

PRESS RELEASE

Arvind Fashions reports strong financial performance amidst challenging environment

Delivered the highest ever quarterly Sales, EBITDA and PAT

Bengaluru, Nov 7, 2023: Arvind Fashions Limited (AFL), India's leading casual and denim player, has declared its financial results for the second quarter & half year ended Sep 30, 2023.

Key Highlights for Q2 FY24

- Revenues grew by 7% to Rs. 1,267 Crs compared to Rs. 1,182 Crs in Q2 FY23 despite slower consumer demand. Growth was largely led by retail and MBO channel
- Gross margins expansion of ~510 bps Y-o-Y to 49.5% led by retail LTL growth of 9% and higher retail channel mix by 400 bps Y-o-Y
- Steady improvement in power brands EBITDA margin to 13.2%
- Highest ever quarterly EBITDA of Rs. 152 Crs compared to 136 Crs in Q2 FY23. EBITDA margin improved by ~50 bps despite higher advertising spends of ~100 bps Y-o-Y
- Highest ever PAT of Rs. 22 Crs, growth of 19% Y-o-Y
- Tighter control over inventory & debtors leading to reduction in gross working capital by 10 days
- Return on capital employed (TTM) at ~14%

Commenting on the performance of the company, **Mr. Shailesh Chaturvedi, MD & CEO** said "We have delivered the highest ever quarterly financial performance across revenues, EBITDA & PAT, while consumer demand continued to remain soft during the quarter. Sharper execution in the retail channel along with premiumization offering across our marquee brands and decisive focus strategy continue to yield good results. We remain committed to profitably growing the business thereby improving the return ratios, aiding shareholder value creation."

Consolidated Financial Performance Summary

Rs. Crore	Q2 FY24	Q2 FY23	Y-o-Y Growth
Revenues	1267	1182	7%
EBITDA	152	136	11%
PBT	48	45	7%
PAT	22	18	19%

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 U.S. Polo Assn., Arrow, Tommy Hilfiger, Calvin Klein and Flying Machine, it has presence across lifestyle brands.

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