

Zydu Wellness registers net sales of Rs.3,849 mn and net profit of Rs.233 mn in Q3

Ahmedabad, February 2, 2022

Zydu Wellness Ltd., announced results for the third quarter ended 31st December, 2021. The Company reported consolidated Net sales of Rs. 3,849 million, growth of 2.3% on a y-o-y basis. The Net Profit of the Company stood at 233 million up by 1239.1% y-o-y. Like the rest of the FMCG industry, the Company continued to face pressure on the gross margins due to high commodity inflation, however the company has taken several measures to address this challenge which shall be reflected in gross margin improvement in the coming quarters.

Five of the Company's brands Glucon-D, Sugar Free, Nycil, Everyuth Scrub and Everyuth Peel off face mask maintained their leadership positions in their respective categories.

As per the MAT Dec'21 report of Nielsen and IQVIA, Glucon-D has maintained its number one position with a market share of 58.1% in the glucose powder category. In the sugar substitutes' category, Sugarfree has preserved its first position with a market share of 96.0%, which is an increase of 104 basis points over the same period last year. Sugarlite witnessed a strong double digit during the quarter across all channels supported by consumer promos and TVCs. In the prickly heat powder category, Nycil continued to remain in number one position with a market share of 34.0%. Everyuth Scrub is the leading brand and has sustained its number one position with a market share of 39.2% in the facial scrub category, which is an increase of 448 basis points over the same period last year. Everyuth continued to grow at a good double digits supported by ATL campaigns on scrub portfolio and new body lotions range. In the peel off category, Everyuth Peel off has maintained its first position with a market share of 76.4%. Everyuth brand is at number 5 position with market share of 6.5% at overall facial cleansing segment level.

In the Health Food Drink (HFD) category, Complan has a market share of 5.2%. The company's promotional campaign on Complan with 'Ummeedo se aage badhne ka plan' has focussed on the improvement in memory and concentration through multiple media.

Following the steady increase in demand for Nutralite, the brand delivered a good double digit growth. The Nutralite DoodhShakti Probiotic Butter Spread and Nutralite Choco Spread were continued to be supported in the digital and print media campaigns.

The Company has completed 3 years of acquisition of Heinz India Pvt. Ltd. Over last 3 years, despite losing sales in critical months for two consecutive years due to COVID, the Company has consolidated and grown market shares across categories, launched multiple innovations, doubled its direct distribution reach, made significant strides in growing business ahead of the category in both online and offline organized trade, reduced cost to serve and simplified the organization leading to synergy benefits much ahead of its estimates.
