

Flair Writing Industries Limited reports strong sequential growth in Q2 FY25

Mumbai, November 08, 2024 – Flair Writing Industries Ltd. (FWIL), among the leading players in the writing instruments industry has announced its financial results for the quarter and half year ended on September 30, 2024.

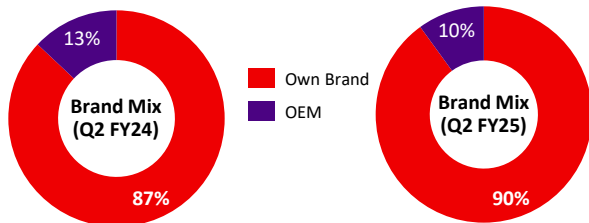
Q2 FY25 Consolidated Financial Performance Snapshot



Key Consolidated Financial Highlights – Q2 & H1 FY25

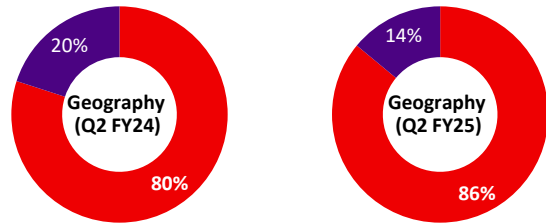
Particulars (Rs. Crs.)	Q2 FY25	Q2 FY24	Y-o-Y	Q1 FY25	Q-o-Q	H1 FY25	H1 FY24	Y-o-Y
Revenues	270.1	257.0	5.1%	247.1	9.3%	517.3	503.7	2.7%
Gross Profit	142.7	126.3	13.0%	122.9	16.1%	265.7	250.9	5.9%
Gross Profit Margin (%)	52.8%	49.1%		49.7%		51.4%	49.8%	
EBITDA	50.6	53.8	-6.0%	42.0	20.4%	92.7	106.2	-12.7%
EBITDA Margin (%)	18.7%	20.9%		17.0%		17.9%	21.1%	
Profit After Tax	32.8	33.2	-1.2%	26.2	25.0%	59.0	65.3	-9.7%
PAT Margin (%)	12.1%	12.9%		10.6%		11.4%	13.0%	

Brand* Based Contribution To Revenue



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

Geographical Contribution To Revenue



Operational Highlights

- Domestic Own Brand Sales increased by **15% y-o-y** and **13% q-o-q** to INR 220 Crores
 - Overall Own Brand Sales registered a growth of **9% y-o-y** and **13% q-o-q** to INR 242 Crores
- Launched a combined **34 products** during the quarter across all business segments
 - 14 new pens** were launched across in Q2 FY25 of which **9 are targeted to mid-premium and premium segments** and **5 new pens** launched in newest price category of INR 10
 - 15 fresh offerings under the creative range** to cater to different markets and customers
 - 3 launches for the steel bottles** expanding our presence in the domestic steel bottle industry
 - 2 products** launched catering to houseware segment
- The company continues to **enhance its distribution network**, with total number of super-stockists associated with the company at **196** as compared to 145 in Q2 FY24
- The Steel Bottle segment surpassed FY24 revenue (INR18 crore) in H1 FY25 (INR20 crore)** and is continuing its high growth trajectory every month
- The collaboration products with **Disney have been launched in September**, with revenue generation anticipated from the next quarter

Commenting on the Results, Mr. Vimalchand Rathod, Managing Director said, - “We continued to carry the post-election demand momentum in operations and have out-performed on all fronts sequentially. Domestic Own Brand sales have been our main engine for growth in overall business. Domestic demand has witnessed a gradual pickup with further improvement expected as the year progresses. Export markets have faced headwinds of demand and rising freight, but we anticipate better performance driven by rising demand in the second half of the financial year.

Creative segment signified its resilience, registering steady performance despite facing input constraints. We have strategically initiated in-house manufacturing of more creative products to reduce dependence of external suppliers while also ensuring greater operational control. Revenue contribution from Disney collaborated products will also provide a step-up to the segment’s contribution from the next quarter.

A key positive for the quarter is the multi-fold growth of our Steel Bottles segment. We have undertaken concentrated efforts in terms of strengthening distribution and expanding product portfolio to further scale the segment in the domestic market.

It pleases me to highlight that our focus on premiumisation helped us achieve an increase in our overall average selling price for the quarter. This, combined with better demand going forward, would provide further impetus to growth. On the margins front, our performance has significantly improved over the first quarter and we are working towards achieving and sustaining the higher historical range of the past.”

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 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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