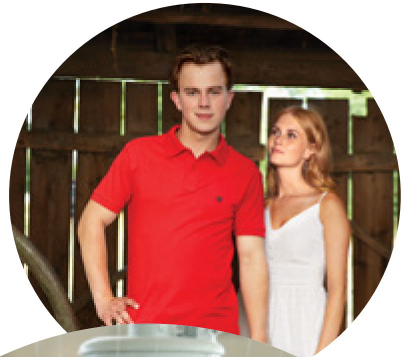
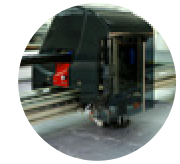
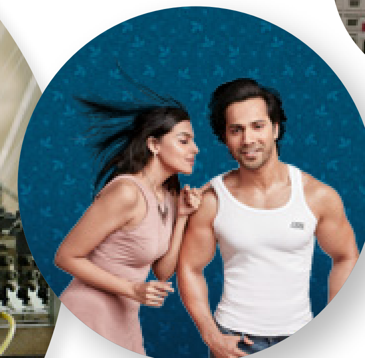
Lux Industries Limited

Investor Presentation

Stock code: BSE: 539542 NSE: LUXIND

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Quick glance

About Lux Industries

Founded in 1957 by Late Shri Girdhari Lalji Todi, and incorporated in 1995, we are one the leading innerwear manufacturing companies in India with a dominant share in domestic market and a growing export presence.

Vision

To keep **creating new benchmarks** for **quality and comfort**, the two fundamentals that lay the foundation of our company and take it to the epitome of success.

Mission

To be recognized as the **best Indian hosiery company** globally and to drive the industry towards sustainable growth and development.

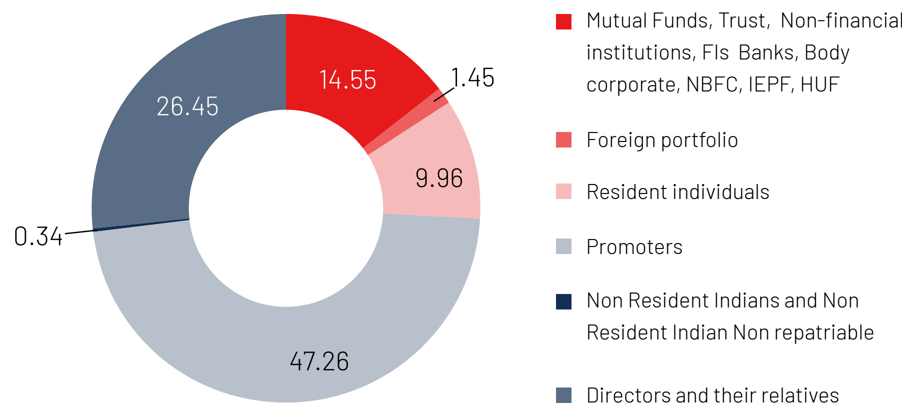
100+
Product range across ages, genders, geographies and seasons

₹ 30572.0 Mn
Market capitalization as on 30 September, 2019

11.91%
3-year CAGR in revenues leading to 2018-19

26.97%
3-year CAGR in PAT leading to 2018-19

Shareholding pattern (%)



Lux's journey so far

1957
Mr. Girdhari Lal Todi set out to make everyday innerwear comfort a reality for Indians through the establishment of the Biswanath Hosiery Mills

1964
The second generation of entrepreneurs assumed management.

1993
Lux began to export products to the Middle East, Africa and Europe.

1998
With its pan-India footprint, Lux established its Delhi office.

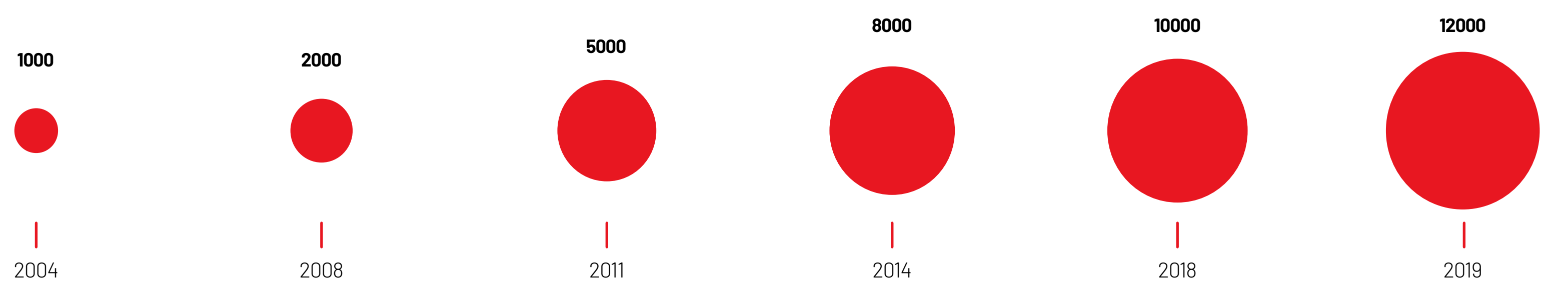
2003
The Lux IPO was launched and oversubscribed.

2015
The shares of Lux were listed on the NSE and the BSE.

2016
Eastern India's largest hosiery product manufacturing plant was set up at Dankuni, West Bengal.

2019
Launched India's first scented vest under the brand Lux Cozi.

Revenue (In Mn)



Production Dominance

Leveraging strong manufacturing capabilities

200 Mn

Garment pieces manufactured a year [up from **175 Mn** pieces in FY15]

5,000+

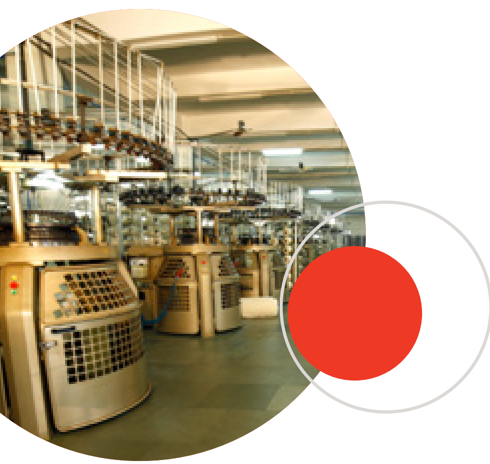
SKU's

100%

Quality checks at all levels of manufacturing cycle

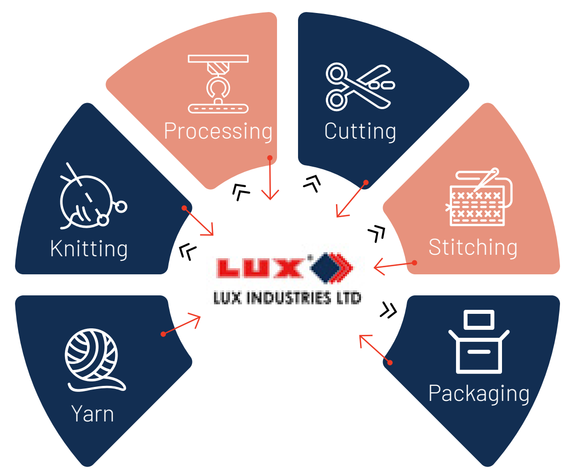
1,496

People employed directly



Our differentiators

- Among the **lowest manufacturing costs** in the industry
- A **complete control** over job workers
- Flexibility in **core manufacturing processes** allows increase / decrease in production aligning to market demand



Outsurced to job workers

Sales and Marketing

Strengthening Brand Lux

"Ye Andar Ki Baat Hai "

1992
First innerwear company to sart television advertisement

2000
First Innerwear company to sign the bollywood actor as its brand ambassador- Sunny Deol

2010
Shah Rukh Khan was engaged as brand ambassador for ONN.

2013
First innerwear company to endorse a sporting leauge witha global presence-IPL

2017
Varun Dhawan was signed as Lux Cozi brand ambassador.

Lux Glo, a sub-brand of Lux Cozi, was launched.

2018
Amitabh Bachchan was appointed brand ambassador for Lux Venus and Lux Inferno.

2019
Launched One8 in a brand licensing agreement with Virat Kohli.

Brand Architecture

LUX Premiums MADE IN INDIA

ONN TOTAL COMFORT

one8

Premium

LUX cozi

LUX Inferno QUILTED THERMALS

LUX Touch INNERWEAR FOR WOMEN Pantie, Camisole & Leggies

LUX cozi GLO COLLECTION

Mid premium

LUX VENUS INNERWEAR

LUX mozze The premium socks range

LUX COTT'S WOOL WINTER WEAR

Economy

Mid premium segment

LUX INDUSTRIES LTD

Going Far and Wide

Trust

of decades enjoyed with distributors / dealers and sub-dealers

<1%

Attrition among the distributors

>35 years

of relationship with distributors

13

Depots spread across India, enabling faster distribution

950+

Distributors, Dealer and sub-dealer network

160

Large store formats* to showcase entire product range under single roof

9

Exclusive Brand Outlets (EBO)*

*For our premium offering

Strong Brand Recall

7.47%

Brand investments as a percentage of turnover in FY19

3805.6 Mn

Invested in brand strengthening in last 5 years leading to FY19

Premier

Sponsor of KKR team in IPL – an international cricketing event

Market Opportunity

Best-in-class

Accredited with **ISO 9001:2015** certification for qualitative consistency

Automated

In-house cutting units

Best in class

Renowned for its good quality

Imported

Machineries from Germany, Singapore, Italy from reputed manufacturers

350

Circular knitting fully automated stitching machines

Innovation that Excels

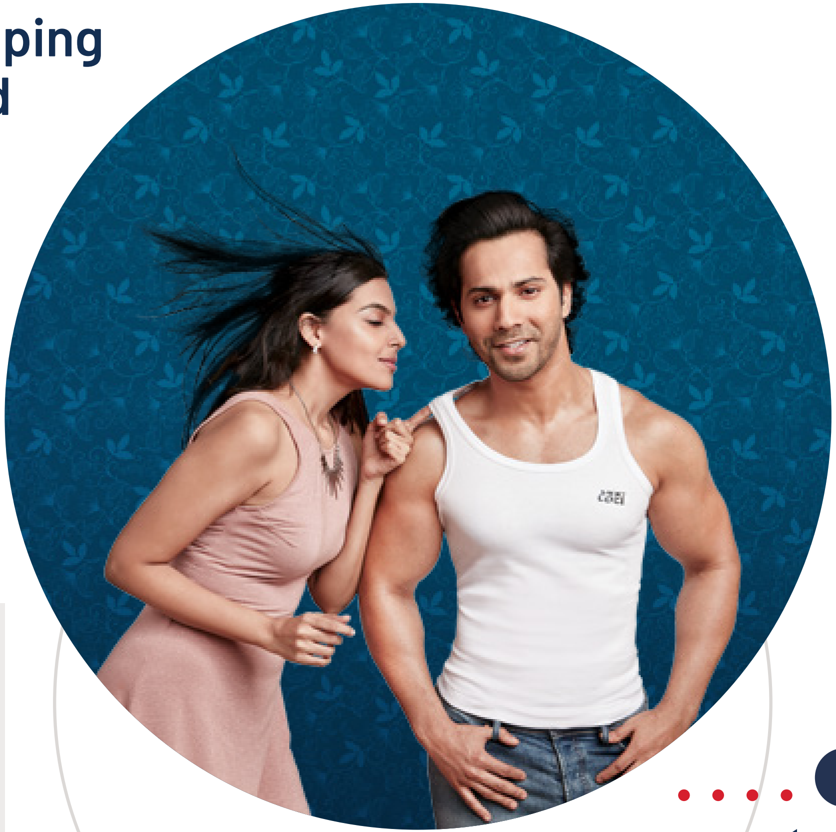
Creating value based products keeping in mind the essential necessity and aspirational style quotient of India

Unique

Feature of these vests help retain their fragrance even after continued washes

> **Lux Cozi has been synonymous with quality, comfort and durability. I am very excited to be a part of the launch of their next big product - India's first scented vests. With the onset of summer, this innovative product will revolutionise the vest game**

- Varun Dhawan



First

To launch a scented vest in the country

Growing Global Presence

Rs. 1360 Mn

Of exports in FY19, comprising 11.20% of total revenue

28%

Increase in export sales over FY18

47

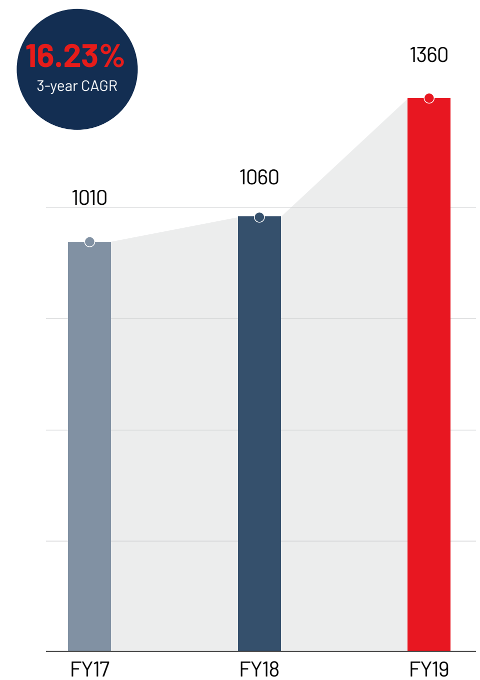
Countries of export presence

[up from 22 countries in FY14]

1st

Ranked Indian exporter of Innerwear

Revenue from Exports (Rs. Mn)



Reducing Carbon footprint

We have setup a solar panel system at Dankuni which will help meet up our 45-50% of energy requirements. This will help to reduce our carbon footprint and enhance operational efficiencies.

Growing Market Opportunity

Innerwear

	Men	Women
Innerwear	Rs. Mn 11288.3 Revenue	Rs. Mn 390 Revenue
Outerwear	Rs. Mn 501 Revenue	Rs. Mn 0.7 Revenue

Outerwear

Men

Women

Key points

- **Implementation of GST has created a shift in demand from unorganised to organised sector.**
- **A growing preference towards premium products.**
- **A huge oppurtunity remains untapped in womens outerwear and innerwear sector**
- **Company is creating an online presence through e-commerce websites, enhancing access and product visibility**

Leadership & Management Team

Leadership & Management Team

Mr. Ashok Kumar Todi

Chairman

- His forte lies in Marketing of the products and formulating various policies for Growth & Expansion of the business on pan India basis
- He has rejuvenated with exploring schemes for distributors, retailers and even for consumers
- Has also been associated with various philanthropic organizations of the country

Mr. Pradip Kumar Todi

Managing Director

- Presently looking after the Product Development and Production
- His forte is in developing new patterns, yarn combinations, knitting technologies
- His forte is in developing new patterns, yarn combinations, knitting technologies
- He has immense acquaintance in technical know-how in hosiery industry
- His contribution in decreasing production costs helped the Company to enhance profits

Mr. Saket Todi

President - Marketing

- Son of Shri Ashok Kumar Todi, aged 30 years
- Post Gratution in Brand Management from MICA, Ahmedabad.
- His contribution towards strengthening the premiumisation of brand "Lux" is significant
- Has been associated with the Company since 2014 with his in-depth knowledge in marketing which has helped the Company to achieve greater success and increase profitability

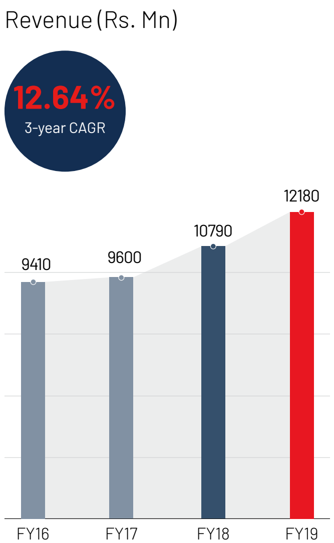
Mr. Udit Todi

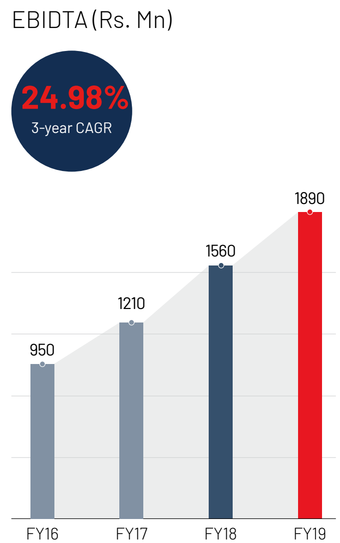
President - Strategy

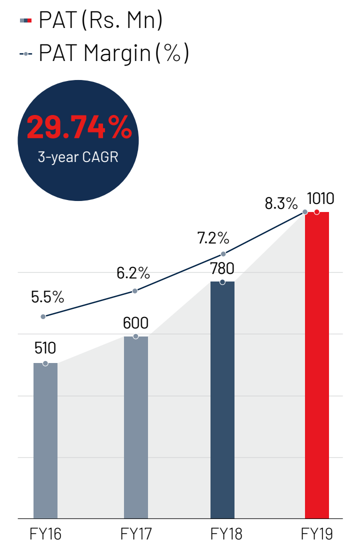
- Son of Shri Pradip Kumar Todi, aged 30 years
- He is Master of Science in Finance from The London School of Economics and Political Science (LSE)
- Has been associated with the Company since 2014 and has expertise in the field of finance and his proficiency in the management of marketing area of the Company is remarkable

Financial Highlights

Financial Highlights (Standalone)







Strong growth in revenue observed due to innovative products and strong market presence

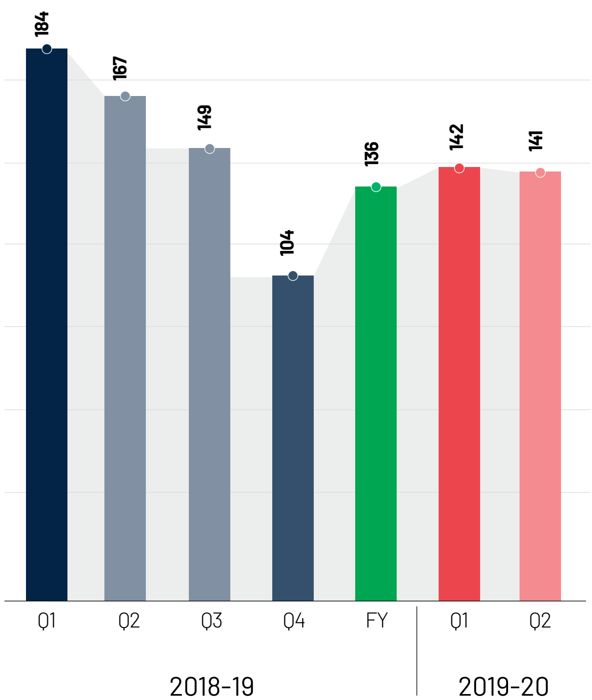
The Company has managed to constantly increase its operational efficiency via effective cost management and reducing overheads.

Operational efficiency and cost control has ensured that the shareholders of the Company enjoy better dividend payouts through increasing PAT levels.

Financial Highlights (Standalone)

Working capital

In Days



Particulars (Rs. In Mn)	As on 30.09.2018	As on 31.03.2019	As on 30.09.2019
Debtor	3020	3680	3630
Inventory	3580	2510	2790
Creditor	1450	1630	1430
Net working Capital	**5150**	**4560**	**4990**

- Working constantly towards reducing debtor days by tightening credit period managed by a strong sales team.
- Better inventory planning

Financial Highlights (Standalone)

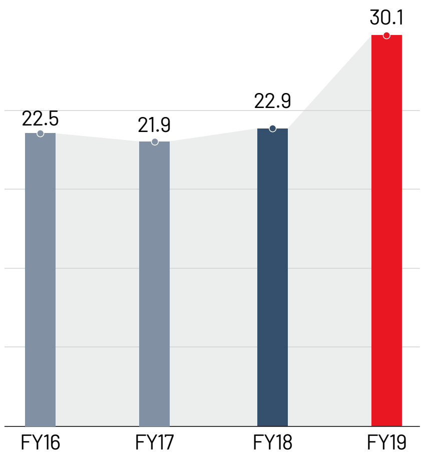
The Company has managed to utilise its funds more efficiently over the years, thus ensuring better capital management.

The Company has managed tosignificanjtly reduce its debt levels, wherein the major debt is on account of working capital loans.

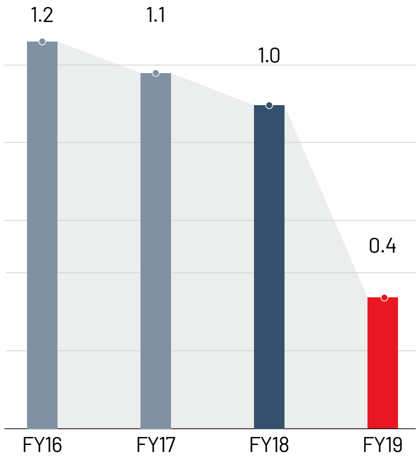
Key points

- The debt-equity ratio as on 30th September 2019 stood at 0.4, validating the continuous efforts by the company to maintain a strong financial position

ROCE (%)



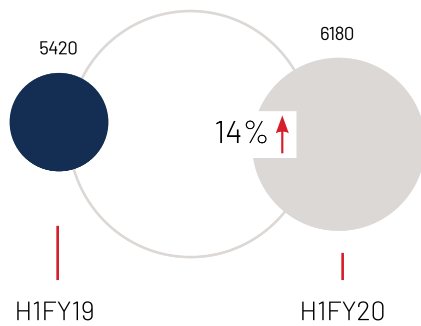
Debt-equity ratio



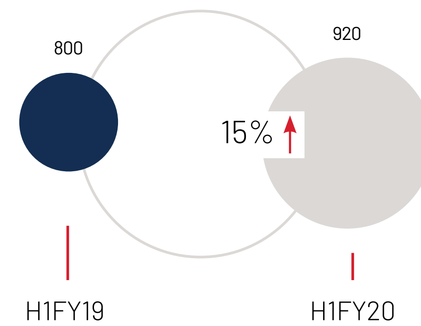
Financial Highlights (Standalone)

Half-yearly Review

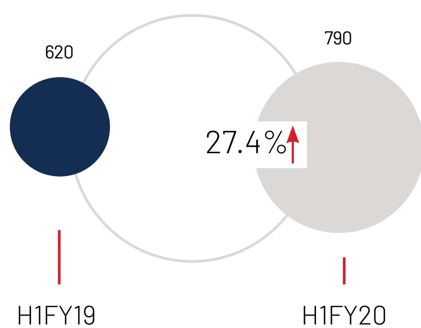
Revenue (Rs. Mn)



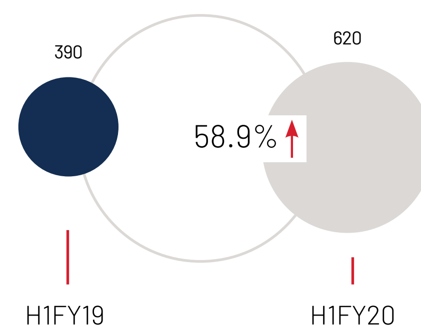
EBIDTA (Rs. Mn)



PBT (Rs. Mn)



PAT (Rs. Mn)



Financial Highlights (Standalone)

Summary of Profit and Loss Statement

Particulars (Rs. In Mn)	H1FY20	H1FY19	Y-o-Y	FY19
Total Income from Operations	**6178**	**5421**	14%	**12180**
Raw Material Cost	2690	2209		5770
Employee Expenses	231	212		435
Subcontracting / Jobbing expenses	1377	1352		2406
Other Expenses	959	839		1675
EBITDA	**921**	**809**	14%	**1894**
EBITDA Margin %	**14.9%**	**14.9%**		**15.6%**
Depreciation	58	55		112
EBIT	**862**	**754**	14%	**1782**
EBIT Margin %	**14.0%**	**13.9%**		**14.6%**
Finance Cost	65	132		236
Profit before Tax	**797**	**622**		**1546**
Tax	176	227		533
Profit After Tax	**620**	**394**	57%	**1013**
PAT Margin %	**10.0%**	**7.3%**		**8.3%**
EPS (Rs.)	**24.57**	**15.61**		**40.1**

* - Ind-AS Financials

Awards & Accreditations

2012-13
Asia's Most Promising Brands

2013
The Master Brand

2014
The Master Brand

2014-15
The Admired Brand of India

2015
The World's Greatest Brands

2016
Asia's Greatest Brands

2018
Lux Cozi - Best Brand of the Year

Thank You

LUX
LUX INDUSTRIES LTD

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