



August 09, 2022.

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, 2022.

Enclosed please find the Investor Release in relation to the Unaudited Financial Results for the Quarter ended 30th June, 2022.

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 LIMITED

Lux Industries reports Q1FY23 results

Q1FY23 Performance

- Revenue: Rs. 571.69 crores, growth of ~36% Y-o-Y
- Whereas EBITDA and PAT stands at Rs. 77.80 crores & Rs. 49.99 crores respectively.

August 9, 2022, Kolkata - Lux Industries Limited, one of India's largest hosiery producer and exporter announced its unaudited financial results for the quarter ended 30th June 2022.

Key Consolidated Financial Highlights are as follows:

Particulars (Rs. in Cr)	Q1 FY23	Q1 FY22	Y-o-Y	FY22	FY21	Y-o-Y
Income from Operations*	571.69	421.09	36%	2,312.92	1,964.86	18%
EBITDA*	77.80	90.96	-14%	490.27	392.69	25%
EBITDA Margin (%)	13.61%	21.60%	-799 bps	21.20%	19.99%	+121 bps
Profit After Tax	49.99	63.72	-22%	338.06	269.38	25%
PAT Margin (%)	8.74	15.13	-639 bps	14.62%	13.71%	+91 bps

*Includes Other Income

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

"Over the years **Lux** has been able to leverage the power of its brand which is evidently seen in its consistent growth in revenues and profitability. For the quarter ended 30th June 2022, the Company has reported a robust revenue growth of 36% over the same period last year. This growth in revenues was largely fuelled by improving traction of power brands, particularly '**ONN**' and '**Lyra**' coupled with its legacy brand '**Lux Cozi**' which forms a part of premium and mid-premium portfolio. For the quarter gone by, '**ONN**' has reported a net sale of **Rs. 30 Crores** which grew by **94%** over the same period last year while revenue from the brand '**Lyra**' stood at **Rs. 97 Crores** which grew by **136%** over same period last year.

The Company's latest offering of lingerie product range under the brand '**Lyra**' has been gaining good response from the market helping it to evolve from a leggings centric brand to a multi-product, multi-category women's wardrobe brand.



Additionally, we have seen gradual shift towards online purchases largely driven by millennials. This has enabled Lux to create new channels for engaging with the end users and offer a range of more than 100 products under 15+ brands ensuring relevance across ages, genders, geographies, and seasons leading to enhanced value of the brand.

As one of the biggest players in the branded innerwear industry, Lux has been proactive about the changing consumer preferences and is responding by creating innovative & trendy product lines and maintaining a healthy balance between online and offline channels.”

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

“Despite the challenges the innerwear industry has been witnessing as a result of the volatile raw material prices, the Company has shown resilience. Revenue for the quarter stood at **Rs. 571.69 Crores** as compared to **Rs. 421.09 Crores** over the same period last year.

Overall volume grew by **14%** which was largely driven by increased demand for branded products from Tier I, II, and III cities. Growth in volumes for our economy brands largely remained stable at **8%**. Mid-Premium Segment saw a double-digit overall growth of **52%** while Premium Segment reported a strong growth of **25%**. The Company’s overall ASP grew by **19%** as compared to the same period last year. Our share of export is gaining traction too, the share of export revenue in Q1FY22 stood at **9%** of our total revenues.

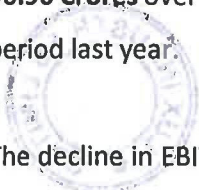
Going forward, with softening of raw material prices and streamlining of the high-cost inventory we expect healthy growth in our margins to deliver consistent, competitive, and cash accretive growth ”

Commenting on the results and way forward, Mr. Saurabh Bhudolia, CFO said,

I am pleased to share that our sales momentum has picked up significantly across all our products and categories with an overall sales growth of **36%** out of which around **14%** is the volume growth and balance is because of ASP.

The Company’s absolute EBITDA for the quarter declined by **14%** which stood at **Rs. 77.80 Crores** as compared to **Rs. 90.96 Crores** over the same period last year. The EBITDA margins stood at **13.6%** as compared to **21.6%** over the same period last year.

The decline in EBITDA margins was majorly attributable to high-cost inventory stocking in the previous quarters and volatile prices of raw materials which impacted the gross margins. However, this was partially offset by growth in overall volumes and the Company’s ability to pass on the raw material prices.



At Lux, we owe our existence to the capacity to create, nourish and leverage brands. The Company has invested a sizable **Rs. 836 Crores** in brand building in the last six years while brand investment in the first quarter of FY23 stood at **Rs. 42.37 Crores**. This brand investment accounts for **7.49%** of our revenues in Q1FY23 which is similar what we have been spending historically barring the COVID timeframe.

Additionally, the company intends to invest **Rs. 50 crores** in Ludhiana, along with other capital expenditures that are on track and progressing according to plan. The majority of this expense would go toward enhancing production and storage capacity. With improved mechanical equipment and a scientific approach to working, the company is also striving for more flexibility in terms of capacity with enhanced mechanical tools and scientific way of working according to the market demand.

As on 30th June 2022, the company's working capital cycle stood at **209 days**, which is elevated due to stocking of raw and semi-finished inventory. However, the company expects to moderate its working capital cycle in the coming quarters and grow its revenues without further working capital deterioration resulting into superior Return on Capital Employed."

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 ~15% 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 SKUs under various Brands and Sub Brands of LUX. The Company also has a presence across the globe with exports to 46+ 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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