

## EMAMI POSTS RESILIENT PERFORMANCE WITH 20% EBIDTA GROWTH IN Q2FY24

### Q2FY24 HIGHLIGHTS

- ❖ **Consolidated Revenues** at ₹ 865 crore grew by 6%
  - Domestic Business grew by 4%
  - International Business grew by 12% (Constant currency growth of 16%)
- ❖ **Gross Margins** at 70.1% improved by 350 bps
- ❖ **EBIDTA** at ₹ 234 crore grew by 20%
  - EBIDTA Margins improved by 300 bps
- ❖ **Interim dividend** of 400% i.e. ₹4/- per share
- ❖ Acquired a 26% stake in **Axiom Ayurveda Pvt. Ltd**, which plays in the fruit-based nectars category under the brand 'AloFrut' –a proprietary fusion of Aloe vera pulp with fruit blends

*Note: All financial figures are based on Consolidated Financials*

**Kolkata, Monday 6<sup>th</sup> November 2023:** The Board of Directors of Emami Limited met on Monday, 6<sup>th</sup> November 2023 to consider the unaudited financial results of the company for the quarter and half year ended 30<sup>th</sup> September 2023.

The Company demonstrated remarkable resilience in the second quarter and half-year ending on 30<sup>th</sup> September 2023, overcoming challenges such as poor monsoons, food inflation, and subdued demand in rural markets. Despite the challenges, the Company's Consolidated Revenues at Rs. 865 crores grew by 6% in Q2.

The Domestic Business witnessed a commendable 4% growth with a volume growth of 2%, driven by channels catering to urban markets such as Modern Trade and E-commerce. The International business also expanded by an impressive 12% during the quarter, delivering a constant currency growth of 16%, primarily attributed to robust performances in the SAARC and MENAP regions.

Notably, the Company unveiled a range of innovative digital-first products in the Domestic business during the quarter, including Glycerine bathing bars under the BoroPlus range, an Organic Onion hair mask under the Kesh King brand and introduction of 10 new products on the Zanducare portal. The Company also launched 3 new products under the Creme 21 brand in the international markets.

Additionally, the Company made its foray into the juice category with “AloFrut” through strategic investment in Axiom Ayurveda Pvt Ltd and its subsidiaries/associations by acquiring 26% equity stake. Axiom markets beverage products under the brand “AloFrut”, which are most refreshing and healthy fusion of aloe vera pulp and fruit blends.

Leveraging lower raw material costs and judicious price hikes, the quarter saw a remarkable expansion in Gross margins by 350 basis points, reaching 70.1%. EBIDTA soared to ₹234 crore, showcasing an impressive 20% growth, with margins at 27.0%, an increase of 300 basis points.

In the first half of FY24, the Company achieved a 7% growth in Revenues, expanded Gross Margins by 290 basis points, which led to a 15% surge in EBIDTA, with margins reaching 25.1% - expanding by 180 basis points. Moreover, the Profit for the period surged to ₹316 crore, reflecting a strong 23% growth.

The Board of Directors declared an interim dividend of 400%, amounting to ₹4 per share for FY24, in recognition of the Company's performance, thereby rewarding the shareholders for their support and trust. The Company's ability to navigate challenges and achieve significant growth and profitability signals a promising trajectory and highlights its commitment to innovation, strategic partnerships, and value creation for its stakeholders.

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

*“In this dynamic and challenging environment, our results exemplify our dedication to growth and innovation, marked by a good increase in both volumes and revenues. Strong performance by both Modern Trade and e-commerce has led to a decent revenue growth of 6% and an impressive constant currency growth of 16% in our international business during this quarter. Our recent expansion into the juice category, marked by a strategic 26% investment in Axiom Ayurveda (AloFrut), aligns with our vision to diversify into high growth segment where we are currently not present. These strategic entries in diverse categories act as a launch pad for future growth of the Company.”*

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

*"I'm delighted to announce our Company's positive performance in Q2FY24. Despite macroeconomic challenges, we achieved a 6% revenue growth. Notably, our gross margins expanded by 350 basis points, showcasing our operational excellence. EBIDTA soared by 20%, with margins expanding by 300 basis points, underscoring our dedication to value and quality. These achievements affirm our commitment to delivering value and quality to our consumers, partners and stakeholders. With the Government's support creating favorable conditions in rural markets, we're poised for a strong second half, amplifying our market presence."*

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### **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, Vidhut 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 ~ ₹22,600 crores, Emami Ltd is the flagship Company of the diversified Emami Group. Please visit [www.emamilttd.in](http://www.emamilttd.in) for further information.

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**For further information, please contact:**

**Mahasweta Sen**

AVP & Head -Corporate Communications

Email: [mahasweta.sen@emamigroup.com](mailto:mahasweta.sen@emamigroup.com)