

**Mumbai | February 14, 2020:** Responsive Industries Ltd. (Responsive), the nation's leading Vinyl Flooring and Synthetic Leather Manufacturer reported INR 347 crore in Revenue from Operations for the nine months ended December 31, 2019 and INR 100 crore for the third quarter of the current financial year, and the EBITDA stood at INR 29 crore.

The healthy EBIDTA margins of 29% are attributable to an increase in sales of the "IMPACT" brand and further inroads into the B2C segment. We remain focused on value-creation through replacing wooden, laminate, carpet and vitrified tiles with "Made in India" vinyl interlocking tiles which have superior aesthetic and performance attributes.

Although Coronavirus in China is a sad development and we pray for a speedy recovery; we are seeing a surge of global interest in our "IMPACT" range. The view from the buyer's perspective is to diversify their sourcing from China to India. We believe this disruption will help see a significant boost in export revenue in the coming quarters.

**Business Update:**

Interlocking vinyl tiles or SPC is the fastest growing flooring segment globally and is estimated to grow the vinyl flooring category from \$25 billion in 2020 to \$45 billion by 2025. The reason for the tremendous growth is the fast replacement of carpet, laminated and engineered wood is due to ease of installation, ease of maintenance, higher durability and better aesthetics.

With 30 years of manufacturing experience and a timely launched brand in "IMPACT", Responsive Industries is well positioned to capitalize on the growing global demand. We already boast exports to 65 countries globally and have a vast distributor network and are in a great position to become the leading Indian supplier for global demand. In the third quarter alone, we have added 20 new export relationships for "IMPACT" and expect to add more key customers in 2020.

**Financial Update:**

**Consolidated Results – Q3 FY20**

- Responsive reported consolidated revenue of INR 124 crore in the third quarter of this financial year
- The EBIDTA Margin scaled up to 28.23% at INR 35 crore
- The Company reported Profit before Tax of INR 8 crore and Profit after Tax of INR 6 crore
- The (non-annualized) EPS of the company is INR 0.22 for the quarter

**Standalone Results – Q3 FY20**

- Responsive reported revenue of INR 100 crore in the third quarter of this financial year.
- The Core EBIDTA Margin stood at 29% at INR 29 crore.
- The Company reported Profit before Tax of INR 8 crore and Profit after Tax of INR 6 crore.
- The (non-annualized) EPS of the company is INR 0.22 for the quarter.



**Business Strategy:**

Responsive Industries has focused its strategy on growing the market for interlocking vinyl tiles through the aggressive promotion of the "IMPACT" brand in both the domestic and export market. We are seeing fast adoption of the new age technology and expect robust export demand coupled with recovering domestic consumption to catapult growth.

**Rishabh Agarwal, Non-executive Chairman, Responsive Industries Ltd-**

*“Responsive continues to remain cash positive and we are proud of the shift made towards the high-margin business. We are seeing track record of 20% or higher EBIDTA for the last 3 quarters and we expect to keep up the margin profile going forward. We also now expect sales revenue to start improving with revival of both export and domestic demand.”*

**About Responsive Industries Limited (Responsive)**

Responsive is a leading global manufacturer of vinyl flooring, luxury vinyl tiles & synthetic leather. The Company is among the leading four producers of vinyl flooring internationally and the largest Indian producer of PVC flooring and synthetic leather cloth. The Company serves multiple industries like healthcare, hospitality, transportation, IT and telecom, retail, education, sports, infrastructure and real estate. The Company exports the products to over 70 countries across the globe and has a wide network of over 300 active distributors spread across India.

**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.*

