

Q3 FY24

# Earnings Presentation

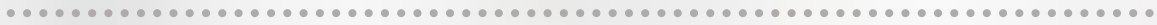
February 14, 2024



# Disclaimer

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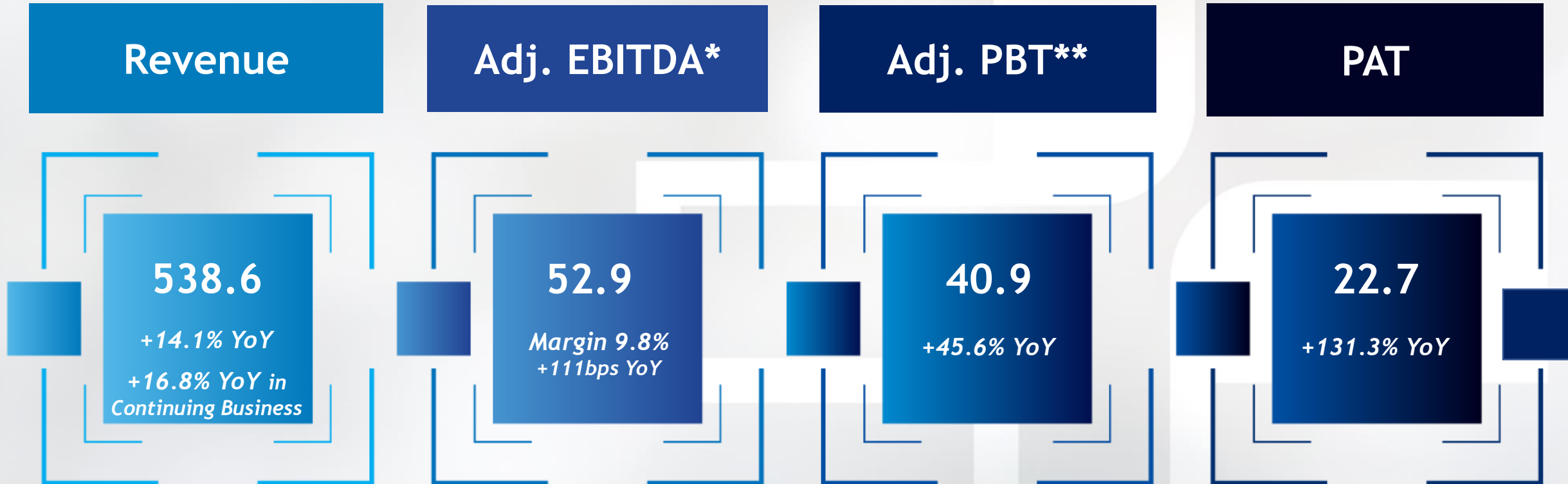
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- **Q3 FY24 Highlights**
- Key Focus Areas
- Eureka Forbes - An introduction

# Q3 FY24 Highlights (Standalone Results)

Figures in Rs Cr



\* Adj. EBITDA is defined as PBT + Finance cost + Depreciation + ESOP charge less other non-operating income

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

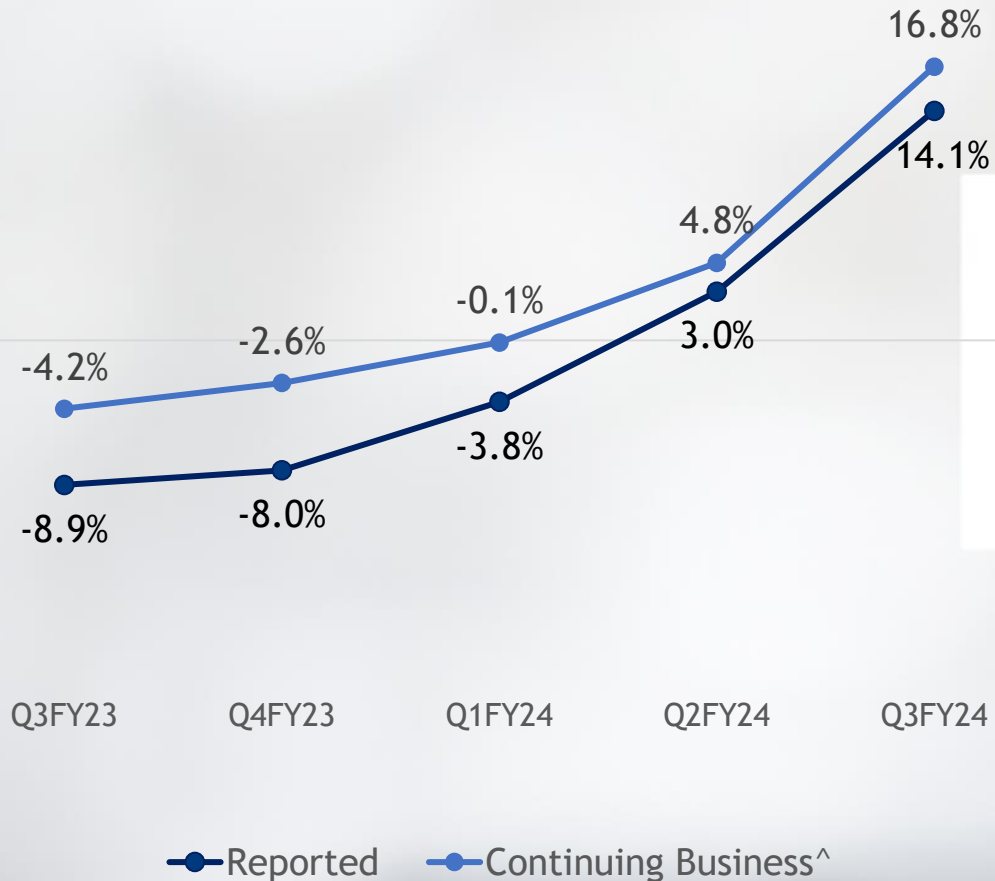
# Q3 FY24 : Standalone P&L Statement

Particulars (Rs. Cr)	Q3FY24	Q3FY23	YoY (%)	Q2FY24	QoQ (%)
Revenue	538.6	472.0	14.1%	592.3	-9.1%
Employee Benefit Expenses	-71.9	-67.6	6.3%	-74.7	-3.7%
Service Charges	-70.2	-69.4	1.1%	-82.0	-14.4%
Other Expenses	-122.3	-100.6	21.7%	-121.2	1.0%
<b>Total Expenses</b>	<b>-264.4</b>	<b>-237.6</b>	<b>11.3%</b>	<b>-277.8</b>	<b>-4.8%</b>
<b>Total Expenses % of Revenue</b>	<b>-49.1%</b>	<b>-50.3%</b>	<b>-124bps</b>	<b>-46.9%</b>	<b>220bps</b>
Adj. EBITDA	52.9	41.2	28.6%	62.0	-14.6%
Adj. EBITDA %	9.8%	8.7%	111bps	10.5%	-64bps
ESOP charge	-10.7	0.0	NM	-10.7	0.0%
EBITDA	42.2	41.2	2.5%	51.2	-17.7%
EBITDA %	7.8%	8.7%	-89bps	8.6%	-82bps
Finance Cost	-1.8	-4.4	-59.4%	-2.9	-38.5%
Depreciation	-13.2	-13.4	-1.6%	-13.0	1.1%
Other Income	2.9	4.7	-38.5%	1.7	68.4%
Adj. PBT Before Exceptional items/ ESOP Charges	40.9	28.1	45.6%	47.8	-14.4%
Exceptional Items	0.0	-15.0	-100.0%	0.0	NM
PBT after Exceptional items/ ESOP Charges	30.1	13.1	130.3%	37.0	-18.6%
Adj. PAT (pre-ESOP Charges)	30.7	9.8	213.5%	32.9	-6.8%
PAT	22.7	9.8	131.3%	25.5	-11.1%

- Q3 FY24 revenue increased 14.1% YoY to Rs 538.6Cr; Continuing business grows 16.8% YoY led by strong volume growth
- Adj. EBITDA increased 28.6% YoY to Rs 52.9Cr; Adj. EBITDA margin expanded 111bps YoY owing to operating leverage and cost optimization initiatives
- Adj. PBT increased 45.6% YoY due to lower finance costs
- Adj. PAT increased 213.5% YoY to Rs 30.7Cr in Q3 FY24 from Rs 9.8Cr in Q3 FY23

# Revenue growth : Broad-based across categories and channels

## Revenue Growth (YoY %)

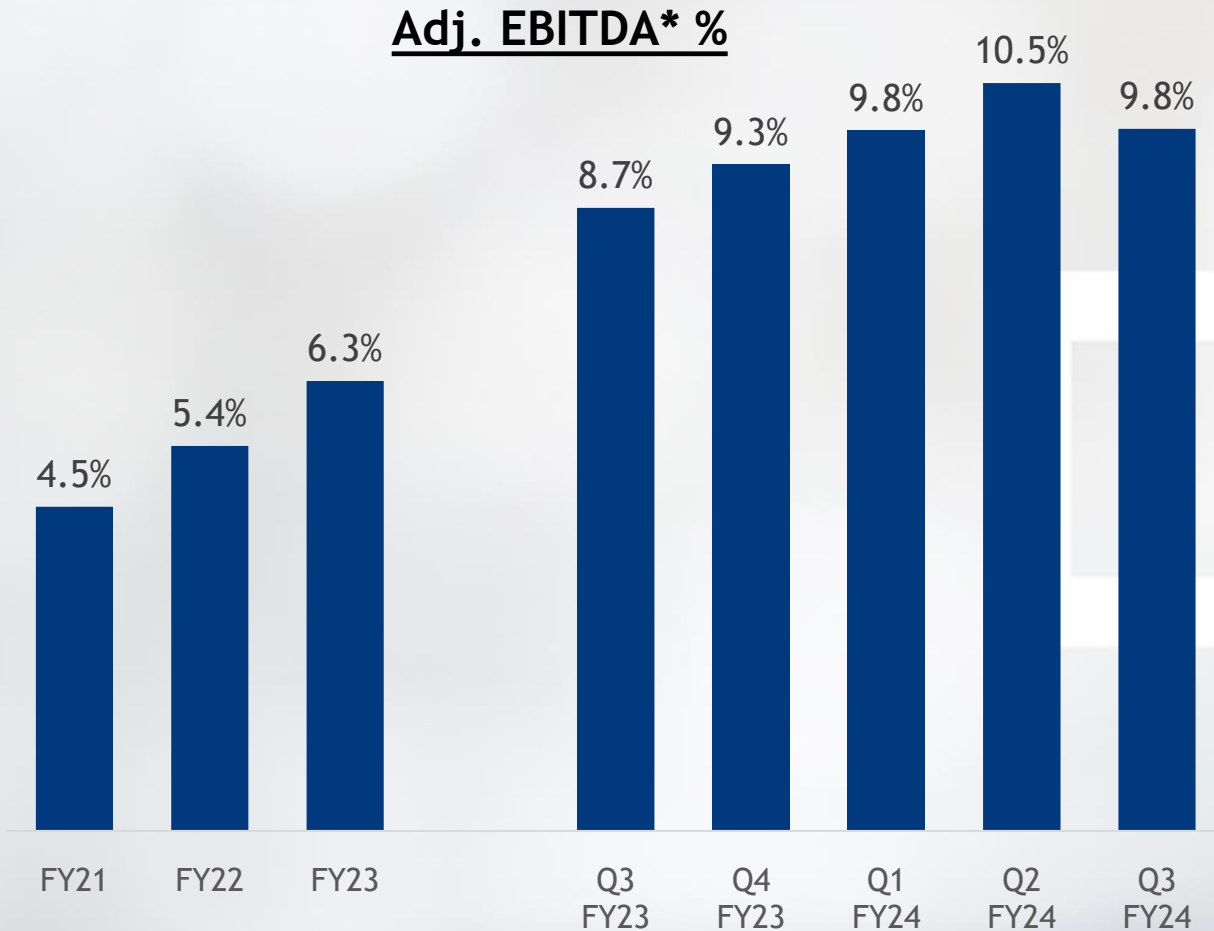


- Continuing business grows 16.8% YoY; Highest growth in 6 quarters
- 3<sup>rd</sup> successive quarter of volume growth in both Water Purifiers and Vacuum Cleaners
- Strong growth across channels, especially Modern Trade and E-commerce

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



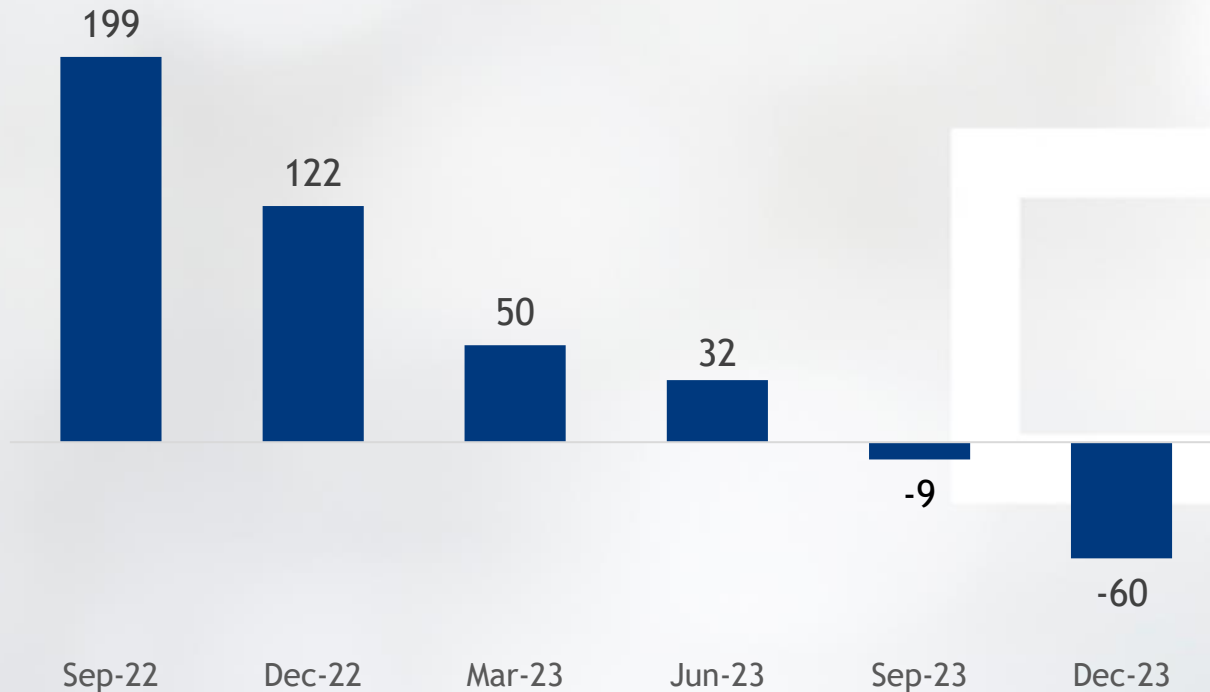
# Adj. EBITDA margin continues to expand year on year



- Adj. EBITDA expanded 111bps YoY driven by operating leverage and structured cost optimization program
- Increased spending on advertising to drive innovations and service revenues

# Strengthened balance sheet with positive net cash and rating upgrade

## Net debt/ (Surplus) - Rs Cr

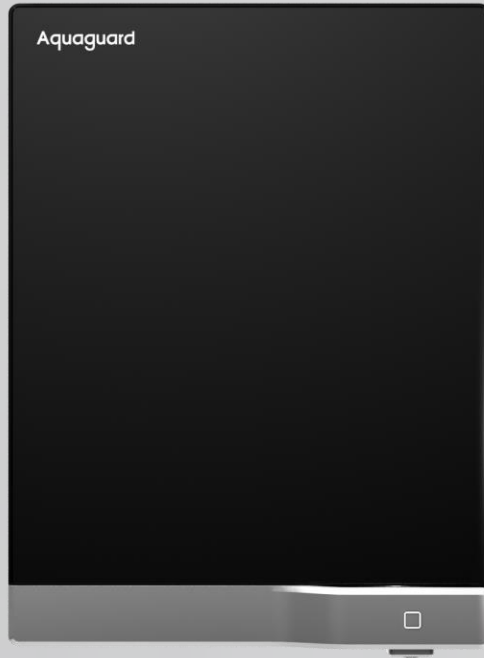


- Net cash surplus of Rs 60Cr
- Credit rating upgrade from CARE A Stable to CARE A+ Stable



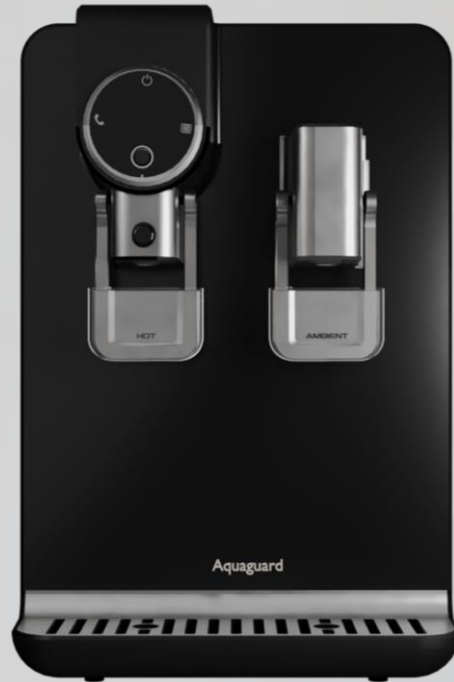
# New Product Launches - Water Purifiers

Strengthening presence in all segments through launch of premium SKUs



## AG Slimtech Glass UV Storage

5th Gen UV LED for Instant Purification, Water Quality Indication, Goodness of Copper, Glass Finish & up to 3L storage



## AG BLAZE INSTA RO UV

Instant Hot Water, Dual Stainless-Steel Tanks, Goodness of Copper



## AG Vector RO

Alkaline Boost Cartridge for enhancing the pH of drinking water



## AG Marvel Nxt RO UV Alkaline

Mineral Charge Technology & Glossy Finish

# New Product Launches - Vacuum Cleaners

Step up in consumer research/insights leading to “Industry-first” Innovations

Convenient & Cordless Cleaning - **Uprights**



Building a Differentiated Portfolio - **Pet Grooming Kit**





# New Product Launches - Surround 360° Air Purifiers



**+** **FORBES**  
AIR PURIFIER

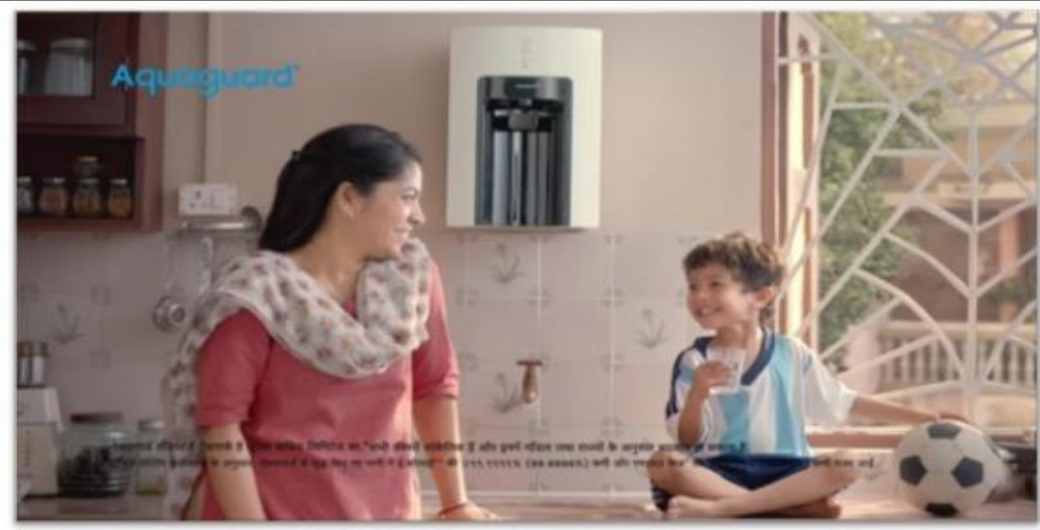
**AP150**   **AP355**

**+** **EUREKA  
FORBES**

# Aquaguard wins the prestigious Ad Club EFFIE AWARDS INDIA, 2023

**SILVER** in Home Furnishings and Appliances Category\*

*'Jab Nal Se Kapda Hatega, Tabhi Sar Ka Kapda Hatega'*



\*Only award in the category (no Gold or Bronze); EFFIE awards recognize effective marketing campaigns;  
Read more - <https://theadvertisingclub.net/award/effie-india-2023-results/>



# Management Views

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Mr. Pratik Pota  
Managing Director and CEO

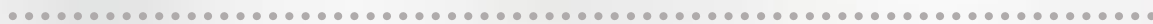
“Q3 witnessed a step up in our growth and revenue grew 14.1% with continuing businesses growing at 16.8%. Growth was volume led and was broad-based across product categories and service business.

Within water purifiers, we witnessed strong growth in both Economy segment and Value Added segments while growth in vacuum cleaners was led by the Robotics range.

EBITDA margins improved year on year to 9.8% and we had a cash surplus of Rs 60Cr vs a net debt of Rs 122Cr last year.

Our transformation initiatives continued to gain momentum in the quarter. In Q3, this was most visible in our product innovations and product launches were made in all the 3 categories of water purifiers, vacuum cleaners and air purifiers.

Looking ahead, we are confident that our transformation strategy will deliver results and lead to sustained, profitable growth in the future.”



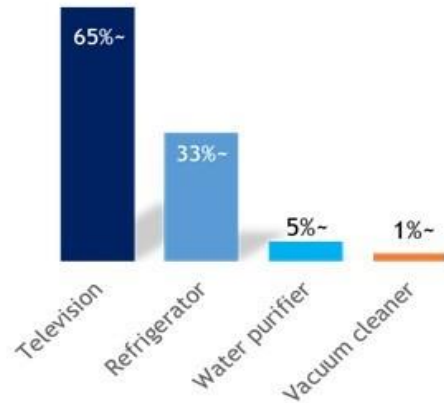
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# Macro factors supportive of growth



**Growing consciousness on health & hygiene**

Especially post Covid



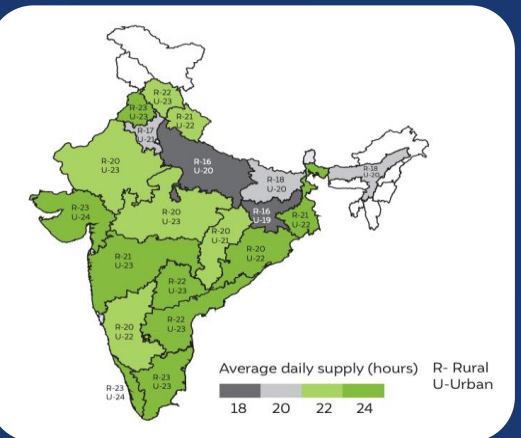
**Low Category Penetration of the core categories**

Amongst the lowest in consumer durables segment



**Availability & Access to piped water**

Jal Jeevan Mission now covers over 40 Mn. households



**Growth in Electrification**

96.7% of Indian households now connected to the grid and receive 20.6 hrs. of power supply





# EFL's key strategic priorities for profitable growth

01

## Grow the Water Purifiers Business

- Innovation and new product development
- Jump shift in distribution

04

## Drive Lean Cost Structures

- Productivity unlocks
- “Zero based” approach to all costs

02

## Expand Portfolio

- Nurture and grow cleaning category
- Smart devices

05

## Go Digital First

- Give customers control and visibility
- Digital enablement of value chain

03

## Transform Customer Experience

- Deliver reimagined service standards
- Leverage insights for customised solutions

06

## Build a Future Ready Organisation

- Invest in capabilities of the future
- Agile and customer centric



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# Eureka Forbes: Introduction



# 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





# Brand strength

Strong association of brand Aquaguard with product category

High brand health scores

Top of mind recall > 65%



# Omni channel presence

Direct sales

General trade

Modern retail

Ecommerce

B2B

Canteen Stores (CSD)





Extensive service network and strong customer connect

In home service in over

**10500** + PIN CODES



Large active database of customers



~ **8** **MILLION**  
**CUSTOMERS**

# EFL Management Team



**Pratik Pota**  
**MD & CEO**

*30+ yrs/>1 yr*  
*Jubilant FoodWorks,*  
*PepsiCo, Airtel, HUL*



**Ajit Dheer**  
**Chief Operating Officer**

*26+ yrs/~1 yr*  
*HT Media, Pepsico,*  
*Spencers Retail,*  
*Reckitt Benckiser,*  
*Cargill, Dabur*



**Anurag Kumar**  
**Chief Growth Officer**

*25+ years/<1 yr*  
*Unilever, Tata*  
*Play, ICI Paints*



**Gaurav Khandelwal**  
**Chief Financial Officer**

*21+ yrs/>1 yr*  
*HUL, Airtel,*  
*Oyo Hotels &*  
*Homes*



**Mahnaz Shaikh**  
**Chief Human Resources Officer**

*19+ yrs/<1 yr*  
*Udaan, Godrej*  
*Consumer Products*  
*Limited, P&G*



**Shubham Srivastava**  
**Chief Product & Technology Officer**

*17+ yrs/>1 yr*  
*Makemytrip,*  
*iTrust, Aricent*



**Nithyanand Shankar**  
**Chief Digital Business Officer**

*16+ yrs/~1 yr*  
*Amazon, P&G*



**Suresh Redhu**  
**Chief Technical Officer**

*33+ yrs/11 yrs*  
*Bluestar,*  
*Aquamall*



**Satish Satyarthi**  
**Chief Innovation & R&D Officer**

*23+ yrs/~1 yr*  
*Bajaj Electricals,*  
*Philips, Buhler, Applied*  
*Materials, Bluestar,*  
*Cummins*



**Anirudha Karnataki**  
**Head, Supply Chain & Procurement**

*26+ yrs/<1 yr*  
*CEAT, Asian Paints,*  
*Thermax*

*Name*  
*Designation*  
*Experience: (overall)/(Eureka Forbes)*  
*Previous organization(s)*

# Contact Us:

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**Corporate Identification No:** L27310MH2008PLC188478

**Investor e-mail id:** [Investor.Relations@eurekaforbes.com](mailto:Investor.Relations@eurekaforbes.com)

**Website:** <https://www.eurekaforbes.com/>

**Regd. & Corporate Office:** B1/B2, 7th Floor, 701, Marathon Innova, Ganpatrao Kadam Marg,  
Lower Parel, Mumbai -400013

**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

**Thank You**