

Press & Media Release

Rajkot, July 26th 2022

Add-Shop E-Retail declares Q1FY23 results

Add-Shop E-Retail Limited (BSE Code: ASRL | 541865 | INE01B501018), one of the country's first companies to promote organic farming and produce organic farm goods, today released results for Q1FY23.

Financial Performance

Q1FY23 recorded the best-ever quarterly performance to date in terms of Revenue from Operations and Profit after Tax. Revenue from Operations stood at ₹496.34 million in Q1FY23, up 59% Y-o-Y and 7.18% Q-o-Q. Subsequently, Profit before Tax stood at ₹77.21 million in Q1FY23, an increase of 74% Y-o-Y and 11.96% Q-o-Q. The Company recorded the highest-ever quarterly Profit after Tax of ₹59.43 million, an advance of 67% Y-o-Y and 6.26% Q-o-Q.

Particulars	Q1FY23	Q4FY22	Q1FY22	Y-o-Y %	Q-o-Q %
Revenue	496.344	463.065	311.945	59%	7.18%
PBT	77.219	68.967	44.320	74%	11.96%
PBT Margins (%)	15.55%	14.89%	14.20%	135 bps	66 bps
PAT	59.438	55.936	35.591	67%	6.26%
PAT Margins (%)	11.97%	12.07%	11.40%	57 bps	-10 bps
EPS	3.08	2.90	3.14	-1.7%	6.2%

Operational Performance

A combination of variables allowed for a phenomenal result in Q1FY23. To begin with, the Company gained 56 new franchisees in the quarter, bolstering revenues amid a difficult external environment. In addition, the company added 20-25 new items to its portfolio, bolstering it even further. The company had developed an Ayurveda-based nutrition and immune booster line, which led to massive increase in the top line. In recent years, the Company's Herbal and Cosmetic product lines have gained a lot of momentum. The company intends to expand its product line to 150-200 items. Following the recent increase of yearly capacity to 30 million metric tonnes, the company has installed a new line of machinery to boost manufacturing capacity.

Going ahead, the Company will work hard to improve its infrastructure and network, with a focus on increasing distribution channels, adding more channel partners, and hiring more farmers as associates. The Company is also using technology to expand its company; plans are in the works to create an online portal to investigate the increasing e-commerce potential. In addition, an application for digitising process is being created. The company is also constructing a food processing facility and intends to join the export market as soon as possible.



Press & Media Release

Management Commentary

Commenting on the Company's performance for Q1FY23, Dineshbhai Pandya, Promoter and Managing Director, Add-Shop E-Retail Ltd said:

"In Q1 we witnessed a strong growth of 59% on the back of 17.1% growth in Agriculture products and 25% growth in exports. However, we faced cost headwinds which affected our margins. Our long-term focus continues to be investing in growth through new product introduction, expanding our retail footprint and investing in flexible multipurpose manufacturing facilities for our new product pipeline."

About Add-Shop E-Retail Limited

Established in 2015 with an aim to provide the best in globe ayurvedic, personal care, and agricultural products, Add-shop fulfils the emerging healthcare needs of millions of houses and adds extra mileage to India's developing animal feed supplement market with a hallmark of unbeaten product quality. Add-shop has stayed ahead of the curve in this competitive era of medications and dietary supplements by concentrating on bridging the nutrition gap with Ayurvedic products. The Company offers a comprehensive product range across ayurvedic and personal care products when it comes to product applications.

With its new state-of-the-art manufacturing facilities located at xx, the Company will attempt to satisfy the agricultural and animal feed supplement product requirements of diverse geographies. To scale up production at the new manufacturing plant, the Company will harness its strong network of over 6500 distributors and 525 franchises across the country.

The business commenced operations in 2015 with just two goods in the Agricultural segment and eight in other categories; however, over time, the company's product offering has expanded to 120 items, with 10 distinct Agriculture products and the remaining in other categories. Consequently, the Company has lived up to its potential and kept its commitments to its stakeholders. Furthermore, the vast majority of the goods are protected by trademarks, registrations, and patents.

Key Building Blocks

- Ethics and Sustainability Driven
- Financial Strength
- Digital Solution
- Investing in the Future
- End to End Capabilities
- Experienced Leadership
- Robust Risk Management

About Organic Products

Add-Shop ERetail Ltd was a pioneer in persuading the government about organic farming approximately 20 years ago. The primary goal of this concept is to decrease the widespread use of chemical fertilizers and pesticides in Indian agriculture and redirect farmers to organic farming, which improves farmer profitability while also significantly lowering our country's import bill. Organic farming aids in the improvement of soil quality, reduction of pollution in our environment, and prevention of fatal diseases. With this concern for Mother Nature in mind, the Company produces and distributes high-quality organic agricultural goods and organic cow feed products to farmers. The Company was one of the main contributors to the government's organic policy development.



Press & Media Release

About Organic Products (cont.)

Today, over 44,000 families are involved in this self-employment generating activity of spreading health to everyone, thanks to more than 75,000 Authorized Distributors who have a presence in more than 25 states throughout the country.

There are about 12,000 franchisees and over 1200 locations in the Company. FDA, HACCP, GMP, ISO 9001: 2008, ECOCERT, and KVIC (Khadi and Village Industries Commission, Government of India) certified production facilities produce the Company's high-quality goods. In addition, the Company offers unique contract facilities. It follows a hybrid model in this manner.

Dineshbhai B. Pandya

Managing Director

DIN: 06647303

info@addshop.co

SAFE HARBOUR

Certain matters discussed in this Document may contain statements regarding the Company's market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company's ability to successfully implement its strategy, the Company's future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company's market preferences and its exposure to market risks, as well as other risks. The Company's actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Document. The Company assumes no obligation to update any forward-looking information contained in this Document. Any forward-looking statements and projections made by third parties included in this Document are not adopted by the Company and the Company is not responsible for such third-party statements and projections.