



10th August, 2023

The Secretary
BSE Ltd.
Corporate Relationship Dept.,
14th floor, P. J. Tower,
Dalal Street, Fort
Mumbai - 400 001
Stock Code – 500331

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E),
Mumbai - 400 051
Stock Code - PIDILITIND

Dear Sir,

Sub: Press release

Please find attached the press release dated 10th August, 2023.

Thanking You,

Yours faithfully,
For Pidilite Industries Limited

Manisha Shetty
Company Secretary

Regd. Office
Regent Chambers, 7th Floor
Jamnalal Bajaj Marg
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Mumbai 400 021

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Press release
For immediate release
August 10th, 2023

**Standalone Net Sales for Q1 24 grew by 6% YOY;
 Standalone EBITDA growth at 38%, PBT growth at 42%**

Mumbai, August 10, 2023: Pidilite Industries Limited, India's leading manufacturer of adhesives, sealants and construction chemicals today announced its financial results for the quarter ended June 30, 2023.

The current quarter's Standalone revenue growth was underpinned by strong Underlying Volume Growth of 8% (UVG: refers to volume growth including impact of change in product mix). This growth was on last year's growth of 62%, showing a healthy two-year CAGR of 31%. The domestic Consumer and Bazaar segment ('C&B') underlying volumes grew by 12% with both Urban & Rural markets growing in double digits. Rural markets continued to grow faster, signalling a gradual recovery in the rural economy. However, Exports of C&B products declined due to challenging demand conditions in the overseas markets.

Consolidated revenue growth was also driven by strong volume growth. Consumer & Bazar Segment ('C&B') grew by 9% with Domestic C&B business registering double digit revenue and Underlying Volume Growth. Business to Business segment ('B2B') registered single digit revenue decline, largely due to lower exports and lower demand from export-oriented industries.

Gross Margins continued to expand both sequentially and year on year, by 260 bps and by 812 bps respectively, mainly on account of moderation in input prices along with operational efficiencies. Part of these gains were reinvested in the form of increased A&SP spend and other growth-related initiatives. We continued to invest behind building capacity for growth and creating a future-ready supply chain. With the aim of upgrading our manufacturing facilities and preparing for the future, we have commissioned seven new plants in the current calendar year.

Domestic subsidiaries continued to deliver robust sales growth driven by C&B businesses. EBITDA margins also improved.

International Subsidiaries (excluding Pidilite USA Inc.) sales were in line with previous year, largely due to uncertain economic conditions, currency devaluation challenges in some countries and local inflation pressures. EBITDA was flat compared to last year.



FINANCIAL PERFORMANCE

Consolidated Performance

- Net sales at Rs 3,264 Cr grew by 6% over the same quarter last year.
- EBITDA before non-operating income at Rs 707 Cr grew by 34% over the same quarter last year.
- Profit before Tax and Exceptional Items (PBT) at Rs 644 Cr grew by 36% over the same quarter last year.
- Profit after tax (PAT) at Rs 474 Cr grew by 32% over the same quarter last year.

Standalone Performance

- Net sales at Rs 2,952 Cr grew by 6% over the same quarter last year.
- EBITDA before non-operating income at Rs 671 Cr grew by 38% over the same quarter last year.
- Profit before Tax and Exceptional Items (PBT) at Rs 630 Cr grew by 42% over the same quarter last year.
- Profit after Tax (PAT) at Rs 468 Cr grew by 40% over the same quarter last year.

Commenting on the results, Mr. Bharat Puri, Managing Director, Pidilite Industries Ltd, said:

“We started the year on a strong note with our domestic consumer businesses delivering robust volume growths. B2B, exports and international business continued to face sluggish demand conditions. A combination of moderating input prices and operational efficiencies saw our gross margins improve substantially. Part of this was reinvested in our brands and growth facing initiatives.

Looking ahead, growths will largely be volume led. A good monsoon, increased construction activity and stable input prices enable us to look at the future with increased optimism.”

About Pidilite:

Pidilite Industries Limited is a leading manufacturer of adhesives and sealants, construction chemicals, craftsmen products, DIY (Do-It-Yourself) products and polymer emulsions in India. Our products range also includes paint chemicals, automotive chemicals, art materials and stationery, fabric care, maintenance chemicals, industrial adhesives, industrial resins and organic pigments & preparations. Most of the products have been developed through strong in-house R&D. Our brand name Fevicol has become synonymous with adhesives to millions in India and is ranked amongst the most trusted brands in the country. Some of our other major brands are M-Seal, Fevikwik, Fevistik, Roff, Dr. Fixit, Araldite and Fevicryl.

