

RESILIENT PROFIT LED GROWTH AMIDST CHALLENGING MACROECONOMIC ENVIRONMENT.

Q3FY24 HIGHLIGHTS

- ❖ **Consolidated Revenues at ₹ 996 crore** grew by 1%
 - Domestic Business posted flat growth (5% growth excl. winter contextual products)
 - International Business grew by 8% (Constant currency growth of 11%)
- ❖ **Gross Margins at 68.8%** improved by 290 bps
- ❖ **EBIDTA at ₹ 315 crore** grew by 7%
 - EBIDTA Margins improved by 170 bps
- ❖ **PAT at ₹ 258 crore** grew by 9%; Excl. One-off exceptionals, PAT grew by 11%
 - PAT Margins improved by 180 bps
- ❖ **Interim dividend** of 400% i.e. ₹4/- per share

Note: All financial figures are based on Consolidated Financials

Kolkata, Friday 9th February 2024: The Board of Directors of Emami Limited met on Friday, 9th February 2024 to consider the unaudited financial results of the company for the third quarter and nine months ended 31st January 2024.

The third quarter witnessed subdued demand trends particularly in rural markets. Moreover, the period was characterized by the late onset of winter, negatively impacting the demand for winter contextual products. Despite these challenges, the company navigated the dynamic business environment, demonstrating resilience and achieving profit-led growth during Q3FY24.

The Company's Consolidated Revenues at Rs. 996 crores grew by 1% in Q3 with a flat growth in Domestic Business. However, non-winter products grew by 5%. The International business delivered a constant currency growth of 11%, primarily attributed to robust performance in the MENAP region.

During the quarter, the Company launched Zandu Agni Balm - a stronger multi-purpose balm to counter regional competition and gain share for overall balm portfolio. The Company also launched 5 digital first launches during the quarter on its D2C portal Zanducare - Zandu Mahabhringraj Tel, Zandu Shilajitprash, Zandu Livital - Ayurvedic Liver Syrup & Tablets and Zandu Dantveer Ayurvedic Toothpaste. In the International markets, the Company launched Creme21 Pure Glycerin Oil and 7 Oils in One Double Conditioning Shampoo range.

In light of reduced input costs, the Company experienced a noteworthy enhancement in gross margins, reaching 68.8%, reflecting a substantial expansion of 290 basis points during the quarter. Furthermore, EBIDTA at ₹315 crore grew by 7%, with margins expanding by 170 basis points to 31.6%. Profit after tax at ₹258 crore, also grew by 9% with margins expanding by 180 basis points to 25.9%.

For the nine months ending December 2023, the Company witnessed a 5% increase in revenues, coupled with an expansion of gross margins by 290 basis points. EBIDTA surged by 11%, with margins expanding to 27.5%, indicating a rise of 170 basis points. Notably, the profit after tax demonstrated an impressive surge of 16%, amounting to ₹575 crore. The Board of Directors also recommended a second interim dividend of 400%, translating to ₹4/- per share for the fiscal year 2024.

The Company remains optimistic about future growth, supported by a favourable economic landscape, a positive trend in inflation, anticipated rural market recovery, government initiatives, and promising macroeconomic factors, all contributing to a confident outlook for sustained positive performance.

Mr Harsha V Agarwal, Vice Chairman and Managing Director, Emami Limited said:

"I am happy that we could deliver another quarter of resilient performance along with substantially improved profitability with a 7% growth in EBIDTA and 9% growth in Profit after Tax, despite subdued demand in Q3. Disrupted winter, weak rural demand and continued inflationary woes impacted the winter and discretionary offtakes. We remain committed to deliver volume led profitable growth going forward aided by accelerated scale up of emerging channels, distribution initiatives, ongoing brand and strategic investments coupled with launch of innovative products"

Mr Mohan Goenka, Vice Chairman and Whole-Time Director, Emami Limited said:

"We showcased our adaptability in the face of changing market dynamics to post a resilient revenue growth despite a delayed winter. Our International business posted an impressive 11% constant currency growth led by MENAP region. Our commitment to innovation remains unwavering, marked by the launch of various new innovative products both in domestic and international markets, underscoring our dedication to driving future growth and delivering value to our stakeholders."

About Emami Ltd

Emami: (NSE: EMAMILTD, BSE: 531162) Emami Ltd, founded in 1974, is one of India's leading FMCG Companies engaged in manufacturing & marketing of personal care & healthcare products.

With over 450 diverse products, Emami's portfolio includes trusted power brands like Navratna, BoroPlus, Fair & Handsome, Zandu Balm, Mentho Plus and Kesh King. After a successful takeover of

Zandu Pharmaceuticals Works Ltd in 2008, in 2015, the Company acquired the business of 'Kesh King' and forayed into the Ayurvedic hair & scalp care segment. Emami, following the acquisition of Creme 21, a German brand with strong roots and brand recall in 2019, went on to acquire 'Dermicool', one of the leading Prickly Heat and Cool Talc brands of India in 2022. Emami products are available in over 4.9 million retail outlets across India through its network of 4000+ distributors and its global footprint spans over 70 countries including SAARC, MENAP, SEA, Africa, Eastern Europe and the CIS countries.

Emami is well known for its aggressive marketing powered by celebrity endorsements like Amitabh Bachchan, Shah Rukh Khan, Salman Khan, Hrithik Roshan, Ayushmann Khurrana, Madhuri Dixit, Juhi Chawla, Katrina Kaif, Kareena Kapoor Khan, Bipasha Basu, Malaika Arora Khan, Nushratt Bharuccha, Yami Gautam, Kangana Ranaut, Shilpa Shetty, Sonakshi Sinha, Juhi Chawla, Sonu Sood, Vidyut Jammwal, Kartik Aaryan, Varun Dhawan, Tiger Shroff, Surya, Jr. NTR, Sachin Tendulkar, Sourav Ganguly, Shikhar Dhawan, Sania Mirza, Saina Nehwal and many others over the years.

With a market cap of ~ ₹21,000 crores, Emami Ltd is the flagship Company of the diversified Emami Group. Please visit www.emamilttd.in for further information.

For further information, please contact:

Mahasweta Sen

AVP & Head -Corporate Communications

Mobile: +919836292392

Email: mahasweta.sen@emamigroup.com