



November 08, 2023.

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
---	--

Dear Sir,

Sub: Investor Release in respect of Unaudited Financial Results for the Quarter and Half year ended 30th September, 2023.

Enclosed please find the Investor Release in relation to the Unaudited Financial Results for the quarter and half year ended 30th September, 2023.

This is for your information and record.

Thanking You

Yours faithfully,
for LUX INDUSTRIES LIMITED

Smita Mishra
(Company Secretary & Compliance Officer)
M.No.: A26489

LUX INDUSTRIES LIMITED

PS Srijan Tech - Park, 10th Floor, DN - 52, Sector - V, Saltlake, Kolkata - 700 091, India. P: 91-33-4040 2121, F: 91-33-4001 2001, E: info@luxinnerwear.com

Regd. Office: 39 Kali Krishna Tagore Street, Kolkata - 700 007, India, P: 91-33-2259 8155, Website: www.luxinnerwear.com • CIN : L17309WB1995PLC073053

Investor Release

Lux Industries reports Q2 & H1 FY24 results

H1 FY24 Performance

- Revenue: Rs. 1,169.00 crores
- EBIDTA: Rs. 92.56 crores
- PAT: Rs. 51.02 crores

November 08, 2023, Kolkata - Lux Industries Limited, one of India's largest hosiery producer and exporter announced its un-audited financial results for the quarter and half year ended 30th September 2023.

Key Consolidated Financial Highlights are as follows:

Particulars (Rs. in Cr)	Q2 FY24	Q2 FY23	Y-o-Y	H1 FY24	H1 FY23	Y-o-Y
Income from Operations*	643.57	638.32	0.81%	1,169.00	1,210.01	-3.5%
EBITDA*	59.32	67.29	-11.84%	92.56	145.09	-36%
EBITDA Margin (%)	9.32%	10.66%	-	8.01%	12.12%	-
Profit After Tax	35.90	41.09	-12.63%	51.02	91.07	-44%
PAT Margin (%)	5.64%	6.51%	-	4.42%	7.61%	-

*Includes Other Income

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

Lux has fairly navigated the challenging market conditions having state of the art manufacturing facilities, a wide range of legacy brands, and a deeply penetrated supply chain network. The Company during the period reported a revenue of **Rs. 1,169 crore** as compared to **Rs. 1,210 crore** same period last year.

The Company remain focused on continuing to increase its market share across key geographies and channels through its legacy and power brands like Lux Cozi, Lux Venus, Lux Inferno, Lux Cottswool, Lyra and ONN among many others. Moreover, the Company's commitment to enhance working capital cycle and optimize inventory management continues to be a driving force, as it strives to fortify its competitive edge in this dynamic and evolving industry landscape.

Revenues in H1 FY24 were driven by improving traction of our legacy brands, particularly **Lux Cozi, Lux Venus, Lux Inferno** coupled by strong growth in the womenswear power brand **Lyra**. The Company has delivered **volume growth** of **~20%** on quarterly YoY basis and **~11%** in H1 FY24 over the same period last year while our Mid-Premium and Economy category registered a **volume growth** on quarterly YoY of **~10%** and **~34%** respectively.

Lux has been proactive about the changing consumer preferences and is responding by creating innovative & trendy product lines and maintaining a healthy mix between Premium, Mid-Premium and Economy Category.

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

Cotton and yarn prices despite being volatile in the last few quarters, have now reached at a reasonable level due to which the production is expected to increase offering relief to the entire cotton value chain and the hosiery industry. Although the current business environment for the industry remains challenging in the short term, at Lux, we're dedicated to adapting to changing consumer preferences and industry trends.

Despite the challenges faced due to raw material volatility, revenue for H1 FY24 stood at **Rs. 1,169 crore** as compared to **Rs. 1,210 crore** over the same period last year. Gross margins contracted marginally by 160 bps as the Company passed on the benefits of reduced raw material prices to the customers and offered higher discounts due to which the Company's overall ASP declined by **13%** as compared to the same period last year.

Lux is one of the largest brand investors in the mid-sized hosiery sector in India. The brand investment is supported by a complement of prominent national brand ambassadors ranging from entertainment industry to sports such as Salman Khan, Jacqueline Fernandez, Virat Kohli, Varun Dhawan, Sourav Ganguly, Vijay Deverakonda, Janhvi Kapoor, Pankaj Tripathi and Boman Irani.

Going forward, we see ourselves growing at an attractive gallop with superior realisations, and extending the brand Lux from the usual inner wear to fashionable outerwear and with a deepened brand recall

Commenting on the results and way forward, Mr. Ajay Nagar, CFO said,

In H1 FY24, the Company reported an absolute EBITDA of **Rs. 92.56 crore** as compared to **Rs. 145.09 crore** over the same period last year. The EBITDA margins in H1FY24 stood at **8.01%** as compared to **12.12%** over same period last year. Margins have largely remained subdued due to impact of price volatility in cotton and yarn prices, high-cost inventory stocking and offered various discounts and schemes to the dealers and distributors. However, with raw materials prices largely remaining stable in the month of September and October, we expect margin profile to improve in the coming quarters.

At Lux, we have always emphasized on product differentiation through branding, celebrity endorsements and enhanced quality. The Company has invested a sizable **Rs. 900 crore** in brand building in the last seven years while brand investment in H1 FY24 stood at **Rs. 102 crore (Rs. 50 crores in Q2 FY24)**. This brand investment accounts for **8%** of our revenues in H1FY24. These consistent brand building efforts have helped Lux emerge the largest mid-sized

hosiery brand in India.

As on 30th September 2023, the company's working capital cycle stood at **177 days**, better inventory management and debtors' realization resulting in decrease in working capital cycle by **25 days** as compared to previous period. In the coming future, the Company will seek to grow margins by aiming at reducing overheads and efficient working capital management.

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

Company:

Lux Industries Limited

CIN: L17309WB1995PLC073053

Mr. Ajay Nagar
Chief Financial Officer

ajay.nagar@lux.ind.in
