



REF: HSL/SEC/2020/43

August 27, 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 – August 27, 2020

We are enclosing herewith Press Release dated August 27, 2020.

Please take the same on record.

Thanking you,

Yours faithfully,
For Himatsingka Seide Limited

Sridhar Muthukrishnan
Company Secretary

Encl: As above

Bengaluru, August 27, 2020 - Himatsingka Seide Ltd. announced its financial results for the quarter ended June 30, 2020, on August 27, 2020.

Impacted by COVID-19, Q1 FY21 Total Revenue Declines 71.6% to ₹183.29 Crores

CONSOLIDATED FINANCIAL SUMMARY – Q1 FY21

(Figures in ₹ Crores, unless mentioned)

Particulars	Q1 FY21	Q1 FY20
Total Income	183.29	644.55
EBITDA	(80.72)	143.08
EBITDA Margin (%)	NA	22.2%
EBIT	(118.66)	116.32
EBIT Margin (%)	NA	18.0%
PBT	(164.00)	72.29
PBT Margin (%)	NA	11.2%
PAT	(139.79)	45.25
PAT Margin (%)	NA	7.0%

CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDED JUNE 30, 2020

- * Consolidated Total Income for Q1 FY21 stood at ₹183.29 Crores vs ₹644.55 Crores in Q1 FY20, a decline of 71.6%.
- * Consolidated EBITDA for Q1 FY21 was a loss of ₹80.71 Crores vs a profit of ₹143.08 Crores in Q1 FY20
- * Consolidated EBIT for Q1 FY21 was a loss of ₹118.66 Crores vs a profit of ₹116.32 Crores in Q1 FY20.
- * Consolidated PBT for Q1 FY21 was a loss of ₹164.00 Crores vs a profit of ₹72.29 Crores in Q1 FY20.
- * Consolidated PAT for Q1 FY21, was a loss of ₹139.79 Crores vs profit of ₹45.25 Crores in Q1 FY20.

BUSINESS UPDATE**Impact of COVID-19 on Operations**

- * The Q1 FY21 operating performance has been severely impacted on account of COVID-19. Our manufacturing facilities at our Hassan and Doddaballapur campuses along with our distribution facilities in North America and Europe were non-operational during April and most of May, 2020. This was on account of the lockdown imposed by the Central and State Governments, respectively. Our plants commenced partial operations during the month of June, 2020. However, the operating conditions remained challenging due to supply chain disruptions and interruptions in work force availability.
- * In addition to the above, our Client mix largely comprised of retailers who did not provide essential goods and services in their respective jurisdictions and hence were either closed or operated with minimal store operations. Consequently, they either temporarily held and or postponed shipments scheduled for Q1 FY21 to later dates.
- * The 71.6% decline in Consolidated Total Revenue is essentially attributable to the above factors.
- * While we may face COVID-19 related interruptions from time to time, the ramping up of capacity utilizations across all our facilities has been progressing well during Q2 FY21.
- * On the order book front, while the Q2 FY21 order book looks healthy under the circumstances, our H2 FY21 order pipeline is robust and we remain focused to surpass pre-COVID-19 levels during H2 FY21.

Other Business Updates

- * The ramp up of capacity utilization at our new Terry Towel facility is progressing well. The utilization levels will continue to increase in H2 FY21.
- * The Company continues to increase its presence in Europe, Middle East and Asia Pacific Regions. In addition, we also remained focused on enhancing our presence on e-commerce platforms globally.
- * In order to navigate the challenges on account of COVID-19, we have undertaken several cost optimizations measures, while attempting to ramp-up operations at the earliest. In addition, we continue to have healthy cash reserves to meet challenges as the ramp-up process is underway.

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

“The last few months have been extremely volatile and challenging on many fronts. While our operating performance has been severely impacted during the last two quarters, we feel the worst is behind us. The demand for home textile products is robust and we are well positioned to meet his demand by leveraging our strong manufacturing base, global brand portfolio and broad product range.”

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:

Sachin Garg
Himatsingka Seide Ltd.
Phone: +91-80-42578000
Email: investors@himatsingka.com

Disclaimer:

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