

PRESS RELEASE

Arvind Fashions reports robust financial performance amidst weak macro with 5% sales growth, margin improvement of 150 bps & 83% growth in PAT

Bengaluru, Feb 13, 2024: Arvind Fashions Limited (AFL), India's leading casual and denim player, has declared its financial results for the third quarter and nine months ended Dec 31, 2023.

Key Highlights for Q3 FY24

- Revenues grew by 5% to Rs. 1,125 Crs compared to Rs. 1,073 Crs in Q3 FY23 and 2-year revenue CAGR of 12%. Growth was primarily led by retail and MBO channel
- Gross margin expansion of 480 bps Y-o-Y to 53.3% driven by retail LTL growth of 2% with sharper execution in the retail channel and lower discounting
- Revenue growth coupled with gross margin expansion resulted in 18% growth in EBITDA to Rs. 150 Crs compared to Rs. 127 Crs in Q3 FY23
- EBITDA margin improved by ~150 bps, despite higher investment in advertising of 130 bps Y-o-Y
- PAT (from the continuing business excl. exceptional item) stood at Rs. 22 Crs, Y-o-Y growth of 83%. Reported PAT grew >6x to Rs. 51 Crs compared to Rs. 8 Crs in Q3 FY23
- Control over inventory & lower debtors led to reduction in gross working capital by 5 days

Commenting on the performance of the company, **Mr. Shailesh Chaturvedi, MD & CEO** said "Strong financial performance in this quarter reflects the focus on profitable growth with 150 bps improvement in EBITDA, a growth of 18% over Q3 last year. The leadership of our key brands is getting strengthened with our conscious investment in marketing along with product innovation which has yielded differentiated results and market share gain"

Consolidated Financial Performance Summary

Rs. Crore	Q3 FY24	Q3 FY23	Y-o-Y Growth
Revenues	1125	1073	5%
EBITDA	150	127	18%
PBT	50	38	31%
PAT*	22	12	83%
Reported PAT	51	8	531%

* For continuing business and excluding exceptional item

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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