

PRESS RELEASE

Arvind Fashions delivers robust quarterly performance with sales growth of 14% and increase in EBITDA by 98%

Bengaluru, June 3, 2021: Arvind Fashions Limited (AFL), India's leading casual and denim player, has declared its financial results for the fourth quarter and full year ended March 31, 2021.

Key Highlights

- Q4 FY21 revenue grew by 14% with marginally positive LTL store sales. This was driven by strong recovery across the channels and increased footfalls in the stores. It was further aided by continued traction in the online channel
- Power brands posted growth of 17% with significantly improved profitability on Y-o-Y and Q-o-Q basis. USPA & Tommy Hilfiger sales recovery was strongest at 125% delivering double digit EBITDA (pre-IndAS)
- Sephora sales recovery was 114% led by both offline & online channels
- Significant investments into omni-channel and digital solutions are yielding great results. Overall online channel sales increased by ~4x Y-o-Y in Q4 FY21; Direct to consumer online sales witnessed 3.6x growth over last year
- Strong sales growth coupled with efficient cost management enabled the company to deliver 98% growth in EBITDA for continuing business at 97 Crs in Q4 FY21 compared to 49 Crs in Q4 FY20
- Cost reduction by 40% (amounting to ~540 Crs) for the year helped offset the huge impact of Covid on the profitability
- Balance Sheet has been strengthened compared to Mar'20 with
 - Gross & net working capital reduction by 523 Crs and 172 Crs respectively in FY21 through sharper controls around inventory & debtors and new ways of buying
 - Reduction in net debt by 300+ Crs through equity infusion and working capital improvement

Commenting on the performance of the company, **Mr. Shailesh Chaturvedi, MD & CEO** said "We're very encouraged by the strong sales recovery in H2, for our 6 high conviction brands in the portfolio when Covid related lockdowns eased. This coupled with cost optimization efforts led to significant improvement in our profitability. While the demand environment continues to stay volatile in near term due to second wave of Covid, we're confident of medium-term outlook to scale up powerful brands in our portfolio through continued store expansion and digital & omni-channel presence"

Consolidated Financial Performance Summary

Rs. Crore	Q4 FY21	Q4 FY20	Y-o-Y Growth
Revenues	769	673	14%
EBITDA	97	49	98%
PBT before exceptional items	(38)	(117)	
PAT including discontinued Operations	(99)	(208)	

About AFL

Arvind Fashions Ltd is India's no. 1 casual and denim player, a lifestyle powerhouse with a strong portfolio of fashion brands catering to consumers across the sub-categories and price points. With a host of renowned brands, both international and indigenous, like US Polo Assn., Arrow, Tommy



Hilfiger, Calvin Klein, Flying Machine and Sephora, it has presence across lifestyle brands, value fashion and prestige beauty.

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