

February 5, 2020

Listing Department

BSE LIMITED

P J Towers, Dalal Street, Fort,

Mumbai-400 001

Code: 531335

Listing Department

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Exchange Plaza, Bandra Kurla Complex,

Bandra (E),

Mumbai-400 051

Code: ZYDUSWELL

Re: **Unaudited Financial Results for the quarter / nine months ended on December 31, 2019**

Dear Sir,

Please find attached herewith the unaudited financial results for the quarter / nine months ended on December 31, 2019, reviewed by the Audit Committee and taken on record by the Board of Directors today i.e. February 5, 2020 pursuant to Regulation No. 33[2][a] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

Please receive the same in order.

Thanking you,

Yours faithfully,

For, **ZYDUS WELLNESS LIMITED**



**DHANRAJ P. DAGAR
COMPANY SECRETARY**



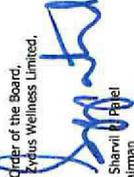
Encl.: As above

Zydlus Wellness											
Zydlus Wellness Limited											
Registered office : Zydlus Corporate Park, Scheme No. 63, Survey No. 536 (Khora) (Gandhinagar), Nr. Vaishodevi Circle, S. G. Highway, Ahmedabad 382 481.											
Tel. No. : (+91-79) 48040000 Fax No. : (+91-79) 6775811 Website : www.zydluswellness.in CIN No. : LI5201G1994PLC023490											
Statement of Unaudited Results for the Period Three and Nine Months Ended December 31, 2019											
Rupees in Lakhs						Rupees in Lakhs					
CONSOLIDATED						COMPANY					
Sr. No.	Particulars	Three months ended			Nine months ended			Year ended			
		September 30, 2019	December 31, 2018	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	September 30, 2019	December 31, 2018	March 31, 2019	
		[Unaudited]	[Unaudited]	[Unaudited]	[Unaudited]	[Unaudited]	[Unaudited]	[Unaudited]	[Unaudited]	[Audited]	
1	Revenue	33,267	32,603	1,27,895	42,667	84,282	3,953	11,911	22,050	25,461	
a	Revenue from operations	243	395	941	3,888	3,888	2,661	7,892	2,997	6,055	
b	Other income	33,510	32,998	1,28,836	45,706	88,170	6,624	19,803	25,047	31,516	
c	Total Revenue	21,714	10,619	45,259	13,008	29,263	2,418	6,960	7,016	9,450	
2	Expenses	480	559	4,388	77	3,002	15	111	63	80	
a	Cost of materials consumed	(6,232)	2,945	5,733	7	(2,428)	(231)	145	63	98	
b	Purchases in inventories of finished goods, work-in-progress and stock-in-trade	4,202	4,259	12,791	5,101	8,560	859	2,751	2,413	3,091	
c	Employee benefits expense	3,525	3,511	10,521	134	3,009	3,558	10,584	126	2,993	
d	Finance costs	534	382	1,951	623	1,251	66	195	197	261	
e	Depreciation and amortisation expense	3,441	6,007	19,167	8,536	15,176	109	520	1,412	1,631	
f	Advertisement & promotion expenses	6,382	6,174	23,046	6,105	13,274	1,086	3,294	3,059	4,186	
g	Other expenses	34,056	34,456	1,23,856	33,591	71,107	2,880	24,560	14,349	21,800	
h	Total expenses	(546)	(1,458)	(5,980)	12,115	17,063	(1,266)	(4,757)	10,698	9,715	
3	Profit / (Loss) before tax (1-2)	-	-	-	-	-	-	-	-	-	
4	Tax expense	(970)	(256)	(1,282)	(477)	(3,170)	(18)	(1,247)	(80)	94	
a	Current tax	(970)	(256)	(1,282)	(477)	(3,170)	(18)	(1,247)	(80)	181	
b	Deferred tax	424	(1,202)	7,262	210	17,124	(386)	(3,510)	10,640	9,630	
c	Total tax expenses	-	-	-	-	-	-	-	-	-	
5	Net Profit before Non-Controlling Interests (3-4)	424	(1,202)	7,262	10,683	16,914	(1,248)	(3,510)	10,640	9,630	
6	Non-controlling interests	(6)	19	8	(46)	2	(11)	(22)	(13)	43	
7	Net Profit after tax and Non-Controlling Interests (5-6)	(6)	19	8	(46)	2	(11)	(43)	(3)	43	
a	Other Comprehensive Income (OCI)	(6)	19	8	(46)	2	(11)	(43)	(3)	43	
b	Items that will not be reclassified to profit or loss (net of tax)	418	(1,183)	7,270	10,847	17,126	(397)	(3,553)	10,637	9,673	
8	Total Comprehensive Income (5+8)	418	(1,183)	7,270	10,847	17,126	(397)	(3,553)	10,637	9,673	
9	Total Comprehensive Income attributable to:										
10	Owners of the company	418	(1,183)	7,270	10,837	16,916	(397)	(3,553)	10,637	9,673	
a	Non-Controlling Interests	-	-	-	210	5,766	-	-	-	-	
b	Paid-up equity share capital (Face Value Rs. 10/-)	5,766	3,907	5,766	3,907	5,766	5,766	5,766	3,907	5,766	
11	Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year (i.e. Other Equity)	-	-	-	-	-	-	-	-	-	
12	Debiture Redemption Reserve	-	-	-	-	-	-	-	-	-	
13	Earnings per share [not annualised]	0.73	(2.09)	12.59	27.34	40.10	(0.67)	(2.16)	10.13	22.83	
14	Basic (Rs.)	0.73	(2.09)	12.59	27.34	40.10	(0.67)	(2.16)	10.13	22.83	
a	Diluted (Rs.)	-	-	-	-	0.46	-	-	-	0.47	
b	Debt Equity Ratio	-	-	-	-	6.67	-	-	-	4.25	
15	Debt Service Coverage Ratio	-	-	-	-	6.67	-	-	-	4.25	
16	Interest Service Coverage Ratio	-	-	-	-	6.67	-	-	-	4.25	

Notes :

- 1 The above results for the period three and nine months ended December 31, 2019 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 5, 2020.
- 2 The Statutory Auditors of the Company have carried out a "Limited Review" of the above financial results pursuant to Regulation 33 of SEBI (Listing, Obligation and Disclosure Requirements) Regulations, 2015.
- 3 The above results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 4 The Company operates in one segment, namely "Consumer Products".
- 5 Pursuant to the definitive agreements entered into by the Company on October 24, 2018 to acquire Heinz India Private Limited (HIPL), the Company along with its wholly-owned entity, M/s. Zyclus Wellness - Sikkin (a partnership firm) had completed the acquisition of HIPL on January 30, 2019. The consolidated financial results for the period three and nine months ended December 31, 2019 include the operations of Heinz India Private Limited which got merged into Zyclus Wellness Products Limited (formerly known as "Zyclus Nutritions Limited"). Hence, the financial results for the period three and nine months ended December 31, 2019 are not comparable with those of the previous periods.
- 6 M/s. Zyclus Wellness - Sikkin, was converted into a Company, namely Zyclus Wellness Products Limited, formerly known as Zyclus Nutritions Limited (ZNL), w.e.f. February 28, 2019, pursuant to which, it became a subsidiary of the Company.
- 7 Pursuant to the Scheme of Amalgamation between two subsidiaries of the company viz. ZNL and HIPL, which was sanctioned by the Ahmedabad bench of Hon'ble National Company Law Tribunal (NCLT) vide its order dated May 10, 2019 and effective date being May 24, 2019, HIPL has been merged with ZNL w.e.f. the appointed date of March 1, 2019.
- 8 The Group has adopted Ind AS 116 "Leases" effective April 01, 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019, using modified retrospective method. The adoption of this standard did not have any material impact on the financial results of the Company.
- 9 The Company had issued Secured Redeemable Non Convertible Debentures (NCDs) of INR 150,000 Lakh, which are repayable in three equal yearly instalments starting from January 15, 2022. These NCDs have been secured by way of charge on specific brands. The asset cover of the said NCDs as on December 31, 2019 exceeds hundred percent of the principal amount of the NCDs. The Company obtained long term credit rating for issuance of NCDs and was assigned credit ratings of "CRISIL AA+/ Stable" from CRISIL Limited and "CARE AA+/ Stable" from CARE Rating Limited. There is no change in the ratings of the NCDs by any of the rating agencies during the period three and nine months ended December 31, 2019.
- 10 Due to seasonality of some of the Group's products, Group's Revenues and Profits are skewed in favour of the first and last quarters of the financial year. Hence the performance of these quarters is not representative and cannot be generalised for other quarters.

Place: Ahmedabad
Date: February 5, 2020

By Order of the Board,
For Zyclus Wellness Limited,

Dr. Sharvil R. Patel
Chairman

February 5, 2020

Listing Department
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Code: 531335

Listing Department

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai-400 051

Code: ZYDUSWELL

Re: **Limited Review Report on the unaudited Financial Results for the quarter/nine months ended on December 31, 2019**

Dear Sir,

Please find attached herewith the limited review report on the unaudited financial results for the quarter / nine months ended on December 31, 2019, by Dhirubhai Shah & Co. LLP, the Statutory Auditors, reviewed by the Audit Committee and taken on record by the Board of Directors today i.e. February 5, 2020 pursuant to regulation 33[2][a] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

Please receive the same in order and acknowledge the receipt of the same.

Thanking you,

Yours faithfully,
For, ZYDUS WELLNESS LIMITED


DHANRAJ P. DAGAR
COMPANY SECRETARY



Encl.: As above



4th Floor, Aditya Building,
Near Sardar Patel Seva Samaj,
Mithakhali Six Roads, Ellisbridge,
Ahmedabad 380006.

Independent Auditor's Review Report on interim unaudited standalone financial results of Zydus Wellness Limited for the period three and nine months ended December 31, 2019, pursuant to the Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

To
The Board of Directors of Zydus Wellness Limited

We have reviewed the accompanying statement of interim unaudited standalone financial results of Zydus Wellness Limited ('the Company') for the **period three and nine months** ended on December 31, 2019, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company in their meeting held on February 5, 2020. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition & measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Ahmedabad
Date: February 5, 2020
UDIN: 20014427AAAANV2108



For, **Dhirubhai Shah & Co LLP**
Chartered Accountants
Firm Registration No. 102511W/W100298

Harish B Patel
Partner
M. No. 014427



Independent Auditor's Review Report on interim unaudited consolidated financial results of Zydus Wellness Limited for the three and nine months ended December 31, 2019, pursuant to the Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

To
The Board of Directors of Zydus Wellness Limited

We have reviewed the accompanying statement of interim unaudited consolidated financial results of Zydus Wellness Limited ('the Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') for the three and nine months ended on December 31, 2019, attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, as amended.

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 is the responsibility of the Parent's management and has been approved by the Parent's Board of Directors in their meeting held on February 5, 2020. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion. We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

The Statement includes the financial results of following subsidiaries:

- Zydus Wellness Products Limited
- Liva Nutritions Limited
- Liva Investment Limited
- Zydus Wellness International DMCC



Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition & measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.



Place: Ahmedabad

Date: February 5, 2020

UDIN: 20014427AAAAANW6T04

For, **Dhirubhai Shah & Co LLP**

Chartered Accountants

Firm Registration No. 102511W/W100298

Harish B Patel

Partner

M. No. 014427

February 5, 2020

Listing Department
BSE LIMITED

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Code: **531335**

Listing Department

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai-400 051

Code: **ZYDUSWELL**

Re: Press Release

Dear Sir,

We are forwarding herewith a copy of press release proposed to be published in the newspapers in the matter of unaudited financial results for the quarter/nine months ended on December 31, 2019 the same may please receive in order.

Thanking you,

Yours faithfully,

For, **ZYDUS WELLNESS LIMITED**



DHANRAJ P. DAGAR
COMPANY SECRETARY



Encl.: As above

Zydus Wellness registers consolidated income from operations of Rs. 3327 million in Q3

Ahmedabad, February 5, 2020

Zydus Wellness Ltd., announced results for the third quarter ended 31st December 2019. The company reported a 128.8% growth in consolidated income from operations which stood at Rs. 3327 million. The reported profit after tax stood at Rs. 42 million and EBIDTA was Rs. 327 million. Since the consolidated financial results for the quarter one of Financial Year 2019-20 include operating results of the acquired business, the reported results are not comparable with those pertaining to previous period.

As per MAT December 2019 report of Nielsen, five of its brands Sugar Free, EverYuth Scrub, Peel Off Face Mask and Nycil maintained their leadership positions in their respective categories.

In the Sugar substitute category which is growing at 8.9%, Sugar Free has maintained its number one position with a market share of 94.6%. EverYuth Scrub is the leading brand with a market share of 32.4% in the Facial Scrub category which is growing at 9.1%. EverYuth Peel Off Mask with a market share of 80.9% leads the Peel Off Face Mask category which is growing at 15.3%. In the Prickly heat powder category which is growing at 9.9%, Nycil leads with a market share of 34.5%, which is an increase of 255 basis points over the same period last year. The Glucose powder category has grown by 11.9%. Glucon-D has maintained its number one position with a market share of 59%.

The Malted Food Drink category which includes Complan grew by 9.2%. The company's promotional campaign on Complan has focussed on the product's nutritional superiority through multiple media. During the quarter, Complan partnered with Disney during the release of the film Frozen 2 and launched a consumer offer which was supported by a new TVC and digital activation.

During the quarter, the critical phase of Heinz India's business integration was completed which included the implementation of the new ERP in record time, integration of the sales teams and consolidation of the warehouses.
