



24th January, 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 24th January, 2023.

Thanking You,

Yours faithfully,
For Pidilite Industries Limited

Manisha Shetty
Company Secretary

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Regent Chambers, 7th Floor
Jamnalal Bajaj Marg
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Press release

For immediate release

January 24th, 2023

**Consolidated Net Sales for nine months grew by 23% YOY
Current quarter grew by 5% YOY
EBITDA Margins in line with previous quarters**

Mumbai, January 24, 2023: Pidilite Industries Limited, India's leading manufacturer of adhesives, sealants and construction chemicals today announced its financial results for the quarter and nine months ended December 31, 2022.

The nine months of the current financial year witnessed robust revenue growth of 23% aided by strong volume growth across categories and geographies. Growth was broad based across Consumer and Bazaar ('C&B') and Business to Business ('B2B') segments with both segments reporting double digit value growth as well as a healthy CAGR of over 15% over a three- year period.

Last year, Q3 had registered very high growth (Val: 24% over PY) as a result of trade increasing inventory stocking because of substantial price increases in the quarter. Over these high bases, we have registered a growth of 5% with C&B business growing at 7% (Vol: ~1%). While input prices have moderated, gross margins have improved marginally over the last quarter, largely as a result of high priced inventory. EBITDA margins are in line with the previous quarter despite an increased investment in A&SP.

Despite uncertain global economic conditions, currency devaluation and inflation, International Subsidiaries reported moderate sales growth whilst EBITDA remained under pressure due to higher input costs and impact of currency depreciation. Domestic C&B subsidiaries continue to deliver industry leading profit and growth.

FINANCIAL PERFORMANCE

Consolidated Performance

- Net sales for the nine months stood at Rs 9,077 Cr and grew by 23% over the same period last year. Net sales for the current quarter at Rs 2,987 Cr grew by 5% over the same quarter last year (C&B: 3Y CAGR: 15%).
- EBITDA before non-operating income for the nine months stood at Rs 1,525 Cr and grew by 5% over the same period last year. EBITDA for the current quarter was Rs 496 Cr.
- Profit After Tax (PAT) for the nine months ended stood at Rs 1,003 Cr and grew by 5% over the same period last year. PAT for the current quarter stood at Rs 308 Cr.

Standalone Performance

- Net sales for the nine months ended stood at Rs 8,179 Cr and grew by 23% over the same period last year with underlying sales volume and mix growth of 10%. Net sales for the current quarter at Rs 2,698 Cr grew by 5% over the same quarter last year. In this quarter, C&B sales grew by 7%. B2B business saw difficult trading conditions especially in businesses with significant export and sales declined by 6%.
- EBITDA before non-operating income for the nine months ended stood at Rs 1,419 Cr and grew by 3% over the same period last year. EBITDA for the current quarter at Rs 468 Cr.
- Profit After Tax (PAT) for the nine months ended stood at Rs 966 Cr and grew by 3% over the same period last year. PAT for the current quarter stood at Rs 296 Cr.

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

“Over the first nine months of the year, we have delivered robust broad based value and volume growths across businesses and geographies. Our CAGR over the last three years remain healthy.

Despite a very high price increase base, we have delivered modest value growth this quarter while maintaining robust CAGR. While input prices have moderated, this is still to reflect in our gross margins as we were consuming high priced inventory this quarter.

While demand conditions in rural and semi urban area remain under strain, we are increasingly optimistic of the future . This is as a result of the significant input cost reductions as well as increased construction activity along with governmental initiatives in capex and the rural sector. As an organisation we continue to invest in our brands, supply chain, digital infrastructure, innovation and distribution to deliver volume led profitable growth.”

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.

