

**Dated: 09<sup>th</sup> November 2022**

<b>To,</b> <b>BSE Limited</b> Corporate Relations Department Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 <b>Security Code: 543327</b>	<b>To,</b> <b>National Stock Exchange of India Ltd.</b> Corporate Relations Department Exchange Plaza, Block G,C/1, Bandra Kurla Complex, Bandra (E), Mumbai –400 051 <b>Symbol: EXXARO</b>
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Dear Sir/Madam,

**SUB: PRESS RELEASE: Q2 FY23 RESULT HIGHLIGHTS.**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a Press Release issued by Exxaro Tiles Limited on the captioned subject, the content of which is self-explanatory.

We are requested to kindly take the same on record.

Thanking You

Yours Faithfully  
**For Exxaro Tiles Limited**

**Mr. Paras Shah**  
**Company Secretary & Compliance Officer**  
**[Mem No: ACS50733]**

**Enclosure: As Above**

**EXXARO TILES LIMITED**

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# Exxaro Tiles Limited Announces Q2 FY23 Results

## Investor Release

**Sabarkantha, Gujarat, November 09, 2022:** Exxaro Tiles Limited today announced its consolidated results for the second quarter and six months ended September 30, 2022.

### Consolidated Financial Result Highlights:

Particulars (Rs. In million)	Q2 FY23	Q2 FY22	Y-o-Y	Q1 FY23	Q-o-Q	H1 FY23	H1 FY22	Y-o-Y
Net Revenue	725.4	894.5	-19%	675.9	+7%	1,401.3	1,406.8	-
EBITDA	70.0	136.1	-49%	66.3	+6%	136.2	200.3	-32%
EBITDA Margin(%)	9.6%	15.2%	-560 bps	9.8%	-20bps	9.7%	14.2%	-450 bps
PAT	13.7	56.2	-76%	10.8	+27%	24.5	48.6	-50%
PAT Margin(%)	1.9%	6.3%	-440 bps	1.6%	+30 bps	1.7%	3.5%	-180 bps

- **Revenue affected by headwinds:** Total Revenue was down by 19% YoY due to lesser volumes from western and southern region because of demand slowdown. Another major reason was shutdown of 50% of Talod Plant Capacity for entire quarter. This was due to ongoing conversion to new Big Slab Product production line from vitrified tiles earlier. The Production Line has started commercial production from October 2022.
- More than 2/3<sup>rd</sup> of the decline in gross margins was attributed to higher fuel costs. Mild inventory restocking, Increase in branding expenses along with lower sales volumes led to further impact on EBITDA margins leading to overall impact on the profitability for the quarter.

Commenting on the results & performance, **Mr. Mukesh Patel, Chairman and Managing Director** said,

“Commissioning Big Slab product line was the highlight for Exxaro in Q2 FY23. The new line has started producing from October and will give us opportunity to grab market share in a high margin, less crowded marketplace. Business conditions were challenging in Q2FY23 owing to higher gas prices, weak demand conditions and heavy monsoons. Our one production line was shut in Q2 FY23 due to installation of the new Big Slab Product Line. This overall led to lower revenue and volumes.

Subdued demand was seen in Western and Southern markets owing to heavy monsoons. Both the markets together constitute about 80% of our total sales. Subdued export demand led to diversion of Export volumes to domestic market. This coupled with weak domestic demand led to oversupply in the domestic market and therefore, industry players have not been able to take price hikes during the September quarter. We are hopeful that recent corrections in input prices should lead to better margins going forward.

We expect gradual pickup in demand for tiles with fast moving construction and new housing projects. Also, government's push towards affordable housing shall augur well for demand for building material products.

Our Company is focused on creating best designs with integrated technology and deliver products which are visually appealing to our customers. Our company concentrates in investing in innovation and R&D in order to cater to needs of clients' modern lifestyles and infrastructure. With our strong product profile, new line at Talod and strong distribution network, we are well poised to increase our penetration in untapped geographies."

#### **About Exxaro Tiles Limited:**

Exxaro Tiles is a leading name in the ceramic tiles industry, offering the most innovative range of tiles since 2013. Through its two main product categories—double-charge vitrified tiles and glazed vitrified tiles—it offers attractive and longlasting vitrified floor tiles. The company offers new Big slab in replacement of Granite & Marble from October 2022. Exxaro is a company that was founded with the goal of forging a distinctive character in the tiles sector. With a sophisticated product line that epitomises beauty and style, the Company has distinguished itself in the sector.

The company currently sells its goods to over 10 countries and has more than 2,000+ touch points across 25 states, mostly in South and West India. Owing the long ties with the dealers, they are able to grow and supply their products for significant infrastructure projects. It has present annual capacity of 14.60 MSM across two plants - one at Talod, Sabarkantha, Gujarat one of the biggest manufacturing plant of GVT in India and, one at Padra, Vadodara, Gujarat.

#### **Safe Harbor**

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**

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