



25th May, 2023

The Manager - Listing
The National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G. Block
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051
Scrip Code: EMAMILTD

The Manager - Listing
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001
Scrip Code: 531162

Dear Sirs,

Sub: Press Release

Enclosed please find the Press Release in relation to the Audited Financial Results of the Company for the Fourth Quarter and Year ended 31st March, 2023.

This is for your information and record.

Thanking You,
Yours Sincerely,
For Emami Limited

A. K. Joshi
Company Secretary & VP- Legal
(Encl. : As above)

EMAMI POSTS 9% REVENUE GROWTH & 22% EBIDTA GROWTH IN Q4FY23

Q4FY23 HIGHLIGHTS

- ❖ **Consolidated Revenues at ₹ 836 crore** grew by **9%**
 - Domestic Net sales grew by 5%
 - International Business Net sales grew by 19%
- ❖ **Gross Margins at 63.1%** improved by **60 bps**
- ❖ **EBIDTA at ₹ 200 crore** grew by **22%**;
 - EBIDTA Margins improved by **260 bps**
- ❖ **Buyback from open market continues**
 - Company to buy shares worth upto Rs.186 Cr. upto a price of Rs.450/-

Note: All financial figures are based on Consolidated Financials.

Kolkata, Thursday 25th May 2023: The Board of Directors of Emami Limited met on Thursday, 25th May 2023 to consider the unaudited financial results of the company for the fourth quarter and year ended 31st March 2023.

The FMCG industry witnessed a mixed demand environment in Q4FY23, as discretionary categories like personal care continued to remain muted on account of reduction of non-essential expenditure by rural consumers. Inflation in rural areas reached 6.8% in FY23, the highest level in the previous nine years, and rural inflation surpassed urban inflation for the first time since FY18. Additionally, excessive rainfall in many areas of the country in March impacted the demand for summer products. In the given macroeconomic context, Revenues at ₹ 836 crore grew by 9% over previous year during the quarter.

Domestic business grew by 5% during the quarter. Excluding the sales of Healthcare and Pain management range which had a higher consumption during COVID period, Domestic sales grew by 11%. New age channels like Modern Trade and eCommerce continued to perform well, growing by 18% and 64% respectively over previous year. The contribution of both these channels to Domestic sales increased to more than 20% of Domestic net sales, a 500 bps growth over previous year.

Complementing the launch of Zandu Fast Relief Gel earlier in August'22, the Company launched Zandu Fast Relief Spray in Q4FY23. Zandu Fast Relief is India's only pain relief brand,



recommended by the Indian Association of Physiotherapists and is endorsed by Dr. Ali Irani, the ex-physio of the Indian Cricket Team. Overall, the Company launched around 20 products in during the financial year, with a majority being digital first launches on its D2C website www.zanducare.com.

International business grew by 19% during the quarter despite high inflation, currency depreciation and geopolitical challenges in several key markets. The growth was mainly driven by strong performances in markets of MENA, CIS and Bangladesh.

With some moderation in input costs, Gross margins at 63.1% expanded by 60 bps in Q4FY23. EBIDTA at ~ ₹ 200 crore grew by 22% with EBIDTA margins at 23.9% expanding by 260 bps. Profit before Tax at ₹ 148 crore also grew by 51% over previous year.

For the full year, revenues at ₹ 3,406 crore grew by 7%. Domestic business grew by 4% in FY23 on a higher base of COVID contextual categories like Pain Management & Healthcare range. Excluding sales from both the categories, Domestic Business grew by ~7% in FY23. International Business also grew strongly by 20% during the year.

In FY23, Gross Margins at 64.7% contracted by 160 bps due to inflationary pressure and unfavorable portfolio mix in first three quarters. EBIDTA at ₹ 863 crore declined by 9% but compared to pre-COVID period it grew by 4% on a 4 year CAGR basis. Profits before tax at ₹ 670 crore declined by 3% over previous year but it grew by 13% on a 4 year CAGR basis. Profits after Tax, before MAT cr. entitlement of earlier years, grew by 3.5% in FY'23.

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

“Despite challenging demand scenario on account of high inflation, muted rural sentiments and unseasonal rains, we have delivered a resilient profit led growth in Q4FY23. After few quarters of ongoing pressure on input costs, we have been able to expand our Gross & EBIDTA Margins delivering 20% EBIDTA growth. Our strategic investments and Dermicool acquisition have performed well and contributed to this growth. We will continue to make significant investment behind our core brands, innovations, channel expansions and digital optimisations which are expected to contribute immensely to future growth”

Mr Mohan Goenka, Vice Chairman and Executive Director, Emami Limited said:

“Our sustained marketing interventions delivered higher penetration levels for our brands which continued to maintain their category leadership. While, new age channels such as Modern trade and e-Commerce plus D2C grew strongly by 18% and 64% respectively in domestic market, International business also reported a strong growth of 19% during the quarter despite economic and geo-political challenges in our key markets. With softening of



input costs and decreasing inflationary pressures we are hopeful of a better demand scenario and improved margins in FY24”

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 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 ~2800 distributors and its global footprint spans over 60 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, Late Pt Birju Maharaj, Shah Rukh Khan, Salman Khan, Hrithik Roshan, Shahid Kapoor, 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, Shruti Haasan, Juhi Chawla, Sonu Sood, Vidyut Jammwal, Kartik Aaryan, Varun Dhawan, Milkha Singh, Tiger Shroff, Sachin Tendulkar, Surya, Jr. NTR, Sachin Tendulkar, Sourav Ganguly, Shikhar Dhawan, Sania Mirza, Saina Nehwal, etc over the years.

With a market cap of over ₹17,000 crores, Emami Ltd is the flagship Company of the diversified Emami Group. Please visit www.emamiltd.in for further information.

For further information, please contact:

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