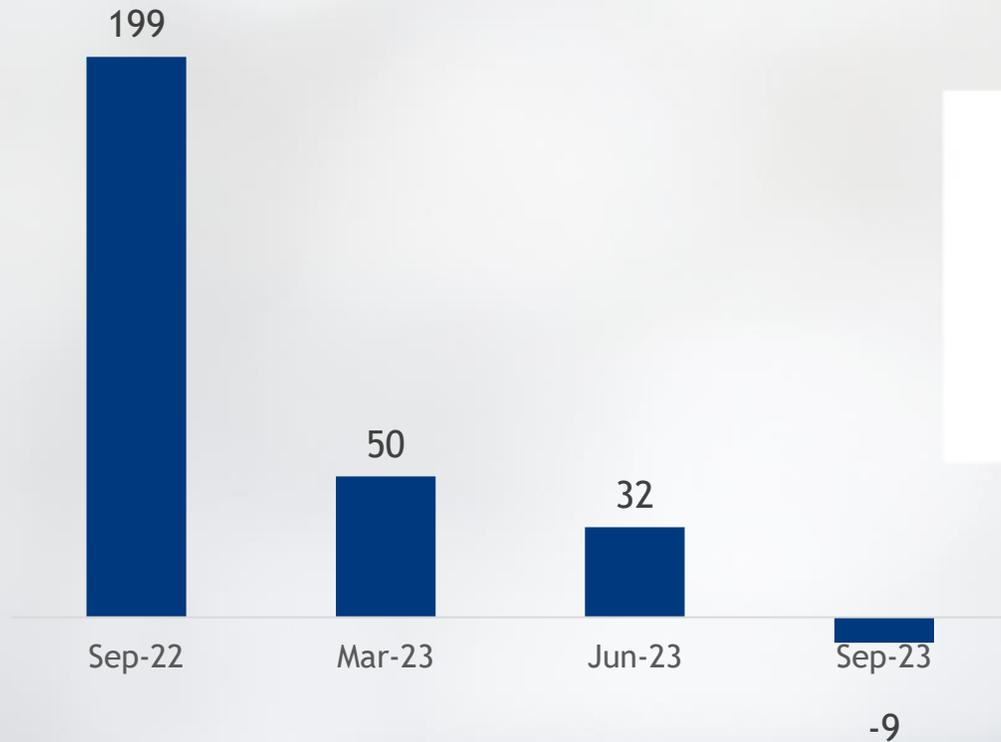


- 4<sup>th</sup> successive quarter of margin expansion
- Margins cross double digits for the 1<sup>st</sup> time
- Margin expansion driven by operating leverage and structured cost optimization program

\* Pre-ESOP charges

# Balance sheet strengthened by turning net debt free

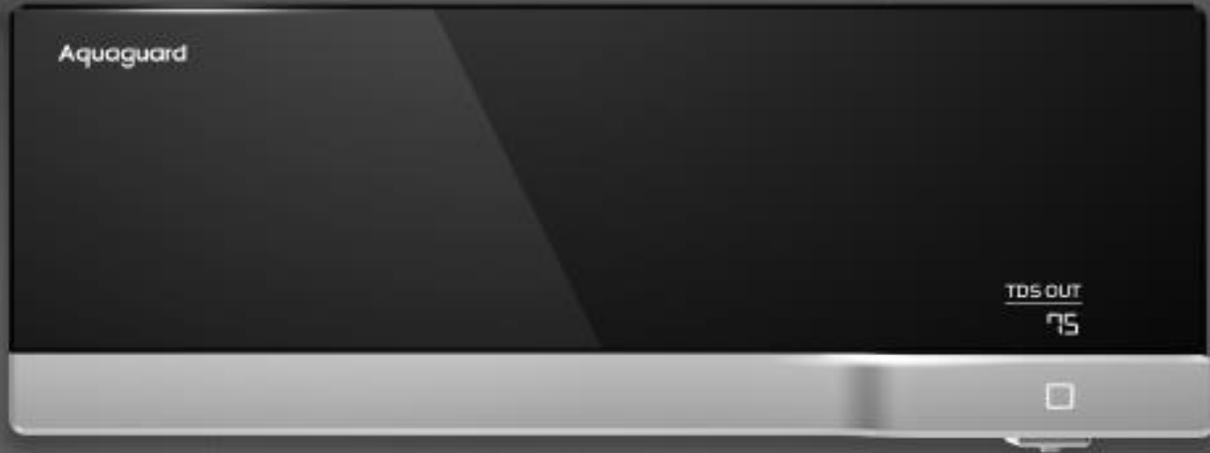
## Net debt/(Surplus) - Rs Cr



- + Rs 9 Cr net surplus vs a net debt of Rs 199 Cr a year back; net YoY change of Rs 208 Cr
- Improved profitability and continuing focus on working capital cycle optimization

# New Product Launches : Water Purifier

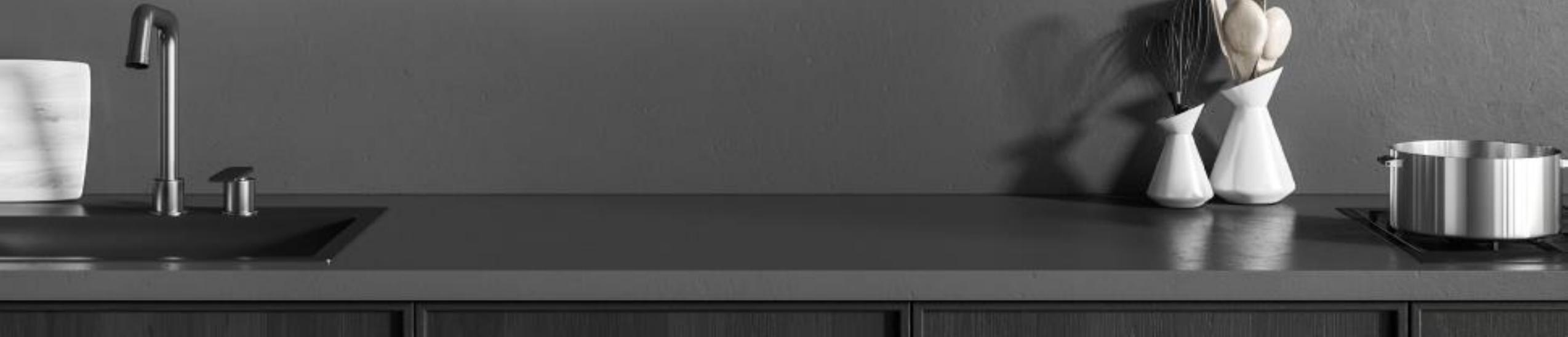
Next-Gen Innovations in Water Purifiers  
Reimagining Form with Technology



Introducing  
**Aquaguard**  
**SLIMTECH**

**5<sup>th</sup>** Gen UV LED Slim Bar

Glass Finish | Water Quality Indication  
Instant Purification | Goodness of Copper



# New Product Launches : Water Purifier

## **Aura UV+UF**

With 5th Gen UV LED technology -  
Instant Purification, Long Life with  
no mercury content



## **Nova UV+UF+SS**

With Active copper technology &  
Stainless-Steel tank



## **Marvel Nxt RO+UV**

With multi-stage purification with  
Alkaline technology & Stainless-  
Steel tank



# New Service Offerings : Launch of Segmented AMC's

Focus on building Consumer Lifetime Value (CLTV) through Annual Maintenance Contract (AMC) conversion improvement initiatives - **Segmented Price Propositions** and **Awareness on Genuine Service**



**EUREKA FORBES GENUINE SERVICE**

Aquaguard

**BREAKING NEWS!**  
Aquaguard Annual Service Plans now starting at

**₹699**

Annual Service Plan includes unlimited breakdown visits and one free cleaning visit.



**EUREKA FORBES GENUINE SERVICE**

Aquaguard

Choose the right AMC plans for yourself  
AMC plans starting at ₹699

AMC BENEFITS	PLATINUM	GOLD	SILVER	BASE
Unlimited Breakdown Service Visits	✓	✓	✓	✓
Maintenance Visits	4	3	2	1
Free Annual Filter Replacement	✓	✓	Limited Annual Filter Replacement 50% discount on RO filter	25% discount on filters
Free Spare Parts	✓	✓	50% discount on spare parts	Replacement of spare parts at MRP



**EUREKA FORBES GENUINE SERVICE**

Aquaguard

**If it's digital, it's Genuine.**

Only Genuine Aquaguard AMC comes with digital invoice and no paper bill.

**Buy Genuine Aquaguard Gold AMC at ₹3199**

# Management Views

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Mr. Pratik Pota  
Managing Director and CEO

“One year into our transformation, I am pleased with our Q2 results with encouraging volume-driven revenue growth along with the fourth consecutive quarter of margin expansion.

Revenue growth in our continuing business was 4.8% and Adjusted EBITDA margins came in at 10.5%. In addition, we exited the quarter with no net debt, a significant improvement over our net debt of Rs.199 Cr last year.

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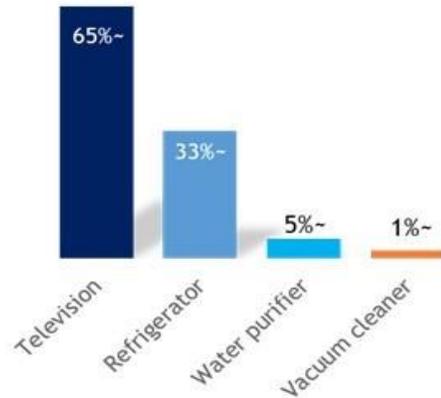
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# Macro factors supportive of growth



**Growing consciousness on health & hygiene**

Especially post Covid



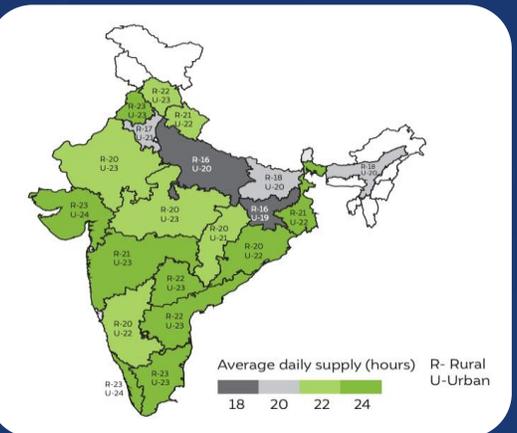
**Low Category Penetration of the core categories**

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 a Future Ready Organisation

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



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- Q2 FY24 Highlights
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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

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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:

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**Investor e-mail id:** [Investor.Relations@eurekaforbes.com](mailto: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

**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**