

February 10, 2022

To,

Corporate Service Dept. BSE Limited Jeejeebhoy Towers Dalal Street, Mumbai – 400 001 Script code: 532722	The Listing Department, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051 Script code: NITCO
--	---

Dear Sir/Madam,

Sub: NITCO Limited - Update on Financial Results for Q3 FY 2021-22

Please find enclosed herewith further update on the Financial Results of NITCO Limited for Q3 of FY 2021-22.

We request you to take note of the same.

Yours faithfully,
For **NITCO Limited**

Vivek Talwar
Managing Director

NITCO Limited announces Q3 FY2021-22 results

Mumbai, February 09, 2022: NITCO Limited (NITCO), India's most venerable tiles brand, today announced the financial results for the third quarter ended on December 31, 2021, as approved by its Board of Directors.

NITCO's sales increased to INR 118.94 Cr in Q3 FY 22, an increase of 12.11% from Q3 FY 21 (INR 106.09 Cr). EBITDA stood at INR -6.25 Cr as compared to INR -2.00 Cr in Q3 FY 21.

Q3 FY2022: Challenging for the Tiles industry

The unprecedented increase in natural gas prices resulted in a substantial increase in production costs. As a result, several vendors at Morbi undertook shutdowns, impacting availability of products.

The export business has been impacted due to the resurgence of COVID Omicron across Europe and the Americas, high production costs and by the all-time high container freight rates.

The triumvirate of high prices, product unavailability and lower imports significantly impacted the sector's throughput and profitability.

NITCO Initiatives

Despite the disruptions on the production side, NITCO registered an increase in sales volume of 33% over the previous quarter, and an increase of 34% in revenue from operations.

In order to ensure availability of products, NITCO substituted production at alternate vendor(s) and undertook advance production where the options for substitution were not available. Further, in order to maintain volumes and market share, NITCO altered its product mix.

In order to diversify export base, NITCO has opened new export markets and is increasingly focusing on lower elasticity, high value products to protect margins.

NITCO has been constantly tightening its operations to improve inventory efficiency resulting in an annualised Inventory Turn of 12x in the current quarter, as against 9x last quarter for the tiles business.

In the coming quarter, NITCO will introduce a range of new products and appoint over 30 new dealers to drive volumes and margins.

About NITCO Limited:

NITCO Limited (NSE: NITCO, BSE: 532722), established in 1953 by Late Mr. Pran Nath Talwar, is India's prominent floor and wall solutions company. NITCO, one of the most widely recognised brands, is the only company in the world with presence in all three surfaces: namely, tiles, marble, and mosaic, with

a comprehensive product range in each category. The prime mission of the Company is to always offer cutting-edge designs and products that are the choice of discerning architects and consumers. The Company differentiates itself by being a creative surface partner to its clients, by suggesting the most appropriate functional designs and product solutions that match specific applications. The Company also prides itself as the producer of the best natural marble slabs in the industry, with unique capabilities for processing natural marble to optimise form factor and costs. Headquartered in Mumbai, NITCO's pan-India presence is facilitated through display centres, franchisees, retail network spread across the country. NITCO enjoys a sizeable client base overseas and exports to over 40 countries. For more information, please visit www.nitco.in.

DISCLAIMER:

Some of the statements in this communication may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ substantially from those expressed or implied. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India, tax laws, litigation and labour relations.

For further information, please contact:

Vivek Talwar Chairman & Managing Director NITCO Limited 022 – 2577-2800 vivektalwar@nitco.in	Manoj Saha Director Dickenson World +91 9819860835 manoj.saha@dickensonworld.com
--	---