

Flair Writing Industries Limited reports Q1 FY25 results

Mumbai, August 10, 2024 – Flair Writing Industries Ltd. (FWIL) among the leading players in the overall writing instruments industry has announced its financial results for the quarter ended on June 30, 2024.

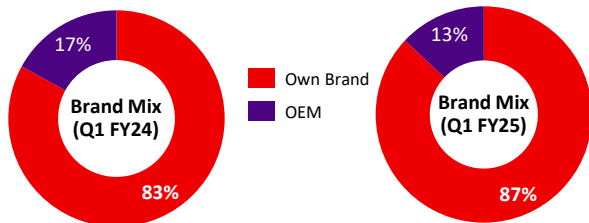
Q1 FY25 Consolidated Financial Performance Snapshot

Revenue from Operations Rs. 247 crores	Gross Profit Rs. 124 crores	EBITDA Rs. 42 crores	Profit After Tax (PAT) Rs. 26 crores
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Key Consolidated Financial Highlights – Q1 FY25

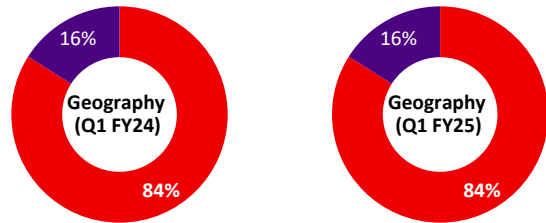
Particulars (Rs. Crs.)	Q1 FY25	Q1 FY24	y-o-y	Q4 FY24	q-o-q	FY24
Revenues	247.1	246.7	+0.2%	250.1	(1.2%)	978.7
Gross Profit	122.9	124.6	(1.3%)	124.9	(1.6%)	493.0
Gross Profit Margin (%)	49.7%	50.5%		49.9%		50.4%
EBITDA	42.0	52.3	(19.7%)	50.5	(16.8%)	191.2
EBITDA Margin (%)	17.0%	21.2%		20.2%		19.5%
Profit After Tax	26.2	32.1	(18.5%)	34.2	(23.3%)	118.5
PAT Margin (%)	10.6%	13.0%		13.7%		12.1%

Brand* Based Contribution To Revenue



*Own Brand include Flair, Flair Creative, Hauser, Pierre Cardin & ZOOX

Geographical Contribution To Revenue



■ Domestic ■ Export

Financial Highlights

- **Consolidated Revenue** from Operations grew by 0.2% year on year to Rs. 247.1 Crs
- **Gross Profit** stood at Rs 122.9 Crs. Gross Margin for the quarter was 49.7%
- **EBITDA** for Q1 FY25 reached Rs. 42.0 Crs at an EBITDA margin of 17.0%
- **Profit After Tax** was Rs 26.2 Crs thus PAT margin at 10.6%

Operational Highlights

- Launched a combined **34 products** during the quarter across all business segments
 - 9 new pens were launched in Q1 FY25 of which 7 are targeted to mid-premium and premium segments
 - 16 fresh offerings under the creative range such as colouring kits, markers and pencils
 - 9 launches for the steel bottles and houseware segment – expanding steel bottle portfolio with 7 new products
- Strengthened the distribution network by onboarding **26 new super stockists** and enhancing overall retail outreach to include **30 new geographic locations**

Commenting on the Results, Mr. Vimalchand Rathod , Managing Director said, - “We maintained an overall stable topline and registered growth in domestic own brand sales in the face of elections creating a slowdown in domestic demand in the first half of the quarter. Overall demand picked up in the second half of the quarter post the peak of elections and we see the momentum continuing till date. Contribution of own brand sales to overall revenue continues to increase. Achieving growth despite the initial demand slowdown in domestic markets is a testament to their wider market acceptance.

Although sharp rise in freight costs and constraints on container availability affected key export destinations, we received encouraging signs of recovery from Export OEM segment which grew in the quarter as well. While Domestic OEM business faced subdued demand from end users – increased efforts towards domestic own brand sales helped offset the same. A big positive takeaway for the quarter was creative and steel bottles remaining on a high growth footing ably supporting the pens segment. Addition of Disney products in Q2 to the existing creative portfolio and doubling of product offerings for the steel bottles in the current quarter will provide further impetus for growth.

It gives me immense pleasure to welcome Mr. Alpesh Porwal as the new Chief Financial Officer of the company. His multi-faceted experience will provide us with invaluable insights.

Outlook on the upcoming quarters remains optimistic buoyed by sustained demand in the second half of the quarter carrying over to ensuing months. We will continue to execute our premiumisation strategy, introduce appealing products and strengthen our distribution network in pursuit of resilient growth.”

About Flair Writing Industries Limited

Flair Writing Industries Limited (“Flair”) was incorporated on August 12, 2016. Flair is among the Top-3 players in the overall writing instruments industry - with a market share of approximately 9% in the overall writing and creative instruments industry in India, as of March 31, 2023 (as per Crisil Report). FWIL's flagship brand "Flair" has established itself as a household name in India, boasting a market presence of over 45 years. Its extensive product portfolio caters to a diverse range of consumers, from students and professionals to offices and institutions. Flair manufactures and distributes several brands in India and partners with various international brands in the writing instruments industry. Company's products are sold under the “**Flair**” brand, “**Flair Creative**”, their principal brands “**Hauser**” and “**Pierre Cardin**” and they have recently introduced “**ZOOX**” in India. They had introduced creative range of products under “**Flair Creative**” brand in FY21. The company is also present in manufacturing of steel bottles and other houseware products.

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