



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
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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.

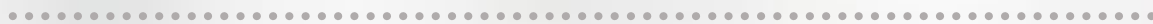
Q2 FY24 Earnings Presentation

November 10, 2023



Disclaimer

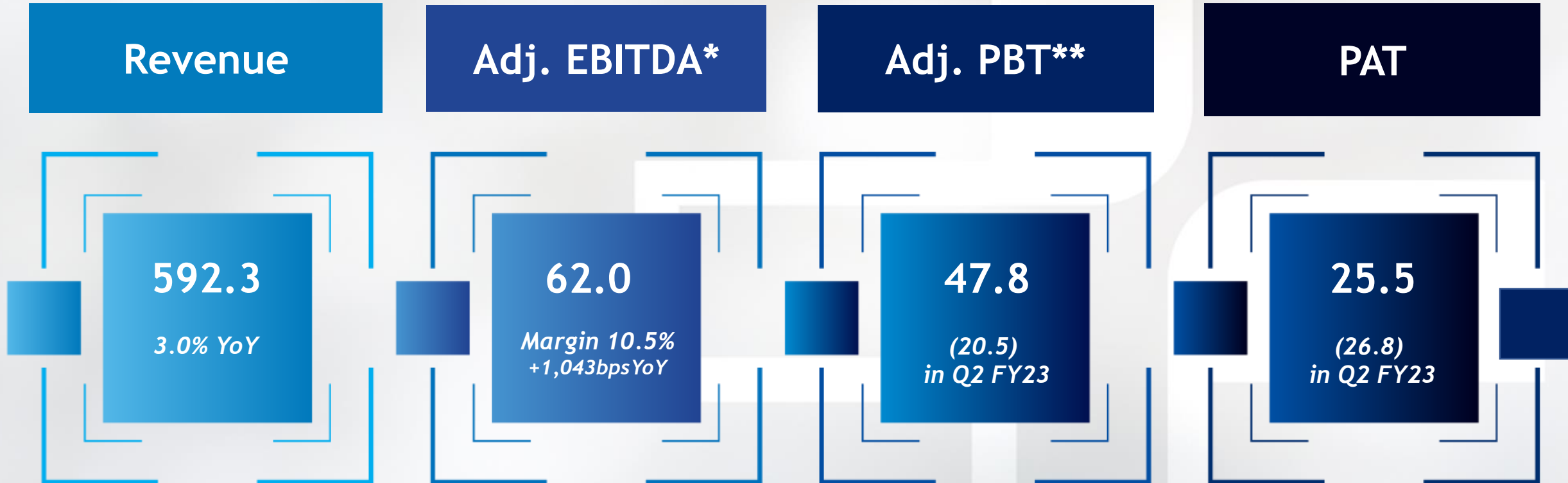
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- **Q2 FY24 Highlights**
- Key Focus Areas
- Eureka Forbes - An introduction

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

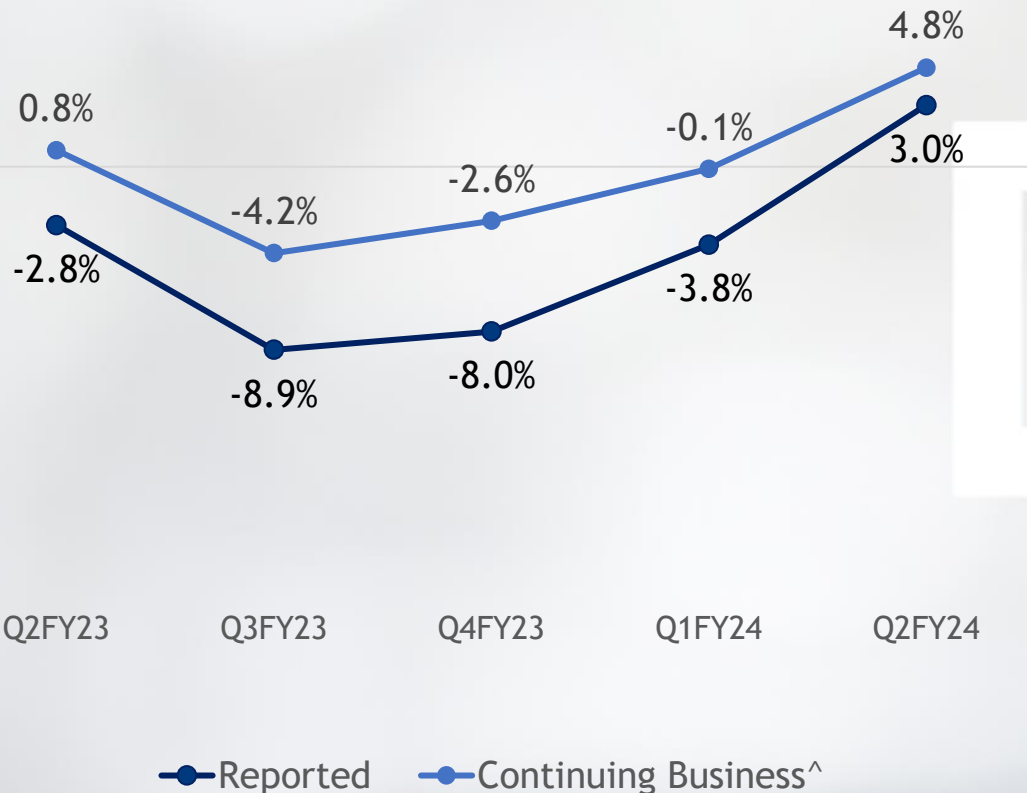
Q2 FY24 : Standalone P&L Statement

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%
Total Expenses	-277.8	-335.9	-17.3%	-255.5	8.7%
<i>Total Expenses % of Revenue</i>	<i>-46.9%</i>	<i>-58.4%</i>	<i>-1,152bps</i>	<i>-50.6%</i>	<i>-367bps</i>
Adj. EBITDA	62.0	0.2	-	49.6	25.0%
<i>Adj. EBITDA %</i>	<i>10.5%</i>	<i>0.0%</i>	<i>1,043bps</i>	<i>9.8%</i>	<i>65bps</i>
ESOP charge	-10.7	0.0	-	-3.8	184.2%
EBITDA	51.2	0.2	-	45.8	11.9%
<i>EBITDA %</i>	<i>8.6%</i>	<i>0.0%</i>	<i>861bps</i>	<i>9.1%</i>	<i>-41bps</i>
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%
Adj. PBT Before Exceptional items/ ESOP Charges	47.8	-20.5	-	34.8	37.2%
Exceptional Items	0.0	-15.9	-	0.0	-
PBT after Exceptional items/ ESOP Charges	37.0	-36.4	-	31.0	19.3%
Adj. PAT (pre-ESOP Charges)	32.9	-26.8	-	24.9	32.3%
PAT	25.5	-26.8	-	22.1	15.4%

- 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

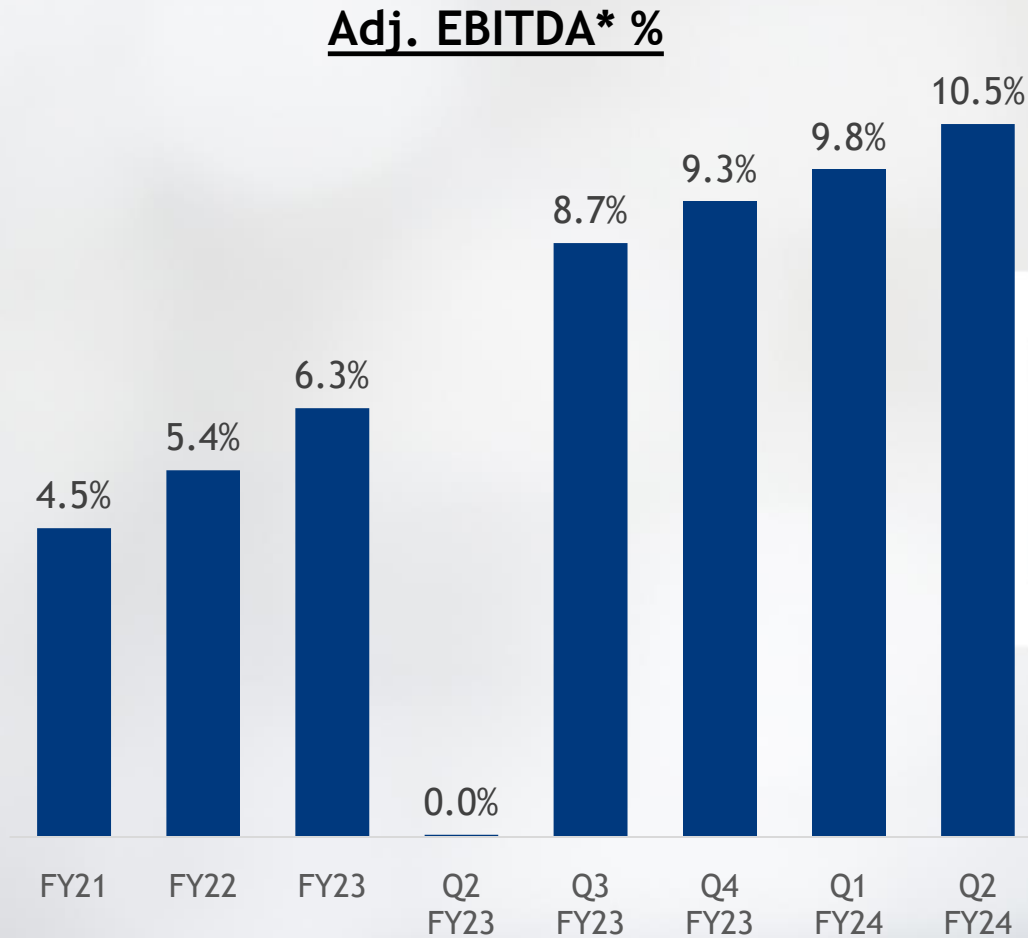
Revenue growth driven by volumes

Revenue Growth (YoY %)



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

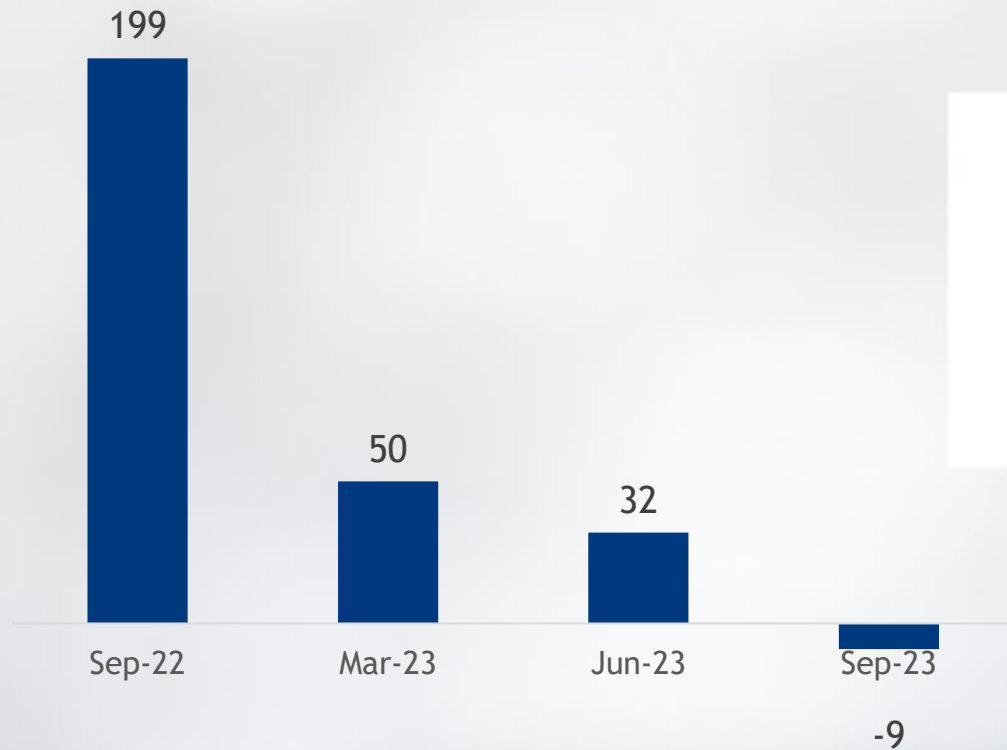
Adj. EBITDA margin continues to expand



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

Balance sheet strengthened by turning net debt free

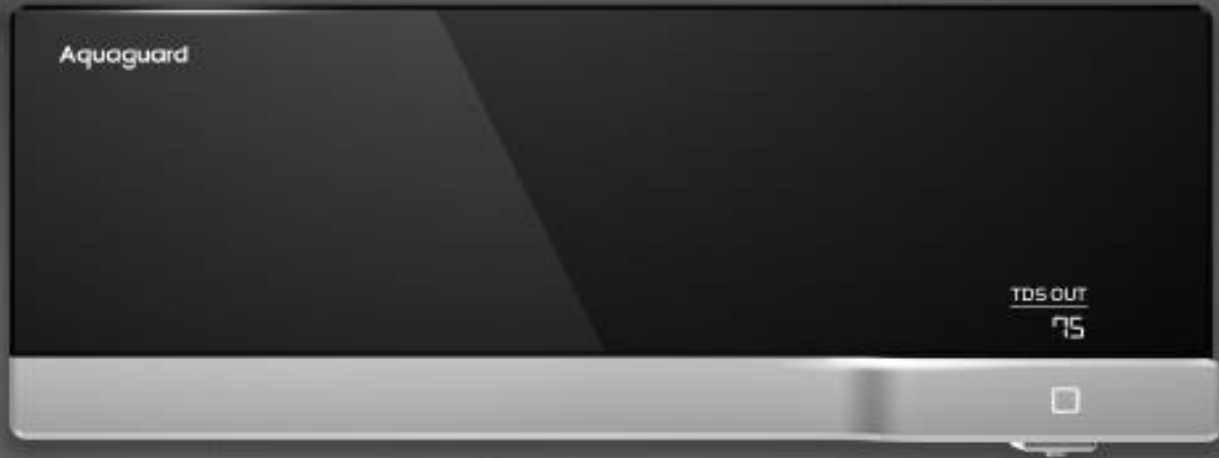
Net debt/(Surplus) - Rs Cr



- + 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

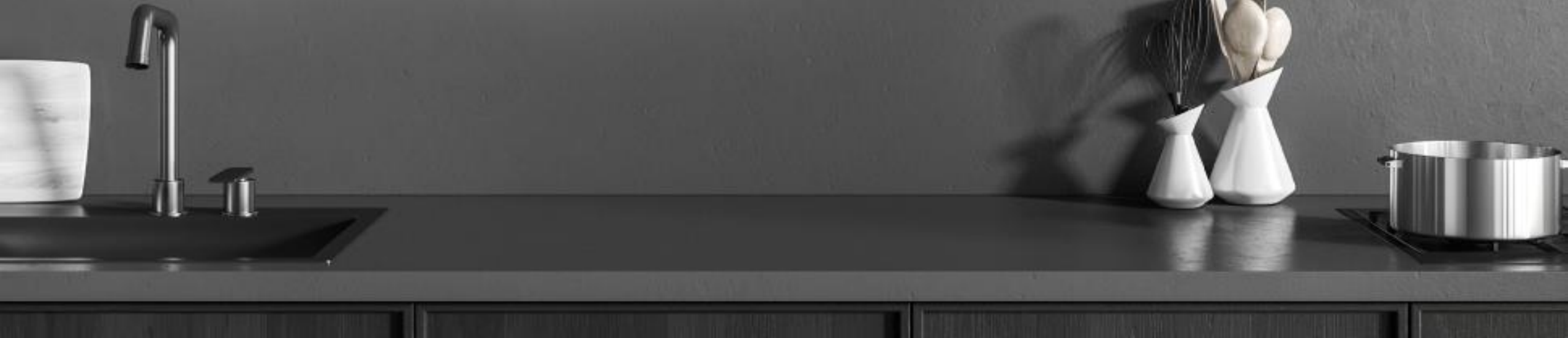
Next-Gen Innovations in Water Purifiers
Reimagining Form with Technology



Introducing
Aquaguard
SLIMTECH

5th Gen UV LED Slim Bar

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



New Product Launches : Water Purifier

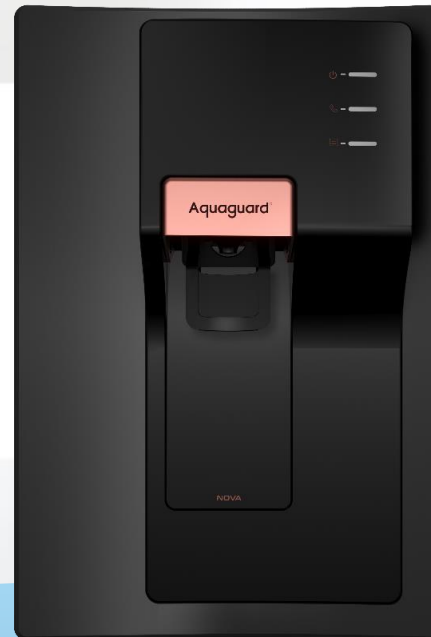
Aura UV+UF

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



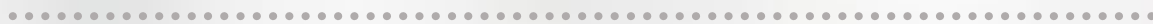
Mr. Pratik Pota
Managing Director and CEO

“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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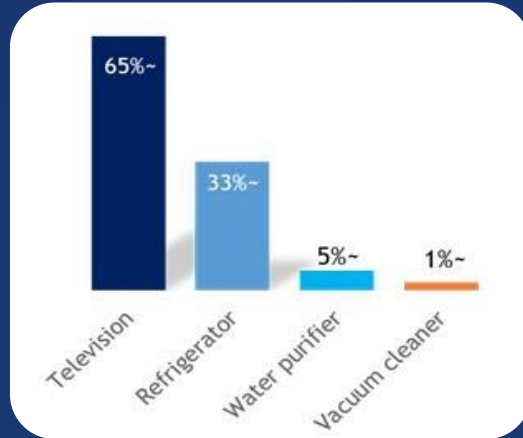
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Macro factors supportive of growth



**Growing
consciousness on
health & hygiene**

Especially post Covid



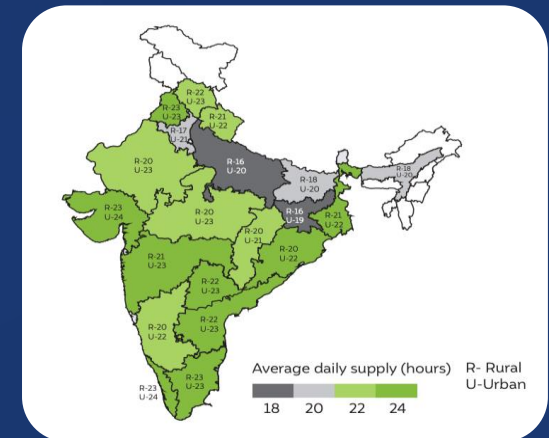
**Low Category
Penetration of the
core categories**

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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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)

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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