

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 nine months ended on December 31, 2022

Dear Sir/ Madam,

Please find enclosed herewith Press Release on Un-Audited Financial Results of the company for the quarter and nine months ended on December 31, 2022.

The same is for your information and record please.

Thanking You,

Yours Sincerely,

For **Relaxo Footwears Limited**,

Sushil Batra
Chief Financial Officer

Encl : as above

RELAXO FOOTWEARS LIMITED

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CIN L74899DL1984PLC019097



RELAXO FOOTWEARS LIMITED

Q3 FY23 Financial Performance

Revenue at Rs. 681 crores
 EBITDA stood at Rs. 72 crores; Margins at 10.6%
 Profit After Tax stood at Rs. 30 crores; Margins at 4.4%

Particulars (Rs. Cr)	Q3 FY23	Q3 FY22	Y-o-Y	9M FY23	9M FY22	Y-o-Y
Revenue from Operations	681	744	(8%)	2,018	1,955	3%
EBITDA	72	122	(41%)	218	305	(29%)
EBITDA Margins* (%)	10.6%	16.4%	(575 bps)	10.8%	15.6%	(479 bps)
Profit After Tax	30	70	(57%)	91	170	(46%)
PAT Margins (%)	4.4%	9.4%	(501 bps)	4.5%	8.7%	(416 bps)

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

4th February 2023, New Delhi: Relaxo Footwears Limited, India's largest footwear manufacturing company, declared its Unaudited Financial Results for the Quarter and Nine months ended December 31, 2022.

Highlights for Q3 FY23

- **Revenue at Rs. 681 crores** in Q3FY23 as against a revenue of Rs. 744 crores in Q3FY22, this was impacted by the subdued demand in mass segment articles and the higher volume/value base in the corresponding quarter in FY22 due to change in GST rate with effect from 1st January, 2022.
- **EBITDA is at Rs. 72 crores** in Q3FY23 as compared to an EBITDA of Rs. 122 crores in Q3FY22. EBITDA margin stood at 10.6% Q3FY23 as against 16.4% in the corresponding quarter due to aggressive price corrections in open footwear as well as the liquidation of high cost inventory in the pipeline in the current quarter. However, the margins witnessed an increase on a Q-o-Q basis,
- **PAT at Rs. 30 Crores** in Q3FY23, as compared to profit of Rs. 70 crores in the corresponding quarter. PAT Margin stood at 4.4% as compared to 9.4%.

Highlights for 9M FY23

- **Revenue at Rs. 2,018 crores** in 9MFY23 as compared to Rs. 1,955 crores in the corresponding period.
- **EBITDA at Rs. 218 crores** in 9MFY23 as compared to Rs. 305 crores in 9MFY22. EBITDA Margin stood at 10.8% in 9MFY23, as compared to 15.6% in the corresponding period.
- **Profit after Tax at Rs. 91 crores** in 9MFY23 as compared to Rs. 170 crores in 9MFY22. PAT Margin stood at 4.5% in 9MFY23 as compared to 8.7% in the corresponding period.

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

The company has reported a modest performance in Q3FY23. In spite of subdued demand due to the continuing inflationary pressures on the consumers, the Company showed marginal improvement in volumes on Q-o-Q basis. The volume growth was primarily supported by price corrections undertaken.

Market environment remains competitive & challenging. The Company made price corrections to counter the same. While we have started seeing the effect of the same on volumes, its full effect will come into play from Q4FY23 onwards. Once the major portion of the high-cost inventory gets cleared from our distribution channels coupled with the business showing signs of improvement and raw material costs stabilising, we expect improvements in margins while regaining the market share in the quarters to come. We also anticipate that our closed footwear segment will continue to show healthy growth momentum as wholesale distribution channels and online penetration improve.

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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