6th June, 2020

BSE Ltd. Corporate Relationship Department 1st Floor New Trading Rotunda Building, P J Towers Dalal Street Fort, Mumbai–400001	National Stock Exchange of India Ltd Listing Department, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051
Scrip Code – 530517	Scrip Code – RELAXO

Sub: Press Release on Audited Financial Results for the quarter and year ended on 31st March, 2020

Dear Sir,

Please find enclosed Press Release on Audited Financial Results of the company for the quarter and year ended on 31st March, 2020.

The same is for your information and record.

Thanking You,

For **Relaxo Footwears Limited,**

Relaxo Footwears Limited Delhi

Vikas Kumar Tak
Company Secretary

Encl. as above

RELAXO FOOTWEARS LIMITED

Q4 FY20 & FY20 Financial Performance

FY20 Revenue at Rs. 2410 crore up 5% YoY

EBITDA at Rs. 409 crore; up 26% YoY with margins of 17% - increased by 282 basis YoY

Profit After Tax at Rs. 226 crore; up 29%

Particulars (Rs. Cr)	Q4 FY20	Q4 FY19	*Y-o-Y*	FY20	FY19	*Y-o-Y*
Revenue from Operations	541	636	(15%)	2410	2292	5%
EBITDA*	96	95	1%	409	324	26%
EBITDA Margins (%)	17.8%	15.0%	*282 bps*	17.0%	14.1%	*282 bps*
Profit After Tax	52	54	(4.8%)	226	175	29%
PAT Margins (%)	9.6%	8.6%	*102 bps*	9.4%	7.6%	*174 bps*

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

6th June 2020, New Delhi : Relaxo Footwears Limited, India's largest Footwear manufacturing company, declared its Audited Financial Results for the Quarter & Full Year ended 31st March, 2020.

Highlights for Q4 FY20

- **Revenue fell by 15% to Rs. 541 crore** as compared to Rs. 636 crore in the corresponding period of the previous year. The growth for the Q4 is adversely effected due to nationwide lockdown in the month of March 20, though the revenue of the Company had grown @12.89% till Dec 19.
- **EBITDA is Rs. 96 crore** as compared to Rs. 95 crore in the corresponding period of the previous year. EBITDA margins improved by 282 basis Y-o-Y to 17.8% due to premiumization and favorable raw material prices. However, absolute EBITDA improved nominally because of impact on revenue due to lockdown. EBITDA margins adjusted to IND AS 116, stand at 15.7%.
- Finance cost increased from 2 crore to 4 crore and depreciation increased from 16 crore to 28 crore in the current quarter. The increase is mainly due to new accounting standards (IND AS 116).
- **Profit after Tax at Rs. 52 crore** as compared to Rs. 54 crore in the corresponding period of the previous year. **PAT Margins** increased by 102 basis Y-o-Y to 9.6%. The drop in profits is due to adverse impact on sales because of nationwide lockdown in March-2020.

Highlights for FY20

- **Revenue up by 5% to Rs. 2410 crore** as compared to Rs. 2292 crore in the corresponding period of the previous year. Due to the impact of nationwide lockdown the revenue growth dropped to 5% from 12.89% till Dec 19.
- **EBITDA at Rs. 409 crore** as compared to Rs. 324 crore in the corresponding period of the previous year. EBITDA margins increased by 282 basis Y-o-Y to 17%. EBITDA margins adjusted to IND AS 116, stand at 15.1%.
- **Profit after Tax at Rs. 226 crore** as compared to Rs. 175 crore in the corresponding period of the previous year. **PAT Margins** increased by 174 basis Y-o-Y to 9.4%. The increase is primarily due to exercising the option of lower tax rate of 25.168% (inclusive of surcharge and cess) by the Company.

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

"The Company has delivered a healthy performance for the year, despite the sharp slowdown in Q4 due to COVID-19. The Company achieved a 29% growth in profitability in FY20, helped by our robust cost control initiatives and manufacturing excellence. We continue to drive business growth through our consumer centric approach and continuous focus on quality improvement.

During the ongoing crisis, we are undertaking all necessary measures to ensure safety and well-being of our employees and partners. The Company is strictly adhering to Government guidelines and have started operations in various plants/offices. Prior to starting of operations, we have developed detailed SOP for safety of its employees. Proper equipment and sanitization material has been provided at all locations. We continue to support and provide assistance to our dealers, distributors and customers.

Due to nationwide lockdown overall demand for overall footwear is subdued but demand for open slipper segment has improved during the period. However due to restrictions in manufacturing operations fulfilment of such demand will be a challenge in short term.

The Company has paid all long term debts in FY20 and its liquidity position is comfortable. Moreover with start of business activities the liquidity position of the Company will continue to be comfortable.

Relaxo has always been one of the most trusted brands and we believe that the Company is well placed to emerge stronger in the post COVID-19 world. We will continue to adopt strategic initiatives to strengthen our brand positioning, improve our product innovation and expansion into newer geographies."

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 :

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