

July 27, 2022

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 ended on June 30, 2022

Dear Sir,

Please find enclosed Press Release on Un-Audited Financial Results of the company for the quarter ended on June 30, 2022.

The same is for your information and record.

Thanking You,
Yours Sincerely

For **Relaxo Footweares Limited,**


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

Encl : as above

RELAXO FOOTWEARES LIMITED

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CIN L74899DL1984PLC019097



RELAXO FOOTWEARS LIMITED

Q1 FY23 Financial Performance

Q1 FY23 Revenue at Rs. 667 crore up 34.2% Y-o-Y

Q1 FY23 EBITDA at Rs. 86 crore up by 30.1% Y-o-Y with margins of 12.9%

Q1 FY23 Profit After Tax at Rs. 39 crore up by 24.9% Y-o-Y with margins of 5.8%

Particulars (Rs. Cr)	Q1 FY23	Q1 FY22	Y-o-Y	Q4 FY22	Q-o-Q
Revenue from Operations	667	497	34%	698	(4%)
EBITDA	86	66	30%	111	(23%)
EBITDA Margins* (%)	12.9%	13.3%	(40 bps)	15.9%	(301 bps)
Profit After Tax	39	31	25%	63	(39%)
PAT Margins (%)	5.8%	6.2%	(43 bps)	9.0%	(321 bps)

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

26th July 2022, New Delhi : Relaxo Footwears Limited, India's Footwear manufacturing company, declared its Unaudited Financial Results for the first Quarter of FY23.

Highlights for Q1 FY23

- **Revenue reported increase of 34% Y-o-Y at Rs. 667 crore** as compared to Rs. 497 crore in Q1FY22, primarily on a lower base, as Q1FY22 performance was affected by Covid-19 disruptions. This growth is supported by the increased closed footwear sales coupled with the price hike undertaken by the Company during last year.
- **EBITDA is at Rs. 86 crore** as Compared to Rs 66 crore in the corresponding period of the previous year. EBITDA Margins decreased by 40 bps Y-o-Y to 12.9% in Q1FY23 mainly due to raw material prices.
- **Profit at Rs. 39 crore increased by 25% Y-o-Y** as compared to Rs. 31 crore in the corresponding period previous year.
- There was a fire at one of the Company's rented warehouse in Haryana on May 28, 2022 where finished goods were stored and goods worth INR 31.87 crores were destroyed. We have accounted for a loss of INR 1.59 crores as per excess clause of insurance policy. The Company has filed the insurance claim, which will be settled in due course. Overall, this incident has not impacted the business operations.

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

“The company reported modest performance during the quarter and operating margins were subdued due to higher input costs. Going forward we expect steady revenue growth with improvement in margins due to settling down of the raw material (EVA) prices as the global unrest settles down.

We are regularly aligning our strategy and product portfolio to match consumers evolving expectations. High value closed footwear category is expected to maintain growth momentum supported by re-opening of offices, schools and colleges.

India’s consumption of per pairs at 1.9 as compared to 3.3 pairs in China, 6.4 pairs in Japan and 8.1 in USA, provides ample opportunity to footwear players and Relaxo being one of the largest company in this space shall benefit from this. Aggressive marketing & distribution strategy, strong supply chain, owned manufacturing facilities and professional team will go a long way in the growth of the Company.

Overall, we believe the Indian growth story to remain intact as India being a preferred destination for investments amidst global asset shifts towards emerging economies.”

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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