



REF: HSL/SEC/2020/70

November 7, 2020

To The Deputy Manager Department of Corporate Services BSE Ltd. PJ Towers, Dalal Street Mumbai -400001 Script Code: 514043	To The Manager National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai 400051 Symbol: HIMATSEIDE
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Dear Sirs,

Sub: Press Release – November 7, 2020

We are enclosing herewith Press Release dated November 7, 2020.

Please take the same on record.

Thanking you,

Yours faithfully,
For Himatsingka Seide Limited

Sridhar Muthukrishnan
Company Secretary

Encl: as above

Bengaluru, November 7, 2020 - Himatsingka Seide Ltd. announced its financial results for the quarter ended September 30, 2020, on November 7, 2020.

Q2 FY21 Total Revenue Up 0.9% Y-o-Y to ₹659.55 Crores

CONSOLIDATED FINANCIAL SUMMARY – Q2 FY21 and H1 FY21

(Figures in ₹ Crores, unless mentioned)

Particulars	Q2 FY21	Q2 FY20	% Change	H1 FY21	H1 FY20	% Change
Total Income	659.55	653.47	0.9%	842.84	1,297.95	-35.06%
EBITDA	96.90	140.61	-31.1%	16.18	283.69	-94.3%
EBITDA Margin (%)	14.7%	21.5%		1.9%	21.9%	
EBIT	57.62	114.52	-49.7%	-61.04	230.84	-126.4%
EBIT Margin (%)	8.7%	17.5%		-7.2%	17.8%	
PBT (Before Exceptional Item)	10.20	67.72	-84.9%	-153.80	140.01	-209.8%
PBT Margin (%)	1.5%	10.4%		-18.2%	10.8%	
PAT (Before Exceptional Item)	3.81	40.72	-90.6%	-135.98	85.97	-258.2%
PAT Margin (%) (Before Exceptional Item)	0.6%	6.2%		-16.1%	6.6%	
PAT	3.81	34.08	-88.8%	-135.98	79.33	-271.4%
PAT Margin (%)	0.6%	5.2%		-16.1%	6.1%	

CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020

- * Consolidated Total Income for Q2 FY21 stood at ₹659.55 Crores vs ₹653.47 Crores in Q2 FY20, an increase of 0.9% Y-o-Y and vs ₹183.29 Crores in Q1 FY21, an increase of 259.8% Q-o-Q.
- * Consolidated EBITDA for Q2 FY21 was ₹96.90 Crores vs ₹140.61 Crores in Q2 FY20, a decline of 31.1% and vs EBITDA loss of ₹80.72 Crores in Q1 FY20. EBITDA Margin stood at 14.7%.
- * Consolidated EBIT for Q2 FY21 declined to ₹57.62 Crores vs ₹114.52 Crores in Q2 FY20.
- * Consolidated PBT (Before Exceptional Item) for Q2 FY21 stood at ₹10.20 Crores vs ₹67.72 Crores in Q2 FY20.
- * Consolidated PAT for Q2 FY21 was ₹3.81 Crores vs ₹34.08 Crores in Q2 FY20.

BUSINESS UPDATE

- * Consolidated Total Income for the quarter ended September 30, 2020 witnessed a Q-o-Q growth of 259% and Y-o-Y growth of 0.9%. However, the Consolidated EBITDA was impacted on account of COVID-19 related interruptions at our manufacturing facilities during the months of August and September. During this period, we were constrained in operating our facilities at the required levels of utilization that resulted in lower manufacturing throughput, reduced gross margins and a lower operating EBITDA.
- * In addition, our operating performance was also impacted by Foreign exchange translation losses of approximately ₹10.0 Crores during the quarter.
- * The ramp up of capacity utilization levels at our new Terry Towel facility remain on track and is expected to increase during the H2 FY21.
- * The capacity utilization levels at our Sheeting facility is also expected to surpass pre-covid level during the second half of FY21.
- * In the first six months of FY21, the company has reduced consolidated gross debt by ₹222.26 Crores and net debt by ₹235.93 Crores. In addition, we remain focused on optimizing the working capital cycles and has reduced inventory levels by ₹290.10 Crores during the H1 FY21.
- * The demand for soft home products across our key markets is robust and therefore order books for H2 FY21 remains strong.

Commenting on the Company's performance, Mr. Shrikant Himatsingka, Managing Director & Group CEO said:

“While we witnessed strong demand for our products across key markets, we were constrained in our ability to address this given the challenges faced on ramping up our manufacturing facilities. Going into Q3 FY21, we feel confident of a stronger operating performance with robust order books and more stable manufacturing operations. In addition, deleveraging our balance sheet, sweating our manufacturing assets and enhancing market share across geographies will remain central to our areas of focus.”

About Himatsingka Group

The Himatsingka Group is a vertically integrated textile major with a global footprint. The Group focuses on the manufacture and distribution of home textile products. On the manufacturing front, it operates amongst the largest capacities globally for producing Bedding, Bath, Drapery & Upholstery and Yarn products. Spread across North America, Europe and Asia, the Group operates amongst the largest brand and private label portfolios in the home textile space. With a team of over 10,000 people, it continues to build capacities and enhance reach in the global textile space.

For more information, please contact:

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Disclaimer:

Statements in this document relating to future status, events, or circumstances, including without limitation statements about plans and objectives, the progress and results of research and development, potential product characteristics and uses, product sales potential and target dates for product launch are forward-looking statements based on commercial 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 materially differ from those anticipated in such forward-looking statements. Himatsingka Seide Limited may, from time to time, make additional written and oral forward looking statements, including statements contained in the company's filings with the regulatory bodies and its reports to shareholders. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors that may or may not be relevant.