

PRESS RELEASE

Arvind Fashions reports highest ever quarterly sales leading to significant increase in operational profitability;

Revenue growth of 46%, EBITDA margin at 11.5% and PAT of 18 Crs

Bengaluru, Nov 14, 2022: Arvind Fashions Limited (AFL), India's leading casual and denim player, has declared its financial results for the second quarter and half year ended Sep 30, 2022.

Key Highlights for Q2 FY23

- Revenues grew by 46% to Rs. 1,182 Crs compared to Rs. 812 Crs in Q2 FY22. This was led through continued sharp execution across retail channel registering ~25% LTL growth. It was also aided by strong growth in MBO channel witnessing 100% growth
- Power brands revenues registered growth of 48% with USPA and Tommy Hilfiger continuing its trajectory of double-digit EBITDA margins (pre-IndAS) and overall margin improvement of 310 bps
- USPA strengthened its leadership position in casual wear segment with achievement of 1000+ Crs NSV at end-Oct'22
- Record full price sell-thru's across brands for SS'22 & AW'22 coupled with lower discounting aided increase in gross margins by 280 bps (Y-o-Y)
- EBITDA margin higher by 260 bps through gross margin expansion and operating leverage despite increase in advertising spends of 70 bps. EBITDA increased to Rs. 136 Crs; growth of ~90%
- PAT (after minority interest) of 18 Crs compared to loss of 98 Crs in Q2 FY22
- Achieved milestone of ROCE (annualized) of ~15% in Q2 FY23

Commenting on the performance of the company, **Mr. Shailesh Chaturvedi, MD & CEO** said "We are extremely pleased with ~90% growth in EBITDA led by sharp execution and continuing dominance of our brands in key segments – USPA in casual wear, Tommy Hilfiger in super premium and Arrow in formal wear. Leading to the highest ever sales quarter with growth of 46% and ROCE of around 15%. We continue to remain excited about the growth momentum ahead and our steadfast focus on improving profitability further"

Consolidated Financial Performance Summary

Rs. Crore	Q2 FY23	Q2 FY22	Y-o-Y Growth
Revenues	1182	812	46%
EBITDA	136	72	89%
PBT	45	(22)	-
PAT	18	(98)	-

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 and prestige beauty.



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