

August 08, 2024

EFL/BSE/2024-25/30

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Scrip Code: 543482
Scrip ID: EUREKAFORBE

Sub: Press Release and Presentation on the Financial Results for the Quarter ended June 30, 2024

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 June 30, 2024.

This is for your information and records.

Thanking you,

For Eureka Forbes Limited

Pragya Kaul
Company Secretary & Compliance Officer

Encl: As above



PRESS RELEASE

Mumbai, August 08, 2024

Financial Results for Q1 FY25

3rd successive quarter of double-digit growth in continued business; Highest-ever adj. EBITDA margins at 11.5%

Eureka Forbes Limited, one of India's largest health and hygiene companies, today announced its financial results for the quarter ended June 30, 2024.

Highlights of the quarter ended June 30, 2024 (on a standalone basis) -

- Revenue from operations increased 9.4% YoY to Rs. 552.8Cr Continuing businesses grew higher at 10.8% YoY.
- Adjusted (Adj.) EBITDA increased 27.9% YoY to Rs 63.4Cr from Rs 49.6Cr in Q1 FY24; Adj. EBITDA margin improved 166bps YoY to 11.5%.
- Adj. PBT (before exceptional items and ESOP) increased 44.3% YoY to Rs 50.2Cr from Rs 34.8Cr in Q1 FY24.
- Profit After Tax increased 40.7% YoY to Rs 31.0Cr from Rs 22.1Cr in Q1 FY24.

Commenting on the Q1 FY25 performance, Mr. Pratik Pota, MD, and CEO, Eureka Forbes Limited said, "Despite a muted demand environment, we are pleased to report the third successive quarter of double-digit growth in our continuing business which grew by 10.8% in Q1.

Growth was broad-based across both Water Purifier and Vacuum Cleaner categories and the service business, with our premium products across both Water and VCs being the engines of growth.

We made progress on the profitability front too with EBITDA margins for Q1 reaching a lifetime high of 11.5%, an improvement of 166bps year on year.

Looking ahead, we have strong conviction in our strategy and believe that we have the right set of plans to drive sustained and profitable growth in the future."

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 and 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.

Q1 FY25 Earnings Presentation

August 08, 2024



Disclaimer

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.

01

- **Q1 FY25 Highlights**
- **Overview**
 - **Eureka Forbes**
 - **Industry**

Q1 FY25 Highlights (Standalone Results)

	Q1 FY25	Q1 FY24	YoY
Revenue	Rs. 552.8Cr	Rs. 505.3Cr	+9.4%
Continuing Business [^]	-	-	+10.8%
Adj. EBITDA*	Rs. 63.4Cr	Rs. 49.6Cr	+27.9%
Adj. EBITDA Margin*	11.5%	9.8%	+166bps
Adj. PBT**	Rs. 50.2Cr	Rs. 34.8Cr	+44.3%
PAT	Rs. 31.0Cr	Rs. 22.1Cr	+40.7%

[^] Excludes discontinued businesses/portfolio (Health Conditioner, Corona Guard, Safety and Security Devices, Forbes Pro Cleaning Services, Exports & Semi Finished Goods sales)

* Adjusted (Adj.) EBITDA is defined as PBT (before exceptional items) + Finance cost + Depreciation + Amortization + ESOP charge less other non-operating income

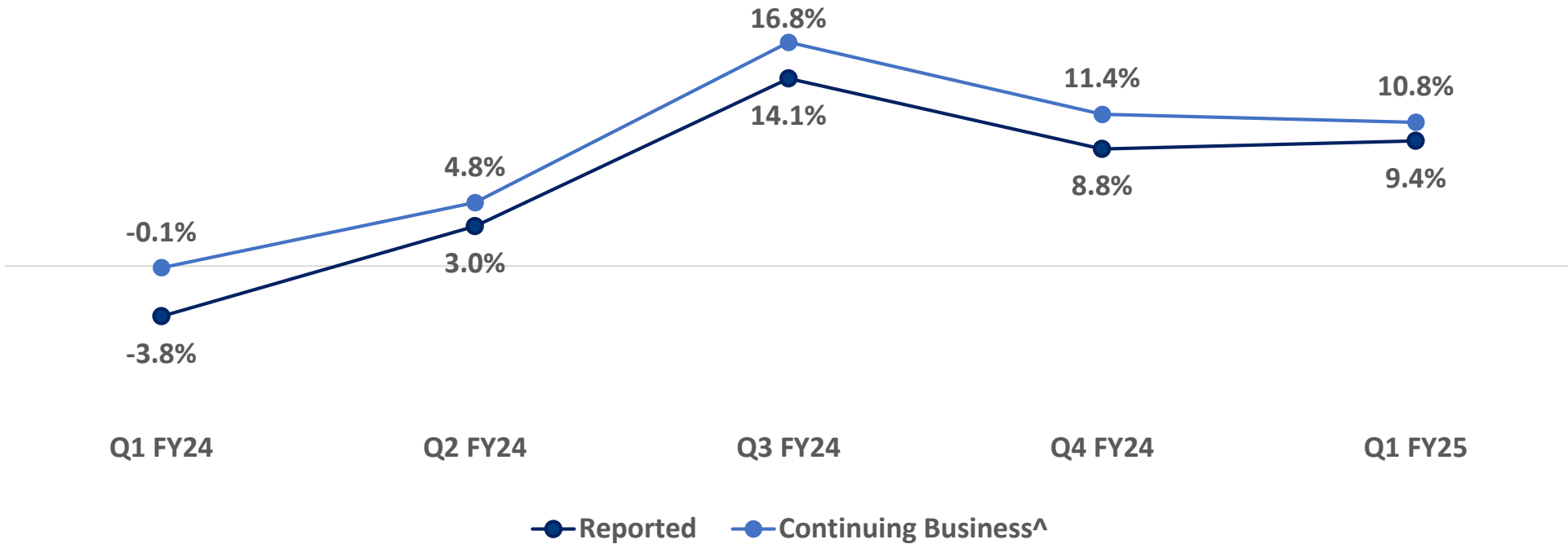
** Adjusted (Adj.) PBT is defined as PBT (before exceptional items) + ESOP charge

Q1 FY25 Standalone P&L Statement

Particulars (Rs. Cr)	Q1 FY25	Q1 FY24	YoY (%)	Q4 FY24	QoQ (%)
Revenue	552.8	505.3	9.4%	553.1	0.0%
Employee Benefit Expenses	76.0	71.6	6.1%	75.1	1.2%
Service Charges	69.1	69.9	-1.1%	79.6	-13.1%
Other Expenses	125.8	114.0	10.4%	109.6	14.8%
Total Expenses	270.9	255.5	6.0%	264.3	2.5%
Total Expenses % of Revenue	49.0%	50.6%	-156bps	47.8%	123bps
Adj. EBITDA	63.4	49.6	27.9%	61.9	2.4%
Adj. EBITDA %	11.5%	9.8%	166bps	11.2%	28bps
ESOP Charge	8.7	3.8	129.0%	9.2	-6.0%
EBITDA	54.7	45.8	19.5%	52.7	3.9%
EBITDA %	9.9%	9.1%	84bps	9.5%	38bps
Finance Cost	1.7	3.4	-50.7%	1.6	2.5%
Depreciation	6.9	7.0	-0.4%	7.3	-5.7%
Amortization	6.7	6.2	8.0%	6.4	4.8%
Other Income	2.2	1.8	18.7%	2.1	3.6%
Adj. PBT before Exceptional items/ ESOP Charges	50.2	34.8	44.3%	48.6	3.4%
Exceptional Items	-	-	-	15.1	-
PBT after Exceptional items/ ESOP Charges	41.6	31.0	33.9%	24.2	71.6%
PAT	31.0	22.1	40.7%	21.4	45.2%

Revenue : Third successive quarter of double-digit growth[^]

Revenue Growth

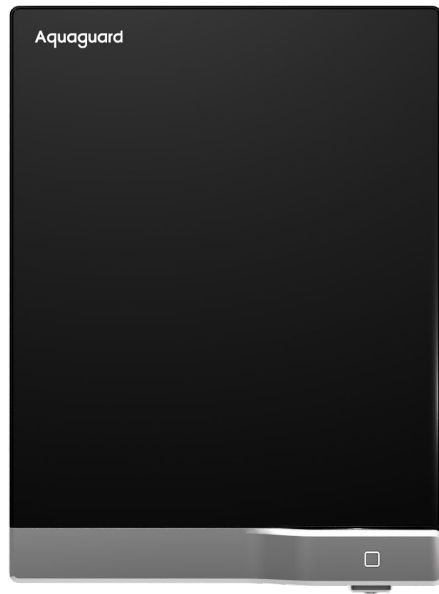


- Continuing business grows 10.8% YoY; Volume growth continues
- Sustained growth in both Water Purifiers and Vacuum Cleaners
- EWP innovations, Stainless Steel and VC Robotics were key drivers of growth

[^] Excludes discontinued businesses/portfolio (Health Conditioner, Corona Guard, Safety and Security Devices, Forbes Pro Cleaning Services, Exports & Semi Finished Goods sales)

Product : Innovations across the premium portfolio

Aquaguard
SLIMTECH



SlimTech Glass
With water quality indicator

Aquaguard
AURA 2X LIFE



Aquaguard
ENHANCE NXT 2X LIFE



Aura 2X & Enhance NXT 2X
2 years filter life

Aquaguard
Designo NXT



Designo NXT
Under-the-Sink

Product : New advertising campaign for Stainless Steel category

Change to the new **Aquaguard** with Stainless Steel Tank



Keeps Water Fresher for Longer

- | 304 Surgical Grade Stainless Steel Tank
- | Removes 99.99% Viruses & Bacteria

LIFETIME WARRANTY

AVAILABLE IN COPPER AND ALKALINE VARIANTS



EUREKA FORBES

Change to the new **Aquaguard**

Aquaguard is the registered trademark of Eureka Forbes Limited.
For more details log onto www.eurekaforbes.com

Click on the image to view the video

EWP : Enhanced Retail visibility

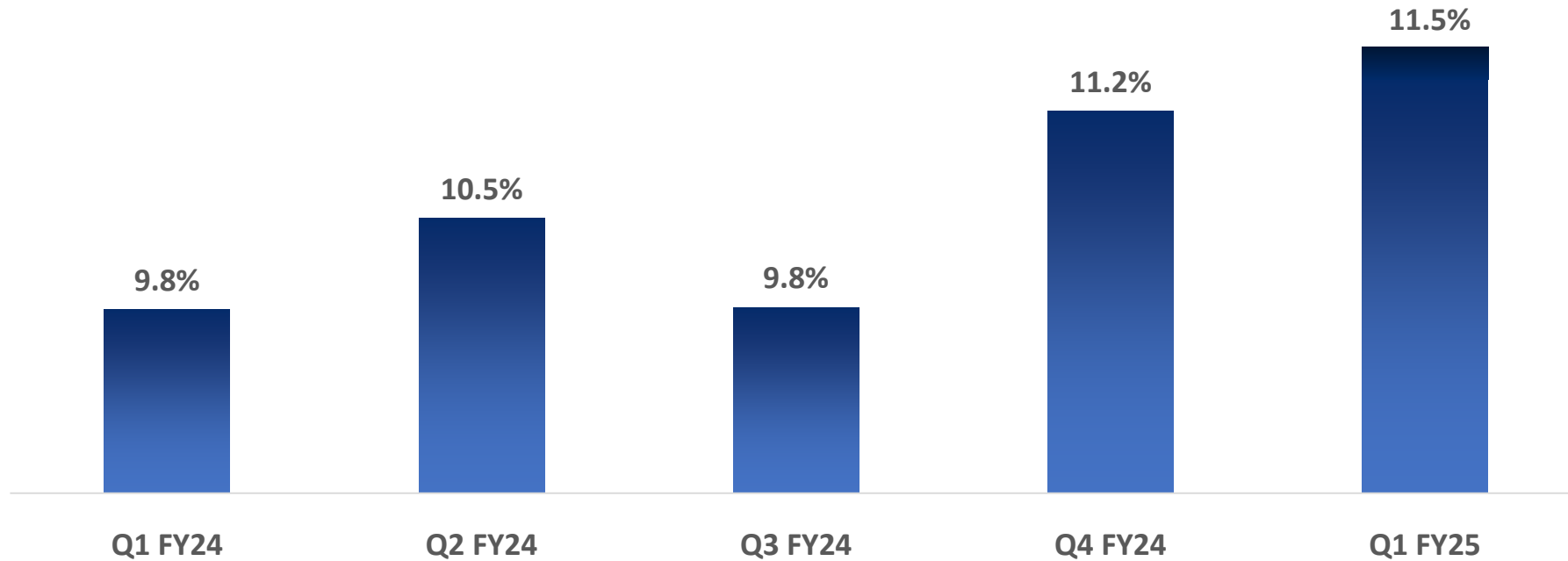


VC : Category building initiatives for Convenient Cleaning



Adjusted EBITDA Margin* : Record-high of 11.5%

Adjusted EBITDA Margin* %

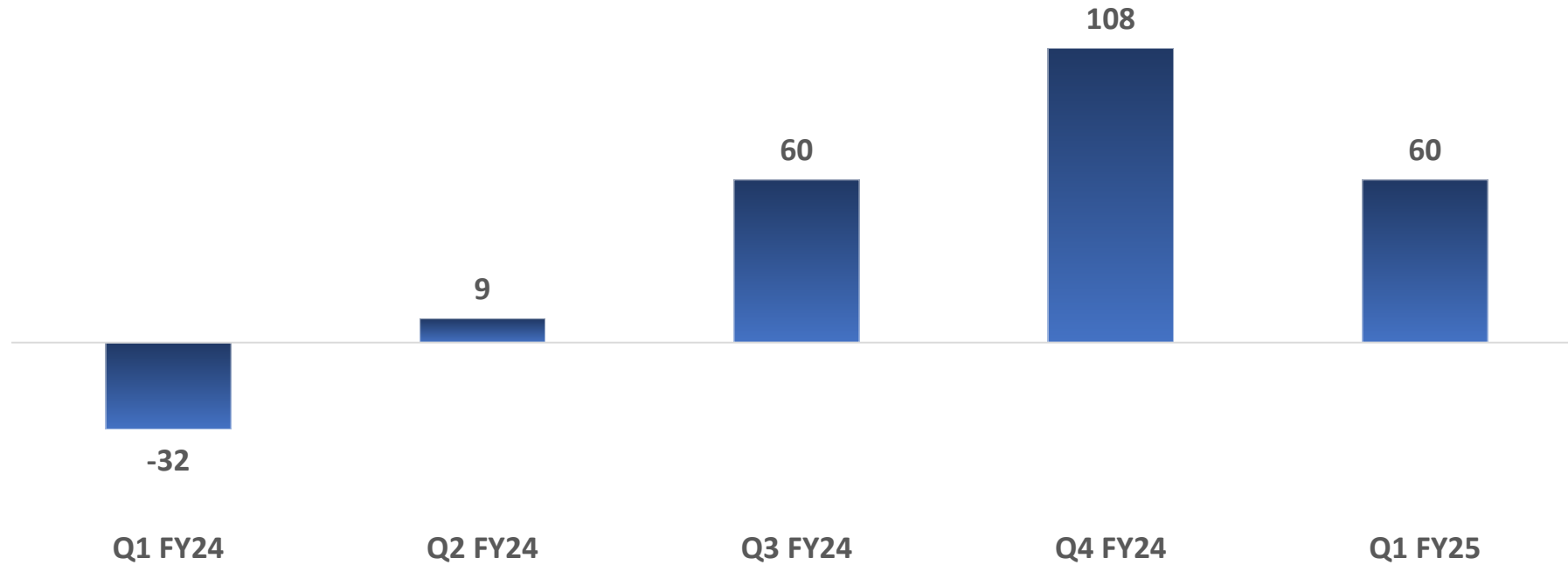


- Adjusted EBITDA Margin expanded 166bps YoY driven by operating leverage and structured cost optimization program

* Pre-ESOP charges

Net Debt : Stable cash position

Net Surplus / (Debt) (Rs Cr)



- Credit rating : CARE A+ Stable

Management Views

Mr. Pratik Pota
MD & CEO



“Despite a muted demand environment, we are pleased to report the third successive quarter of double-digit growth in our continuing business which grew by 10.8% in Q1.

Growth was broad-based across both Water Purifier and Vacuum Cleaner categories and the service business, with our premium products across both Water and VCs being the engines of growth.

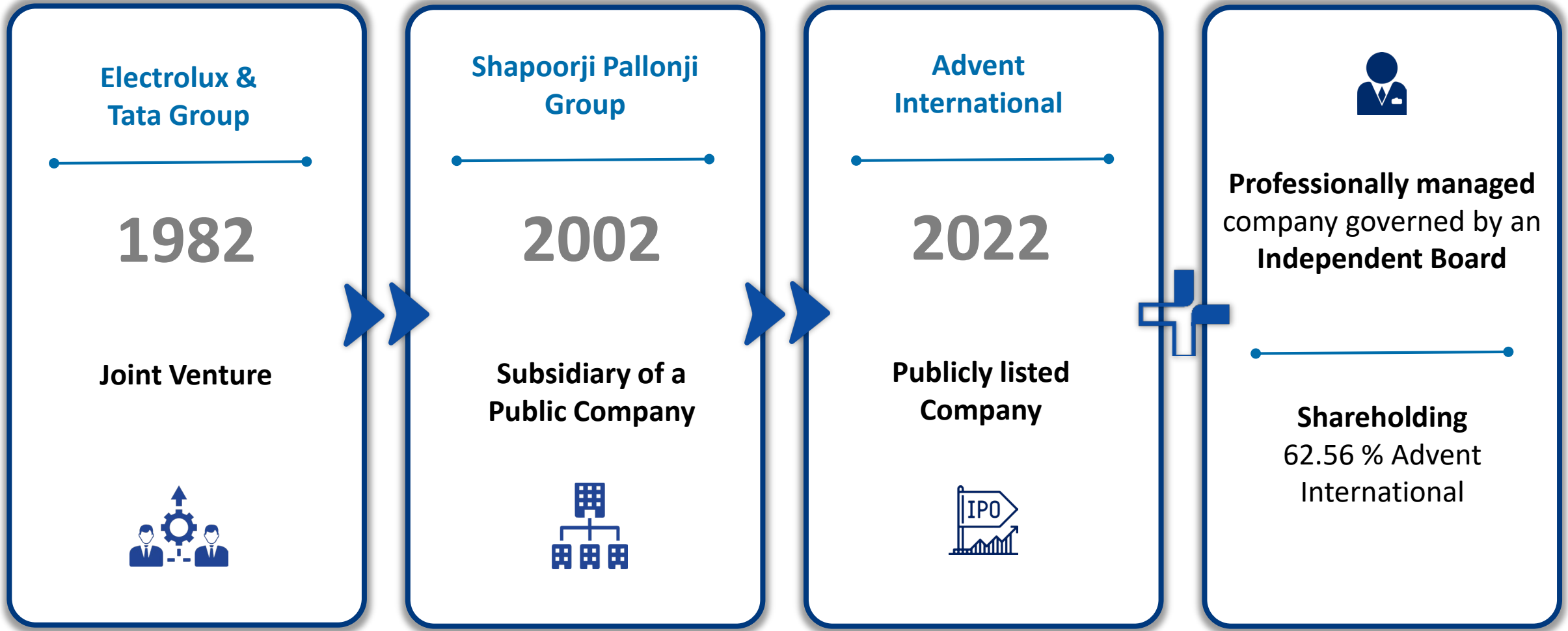
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02

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Eureka Forbes: Overview



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



Aquaguard®: One of the strongest consumer brands in India

**Universal Brand Awareness and Consideration
40 Years of Unconditional Trust and Acceptance**

Click on the image to view the video

Omni Channel Presence



- Direct Sales
- General Trade
- Modern Retail
- Ecommerce
- D2C
- B2B
- Canteen Stores (CSD)

Extensive Service network and strong customer connect

In home service in over

19,500 + PIN CODES



Large first party database of customers

~14 MILLION CUSTOMERS



02

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Macro factors supportive of growth



Growing incomes

Middle class fastest growing segment of the population;
1 Billion by 2047¹



Urbanization

By 2036, **40%** of Indians will live in towns and cities, up from **31%** in 2011²



Working Women

Female Labour Force Participation Rate increased to from **33%** in 2022 to **37%** in 2023³

Macro factors supportive of growth (cont.)



Piped Water

Went up from **16.8%** in 2019 to **77.2%** Households in 2024¹



Electrification

96.7% Households²



Unpredictable Domestic Help

Need For Convenient Back Up

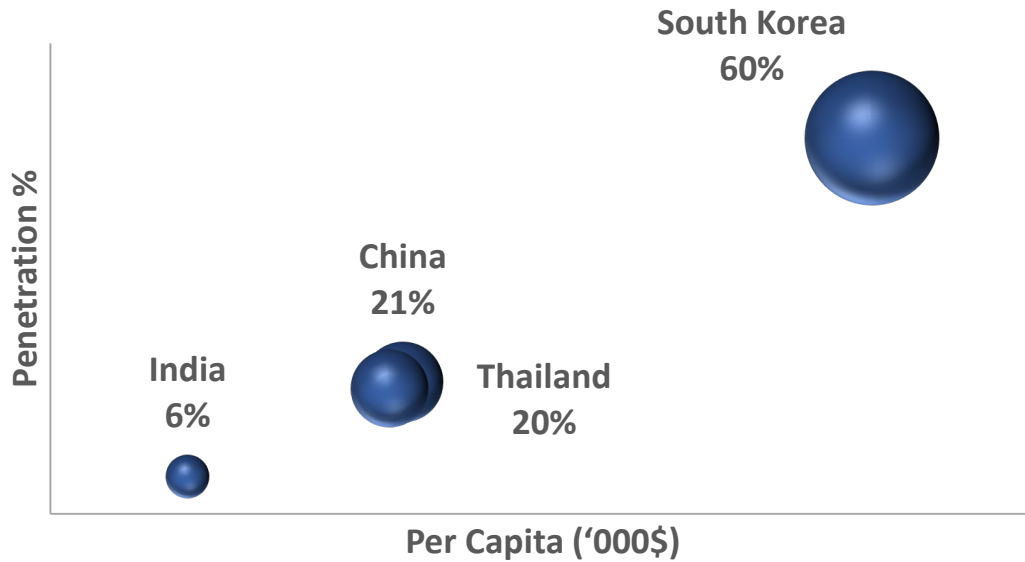


Increasing Importance Given To Health & Hygiene

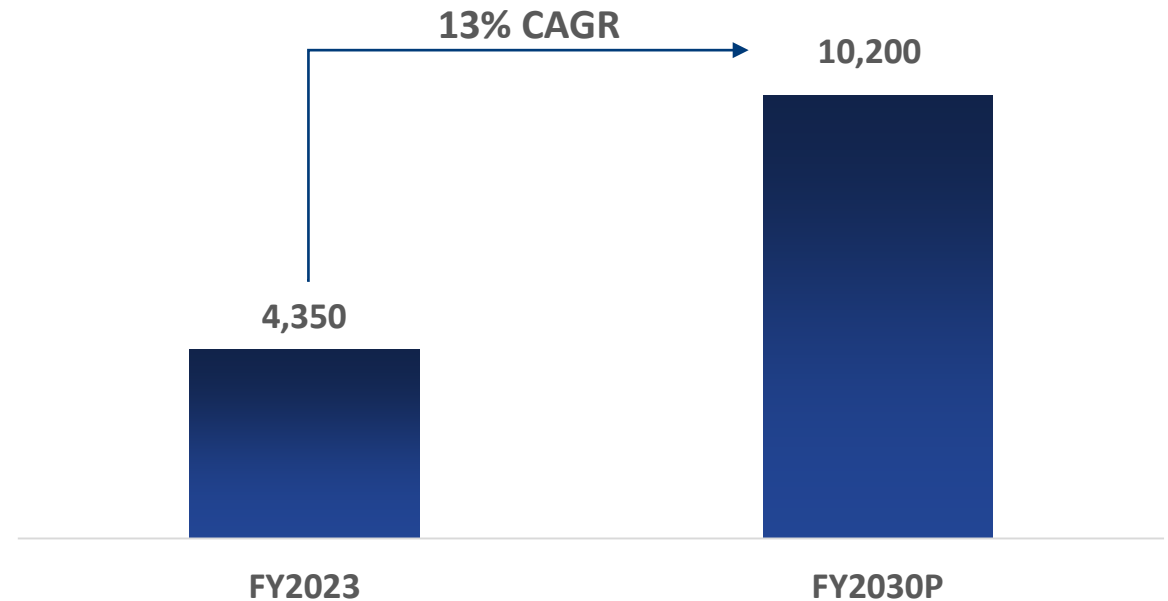
Increased Frequency Of Cleaning Homes Post Covid

Water Purifier Industry to grow at ~13% CAGR during FY23-FY30P

Water Purifier Penetration (CY2022)



Water Purifier Industry – Products (Rs Cr)



Key tailwinds



Growing awareness and consciousness on Health and Hygiene



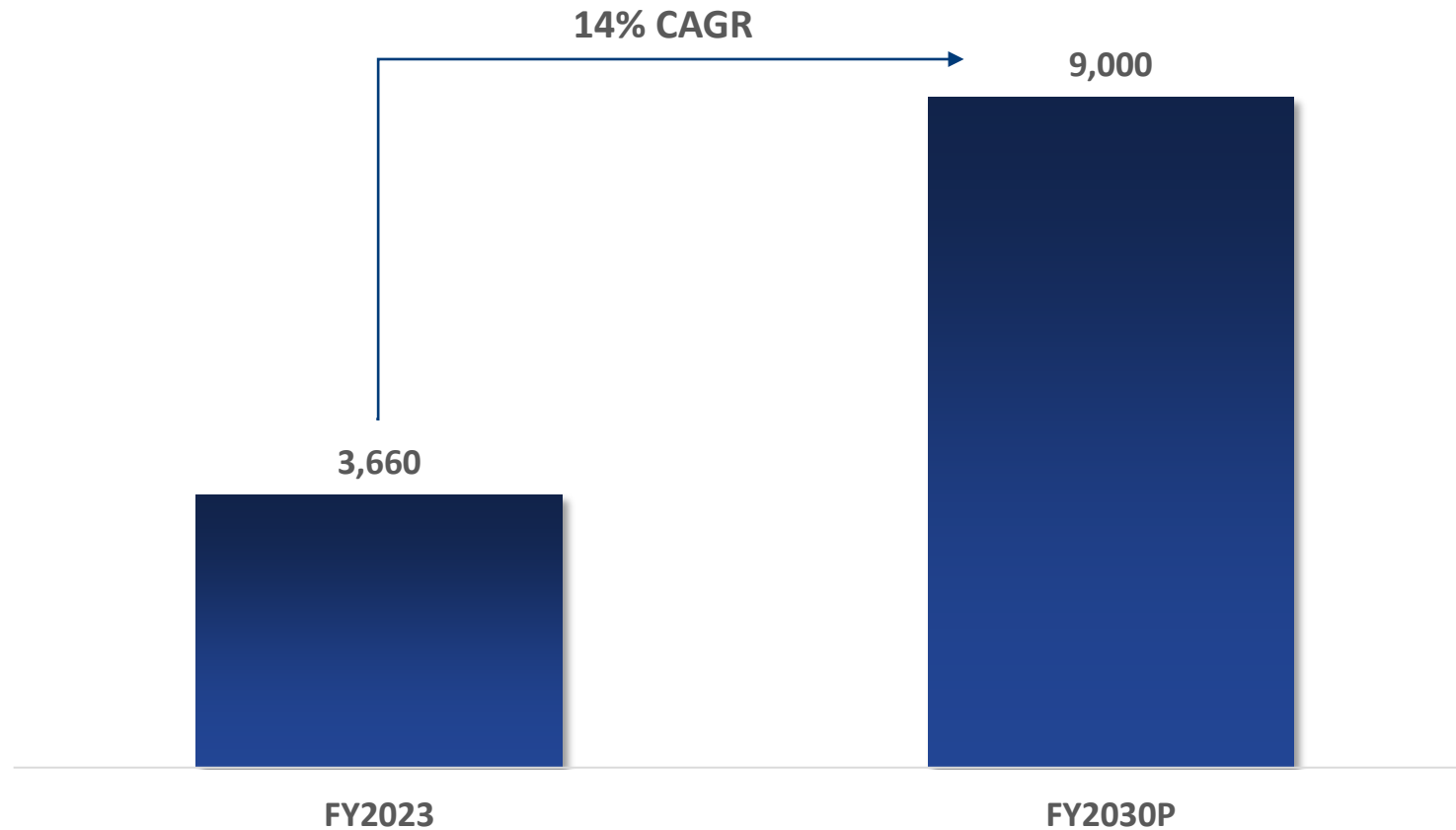
Piped water coverage increased to 70% as of October 2023 from ~17% in 2019



Uninterrupted access to electricity for wider section of population

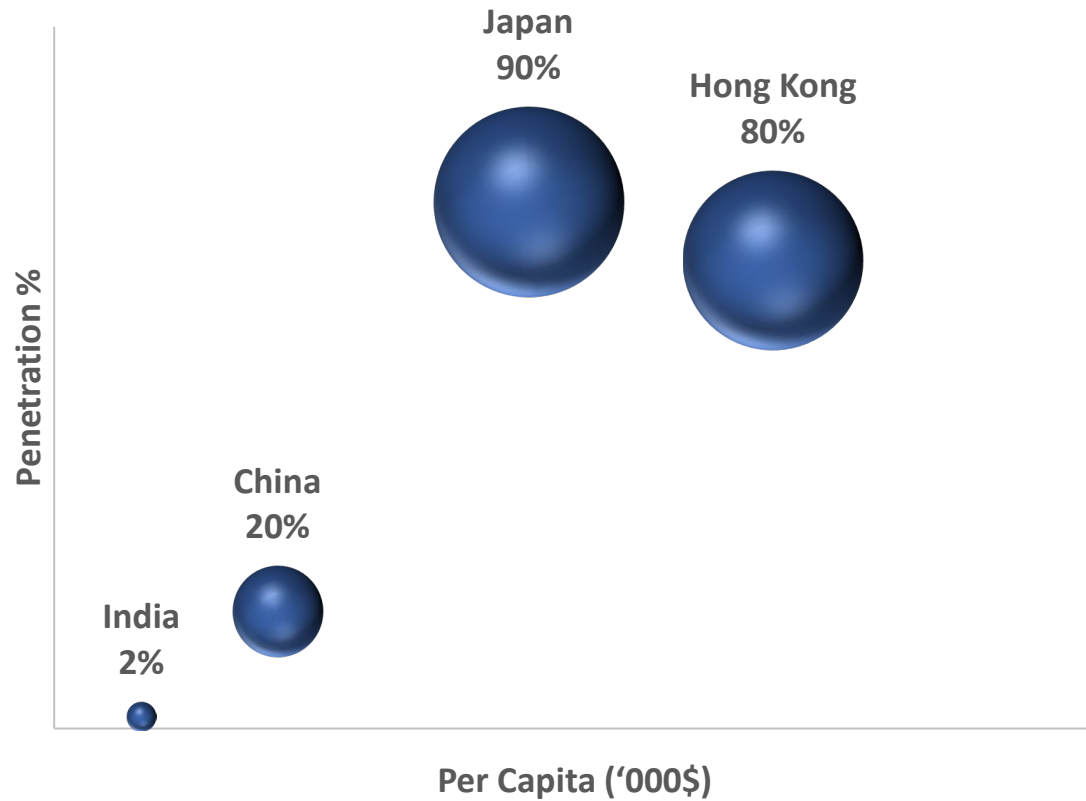
Water Purifier Services to become a Rs 9,000 Cr market by FY30P

Water Purifier Industry – Service (Rs Cr)

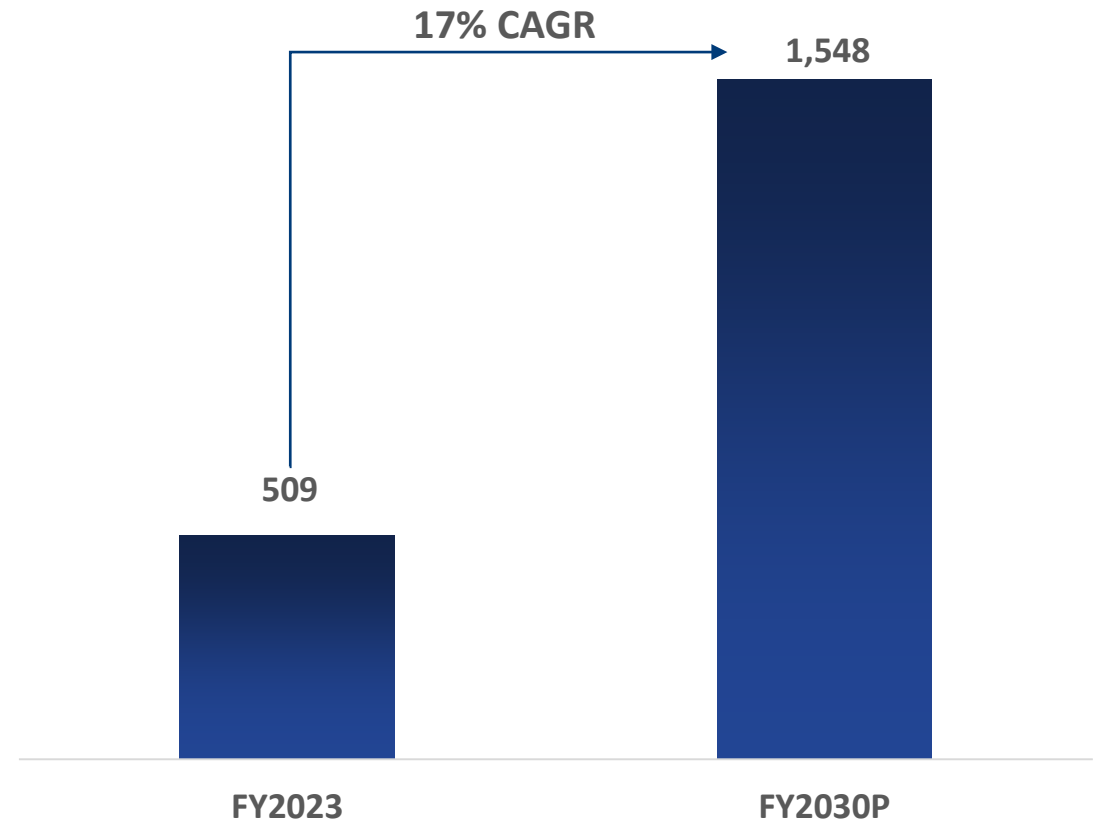


Vacuum Cleaner Market to triple by FY30P

Vacuum Cleaner Penetration



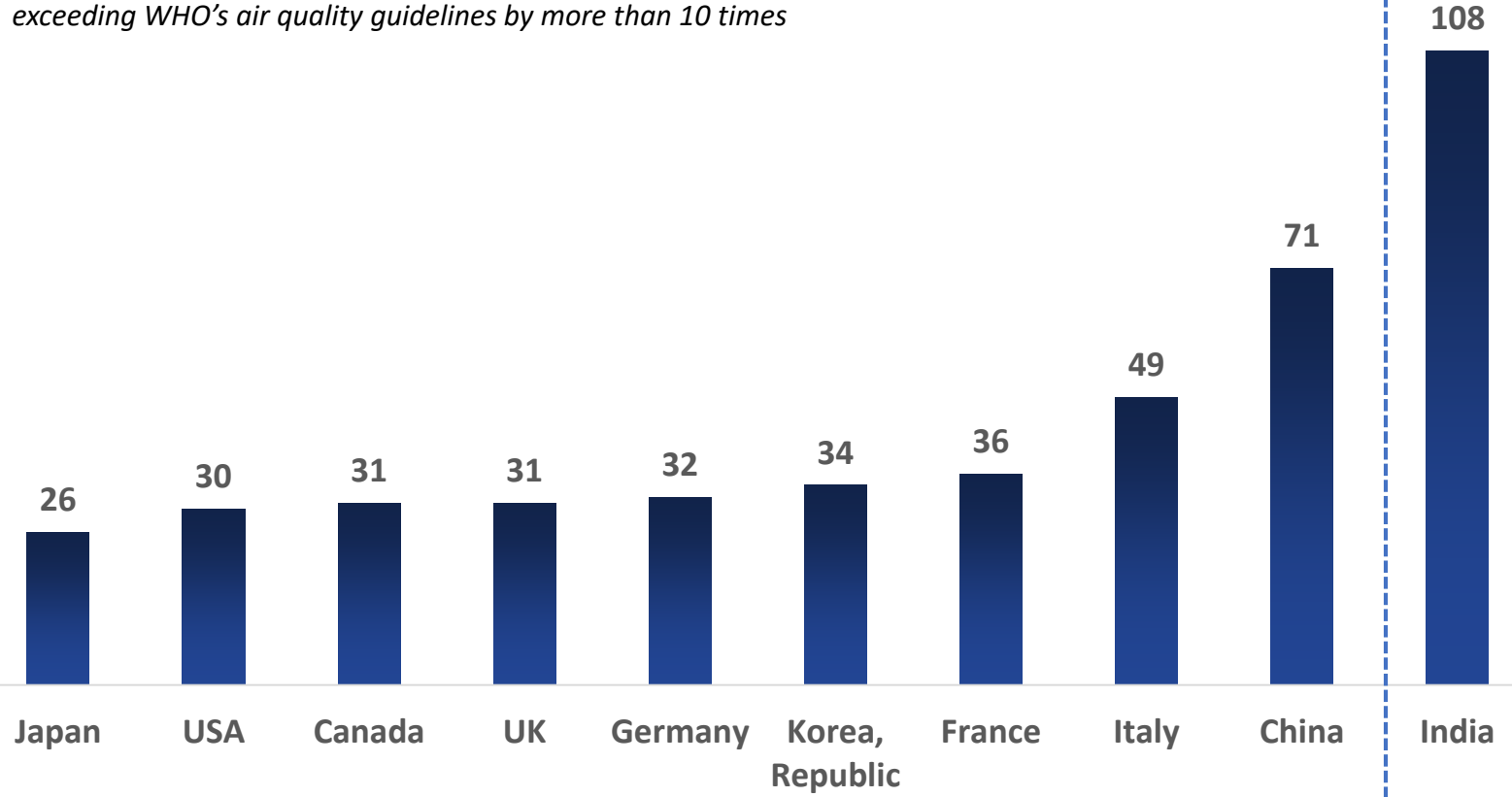
Vacuum Cleaner Industry (Rs Cr)



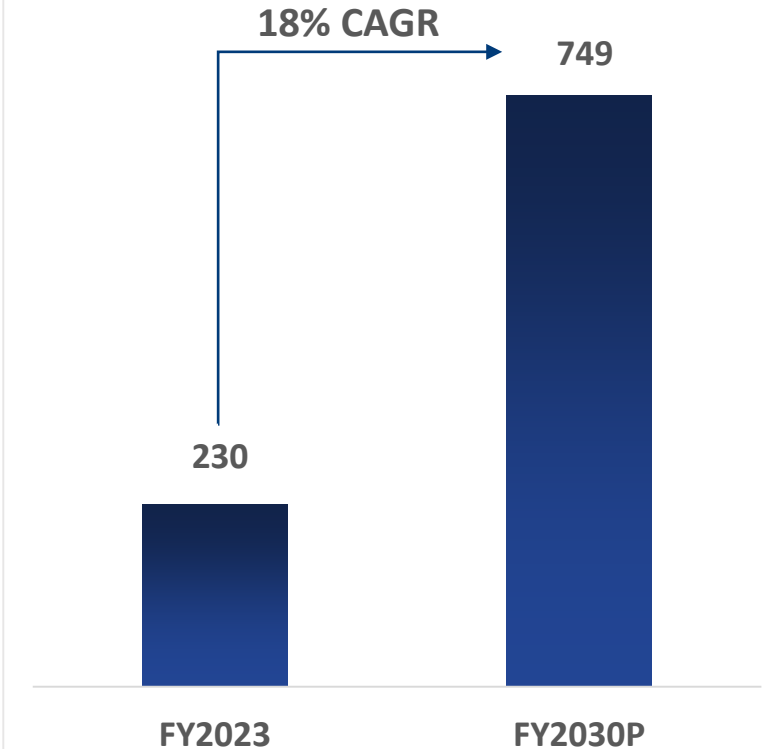
Rising demand for Air Purifiers amid deteriorating air quality

Global Air Quality Index (AQI*) (CY2022)

[^] 83 out of 100 most polluted cities globally are in India, exceeding WHO's air quality guidelines by more than 10 times



Air Purifier Industry (Rs Cr)



Source: Consumer Market Purification Devices in India – A Whitepaper by Technopak (reproduced with permission)

[^] Source for the news [Link](#)

*The AQI is a standardized measurement that quantifies the air quality of a given location considering various pollutants such as particulate matter (PM2.5 and PM10), nitrogen dioxide (NO₂), sulfur dioxide (SO₂), carbon monoxide (CO), and ozone (O₃). A lower AQI score indicates better air quality, while a higher score signifies worse air quality.

Contact Us

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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
3. ^The erstwhile Eureka Forbes Limited's (EFL) health, hygiene, safety products and services undertaking was demerged into Forbes Enviro Solutions Limited (FESL) with prospective effect from 1st February 2022. Previous year numbers are on a proforma basis to depict the results of the combined entity (erstwhile EFL and FESL) had the acquisition of the business occurred as on 01 April 2021.

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THANK YOU