



August 17th, 2020

To, The Secretary, BSE Limited, P.J. Towers, Dalal Street, Mumbai- 400 001 Scrip Code: 539542	To, The Secretary, National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandera (E), Mumbai – 400 051 Symbol: LUXIND
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Dear Sir,

Sub: Investor Release in respect of Unaudited Financial Results for the Quarter Ended 30th June, 2020.

Enclosed please find the Investor Release in relation to the Unaudited Financial Results of the Company for the quarter ended 30th June, 2020.

This is for your information and record.

Thanking You

Yours faithfully,
for LUX INDUSTRIES LIMITED

Smita Mishra

Smita Mishra
(Company Secretary & Compliance Officer)
M.No.: A26489

LUX INDUSTRIES LTD

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Investor Release

Lux Industries reports strong Q1 FY21 Results

17th August 2020, Kolkata - Lux Industries Limited, one of India's largest hosiery producer and exporter announced its Unaudited Financial Results for the Quarter ended 30th June 2020

Key Consolidated Financial Highlights are as follows:

Particulars (Rs. Crs.)	Q1 FY21	Q1 FY20	Y-o-Y
Income from Operations*	247.2	263.1	-6%
EBITDA*	47.0	35.2	34%
EBITDA Margin* (%)	19.0%	13.4%	560 bps
Profit After Tax	30.8	18.8	64%
PAT Margin (%)	12.5%	7.1%	540 bps

*Including Other Income

Commenting on the Industry Trends, Mr. Ashok Kumar Todi, Chairman said,

"Since the COVID-19 outbreak began at the end of 2019, its impact has been felt across most global economies. Major sectors and Industries have been facing lot of headwinds in this wake and our industry is no different. Consumers were not in mood to spend much on clothes and fashionable garments. However, despite these challenging environments and considering the revenue & profitability loss of almost a month and half our overall performance has been quite strong and above our own estimates.

Our Manufacturing and distribution operations were at complete halt until May 2020 post which we could resume our operations with requisite government permissions and gradual lifting up of lockdown restrictions. Now with economic activities progressing towards normalcy, we are seeing green shoots in demand and expect coming quarters to be much better and robust. We are continuously engaging with our dealers, distributors and customers and getting positive responses and enquiries with each passing day.

With our decades of experience in the sector, extensive knowhow, well established brands, and our ability to gauge the market sentiment we are confident in fulfilling the needs of our customer and offering favourable price value proposition. Over the years the Innerwear industry has evolved to bring in countless opportunities and possibilities of growth and we are confident in adapting to this ever-changing environment and reach greater levels of excellence in the days ahead."



Commenting on the Results, Mr. Pradip Kumar Todi, Managing Director said,

“The overall performance and profitability for the first quarter of 2020-2021 has been quite strong considering the COVID-19 outbreak followed by nationwide lockdowns. Despite these challenges we have continued our growth trajectory which is quite evident in our profitability matrices which are well above industry averages. Our revenue has seen a slight degrowth of 6% even though our plant was shut for almost a month and half due to nationwide lockdowns. Despite these our EBITDA and PAT registered an absolute growth of 34% and 64% respectively due to improvement in operating efficiencies and cost reduction measures.

Our effort to improve operating efficiencies is slowly but surely giving us results and it can be seen in the consistent improvement of our profitability margins over the years. Our EBITDA margins have shown an improvement of stellar 560 bps which stood at 19.0% while our PAT margins improved by 540 bps at 12.5%. We continue to endeavour healthy profitability ratios by focusing on better product mix and rational cost optimisations. For the year, we plan to keep our branding and advertisement expenses to 4-6% of our revenues.

While the export market has been impacted due to supply chain disruptions and global restrictions on exports due to COVID-19, we are seeing good pick up of volumes in domestic markets and for the first quarter we saw slight growth in volumes too. We expect overall demand to return to pre-CoVID levels in the coming quarters.

As committed, we have undertaken several measures to reduce our working capital cycle and for the quarter ended 30th June 2020, our working capital requirement reduced by ~Rs. 80 crores and is at Rs. 413 crores compared to Rs. 494 crores as on March 2020.

Our proposed scheme to merge J. M. Hosiery & Co. Limited (JMHL) and Ebell Fashions Private Limited (EFPL) with Lux Industries Limited was on track to be approved by the NCLT, but due to the outbreak of COVID-19 pandemic, it has got delayed and we expect the same to complete as soon as possible.

We are committed to our long-term vision and goal to provide highest level of customer satisfaction and long-term value creation for our stakeholders”



About Lux Industries Limited

Lux Industries Limited, incorporated in 1995 is one of the largest players in the hosiery business having a market share of ~20% of the organised industry. Products include Men's, Women's & Kids Innerwear, Winterwear, Socks & Slacks for Women in varied colours and designs. The company has ~5,000 SKU's under various Brands and Sub Brands of LUX. With focus on growing exclusive retail outlets and in providing customers with a seamless buying experience, the company's products are available in ~4,50,000 retail points spread across India. LUX has a presence across the globe with exports to 47 countries.

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further information, please contact

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Lux Industries Limited

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