

October 31, 2020

BSE Ltd. Corporate Relationship Department 1st Floor New Trading Rotunda Building, P J Towers Dalal Street Fort, Mumbai-400001 Scrip Code – 530517	National Stock Exchange of India Ltd. Listing Department, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051 Scrip Code – RELAXO
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Sub: Press Release on Un-Audited Financial Results for the quarter and half year ended on September 30, 2020

Dear Sir,

Please find enclosed Press Release on Un-Audited Financial Results of the company for the quarter and half year ended on September 30, 2020.

The same is for your information and record.

Thanking You,
Yours Sincerely,

For Relaxo Footwears Limited,


Vikas Kumar Tak
Company Secretary and Compliance Officer
Membership No.: FCS 6618

Encl. as above

RELAXO FOOTWEARS LIMITED

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CIN L74899DL1984PLC019097



RELAXO FOOTWEARS LIMITED

Q2 FY21 Financial Performance

Revenue at Rs. 576 crore

EBITDA at Rs. 127 crore; up 21% YoY with margins of 22.0% - increased by 520 basis YoY

Profit After Tax at Rs. 75 crore; up 6% YoY with margins of 13.0% - increased by 169 basis YoY

Particulars (Rs. Cr)	Q2 FY21	Q2 FY20	Y-o-Y	H1 FY21	H1 FY20	Y-o-Y
Revenue from Operations	576	622	(7%)	939	1270	(26%)
EBITDA*	127	105	21%	184	211	(13%)
EBITDA Margins (%)	22.0%	16.8%	520 bps	19.6%	16.6%	296 bps
Profit After Tax	75	71	6%	99	120	(17%)
PAT Margins (%)	13.0%	11.4%	169 bps	10.6%	9.5%	110 bps

*EBITDA as a % of Revenue from Operations (excluding other income)

31st October 2020, New Delhi : Relaxo Footwears Limited, India's largest Footwear manufacturing company, declared its Unaudited Financial Results for the Second Quarter of FY21. **Highlights for Q2 FY21**

- **Revenue at Rs. 576 crore** as compared to Rs. 622 crore in the corresponding period of the previous year. Revenue in Q2 is adversely affected due to disruptions in economic activities caused by COVID-19 pandemic.
- **EBITDA at Rs. 127 crore** as compared to Rs. 105 crore in the corresponding period of the previous year. **EBITDA Margins increased by 520 bps** Y-o-Y to 22.0% mainly due to saving in raw material cost and special focus on administrative expenses.
- Other income stood at Rs. 5 crore as compared to Rs. 2 crore in the corresponding period of the previous year. The increase is mainly on account of lease rent waiver/reduction of Rs. 2 crore agreed by lessors for our rented premises.
- **Profit before Tax at Rs. 100 crore** as compared to Rs. 74 crore in the corresponding period of the previous year. **PBT Margins** increased by 548 basis Y-o-Y to 17.4%
- **Profit after Tax at Rs. 75 crore** as compared to Rs. 71 crore in the corresponding period of the previous year. **PAT Margins** increased by 169 basis Y-o-Y to 13.0%. Tax expenses for the quarter and half year ended September 30, 2020 reflect changes made vide Taxation Laws (Amendment) Ordinance 2019 as adopted by the Company. Therefore, effective tax rate of quarter ended September 30, 2020 is not comparable with previous comparative period of September 30, 2019 as the Company had recognised the full impact of this change in Profit & Loss for the quarter ended September 30, 2019.

Highlights for H1 FY21

- **Revenue at Rs. 939 crore** as compared to Rs. 1,270 crore in the corresponding period of the previous year.
- **EBITDA at Rs. 184 crore** as compared to Rs. 211 crore in the corresponding period of the previous year. **EBITDA margins** increased by 296 basis Y-o-Y to 19.6%.
- **Profit after Tax at Rs. 99 crore** as compared to Rs. 120 crore in the corresponding period of the previous year. **PAT Margins** increased by 110 basis Y-o-Y to 10.6%.

Commenting on the results and performance, **Mr. Ramesh Kumar Dua**, Managing Director said:

COVID-19 had major impact on economies and businesses at large during the first half of FY21, with majority of impact being borne by first quarter of the fiscal year. Since the government has ended the lockdown, economic activities have started to recover and business activities are slowly returning towards normalcy. Despite the tough market conditions our focus on administrative expenses along with benign raw material prices have helped us to improve our profitability during Q2FY21, however we are cautious about the recent rising trend of raw material prices.

We continuously stay focused on delivering better performance through our innovative products, consumer centric approach, continuous focus on brand strengthening and expansion into newer geographies through strengthening of supply chain. The company enjoys comfortable liquidity position with zero net debt.

The company is fully poised to extend its support to dealers and distributors across India. During this time of disruption, our strengthened e-commerce partnership has provided a safe alternative to our customers, to order products from the comfort of their homes which has started yielding good results. We are committed towards the interest of our consumers for giving them value for money and stakeholders for creation of long term value.

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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