

Emami continues steady growth

Q3 & 9M revenues grow by 4% and 13% while PAT rises by 5% and 31% respectively

Q3FY22 & 9MFY22 HIGHLIGHTS

- ❖ **Consolidated Revenues grew by 4% on a high base of 15% growth in previous year; 2 year CAGR 9%**
 - 7% growth excluding Immunity & Hygiene range
 - Domestic Business grew by 3% in Q3; up 14% in 9M
 - International Business grew by 7% in Q3; up 4% in 9M
 - Institutional Business grew by 16% in Q3; up 24% in 9M
- ❖ **Profits grew steadily despite input cost impact**
 - EBIDTA posted flat growth in Q3, up 9% in 9M
 - PAT grew by 5% in Q3, up 31% in 9M
 - Cash Profit* posted flat growth in Q3, up 13% in 9M
- ❖ **Board of Directors announce Buyback upto 10% of Equity share capital & free reserves at a price not exceeding ₹550/- per equity share**
- ❖ **2nd Interim Dividend of 400% announced**
 - 1st Interim Dividend of 400% paid in November 2021

**Cash Profit= PAT+ Depreciation & Amortization*

Note: All financial figures are based on Consolidated Financials.

Kolkata, Thursday 3rd February 2022: The Board of Directors of Emami Limited met on Thursday, 3rd February 2022 to consider the Unaudited financial results of the company for the third quarter and nine months ended 31st December 2022.

The quarter witnessed high inflation leading to a deceleration in consumer demand. Despite this consumption moderation and notwithstanding a high base of 15% growth in corresponding quarter previous year, Consolidated revenues at Rs. 972 cr grew by 4% on a year on year basis and at 9% on a 2 year CAGR basis.

Domestic business grew by 3% on a year-on-year basis over a base of 16% growth in previous year, translating into a 2 year CAGR of 9%. Modern trade grew by 14% and ecommerce continued its robust run growing by 75% over previous year. In Q3FY22, the salience of these new age channels has increased to 14% of domestic revenues.



Distribution initiatives continued to progress with additional 5800 rural towns being added in the last 9 months through Project Khoj. Revenues and presence in Standalone Modern Trade outlets increased with coverage expanding to 40 cities and more than 3400 outlets. The Company has also activated more than 26,000 additional outlets for its healthcare products by focusing on Ayurvedic bhandars and chemist outlets

During the quarter, the Company launched various TV Commercials for many of its brands e.g. Zandu Chyawanprash with Ajay Devgn, Kesh King Oil with Shilpa Shetty, BoroPlus soft with Nushratt Bharuccha and Zandu Ortho Vedic Oil with the wrestler Khalli. A new TV & digital campaign for Navratna in Southern markets and a new campaign for BoroPlus Doodh Kesar Body Lotion were also launched. The Company continued to leverage the digital platforms with targeted campaigns and engaged various influencers to promote its brands.

International Business grew by 7% on a year on year basis. It however grew by 16% on a 2 year CAGR basis. Excluding sales of Immunity & Hygiene range, International Business grew by 14% led by key geographies like Bangladesh & Sri Lanka in SAARC and other regions like Africa & SEA.

During the quarter, EBIDTA at Rs. 342 cr was flat over last year despite Gross margins at 67.4% contracting by 300 basis points due to inflation in key raw material prices. On a 2 year CAGR basis EBIDTA grew by 14%. However, PAT at Rs. 220 cr grew by 5% over previous year.

In 9MFY22, Consolidated Revenues at Rs. 2,422 crore grew by 13%, EBIDTA at Rs. 788 crore grew by 9%, PAT at Rs. 483 crore grew by 31% and Cash Profit at Rs. 734 crore grew by 13%.

The Board of Directors have approved a Buyback of shares upto a value of 10% of the Company's share capital and free reserves at a price not exceeding Rs. 550/- per share. Further, the Board of Directors have also declared a 2nd Interim dividend of 400% i.e. ₹4/- per share for FY22.

Mr Mohan Goenka, Director, Emami Limited said:

"We are satisfied with the performance achieved amidst chaos and lockdown that prevailed in some form or the other during the quarter. Various initiatives undertaken for expanding our reach have resulted in increase in rural penetration and improved distribution. Our focus on new-age channels like Modern Trade, SAMT, e-commerce and D2C business remains strong with more than 5% of our domestic revenues being generated digitally"

Mr Harsha V Agarwal, Director, Emami Limited said:

"Our performance during the quarter has witnessed a reasonable growth despite a high base. We are happy that most of our brands have continued to perform well to maintain their



leadership positions. Despite inflationary pressures and rising costs, we have managed to protect our EBIDTA, which we believe is commendable in the current environment. Our International Business has also performed well growing by 7% on a year on year basis and by 16% on a 2 year CAGR basis led by Bangladesh and few other regions.”

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 300 diverse products, Emami's portfolio includes trusted power brands like Navratna, BoroPlus, Fair & Handsome, Zandu Balm & Mentho Plus. In 2015, the Company acquired the business of 'Kesh King' and forayed into the Ayurvedic hair & scalp care segment. In, 2019, the company acquired Creme 21, a German brand with strong roots & brand recall. Emami products are available in over 4.5 million retail outlets across India through its network of ~3250 distributors and its global footprint spans over 60 countries including GCC, Europe, Africa, CIS countries & the SAARC.

Emami is well known for its aggressive marketing powered by celebrity endorsements like Amitabh Bachchan, Pt Birju Maharaj, Shah Rukh Khan, Salman Khan Hrithik Roshan, Shahid Kapoor, Madhuri Dixit, Katrina Kaif, Kareena Kapoor Khan, Yami Gautam, Kangana Ranaut, Shilpa Shetty, Sonakshi Sinha, Shruti Haasan, Juhi Chawla, Vidyut Jamwal, Kartik Aryaan, Varun Dhawan, Milkha Singh, Tiger Shroff, Sachin Tendulkar, Surya, Jr. NTR, Sania Mirza, Saina Nehwal, Bipasha Basu etc over the years.

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

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