Q1 FY27 RESULTS PRESENTATION

Arvind fashions

July | 2026

DISCLAIMER

This document by Arvind Fashions Limited ('the Company') contains forward-looking statements that represent our beliefs, projections and predictions about future events or our future performance. These forward-looking statements are necessarily subjective and involve known and unknown risks, uncertainties and other important factors that could cause our actual results performance to differ materially from any future results or performance described in or implied by such statements. The forward-looking statements contained herein include statements about the Company's business prospects, its ability to attract customers, its expectation for revenue generation and its outlook. These statements are subject to the general risks inherent in the Company's business. These expectations may or may not be realized. Some of these expectations may be based upon assumptions or judgments that prove to be incorrect. In addition, the Company's business and operations involve numerous risks and uncertainties, many of which are beyond the control of the Company, which could result in the Company's expectations not being realized or otherwise materially affect the financial condition, results of operations and cash flows of the Company. The forward-looking statements are made only as of the date hereof, and the Company does not undertake any obligation to (and expressly disclaims any obligation to) update any forward-looking statements to reflect events or circumstances after the date such statements were made, or to reflect the occurrence of unanticipated events.

Q1 FY27 PERFORMANCE HIGHLIGHTS

MARKET & ECONOMY UPDATE

Overall demand remains stable

Early onset of EOSS and higher discounting across the industry

Strong brands with direct-to-consumer focus continue to drive higher market share

Cost pressures due to increased minimum wages & rising fuel costs

Continuing West Asia conflict & impact of El Nino on the Monsoon likely to have inflationary pressure

West Asia conflict situation – update on business impact

Current situation	• The war is still continuing • Raw material prices after some respite have started to rise again • Rupee after slight appreciation has recently touched all time high which will have impact on raw materials, shipping & capex
Potential risks	• Consumption slowdown due to supply-led inflationary pressure • Further pressure on Rupee • Soaring fuel & raw material costs • Shortages in capex & raw materials for production
Mitigation measures	• Our long lead time inventory cycle has protected us from immediate inflationary pressures • We continue to actively monitor impact & hedge as required • Majority of our sourcing remains India based and we are further strengthening this • To mitigate raw material costs, we will evaluate appropriate price increases • In order to navigate this volatility, we have implemented cost control measures

FY27 OBJECTIVES - WHAT WE HAVE SET FOR OURSELVES

	Objectives
Sales & Profitability	• Aspiration to grow revenues at 12-15% with acceleration in adjacent categories growth • Operating leverage to aid EBITDA & PAT margins expansion
Improve brand salience	• Continued investments in advertisement to drive market share gains
Grow via direct channels	• Focus on driving the business through direct channels • Share of direct channels (retail + online B2C) to grow by 100-200 bps
Accelerate store expansion	• Gross opening of ~150 stores, largely through FOFO route • Higher net sq. ft. addition compared to FY26
Working capital & return ratios	• Higher free cash flow generation through continued net working capital efficiency and asset-light approach • Further improvement in ROCE
Transforming with data, analytics and AI	• Leveraging AI to drive cost efficiencies across functions • Leverage analytics and AI to drive front-end effectiveness - Retail excellence, pricing, assortment, marketing effectiveness

Q1 FY27 BUSINESS HIGHLIGHTS

SALES

Strong revenue growth at 15.5% Y-o-Y, driven by direct channel performance

Retail LTL of 11.6%; aided by superior execution

GROWTH DRIVERS

Gross addition of 23 EBOs; net sq. ft. at ~20K

Adjacent categories witnessed 25%+ growth

PROFITABILITY

Gross margins higher by 90 bps in Q1 led by strong LTL & sourcing gains

EBITDA growth of 19.6% Y-o-Y to ₹ 160 crores; 44 bps higher margin

CHANNEL-WISE PERFORMANCE

~18% growth in retail channel with strong LTL & improved stock freshness

Online direct-to-consumer business grew 23% Y-o-Y

Double digit growth in consumer sales in wholesale channels

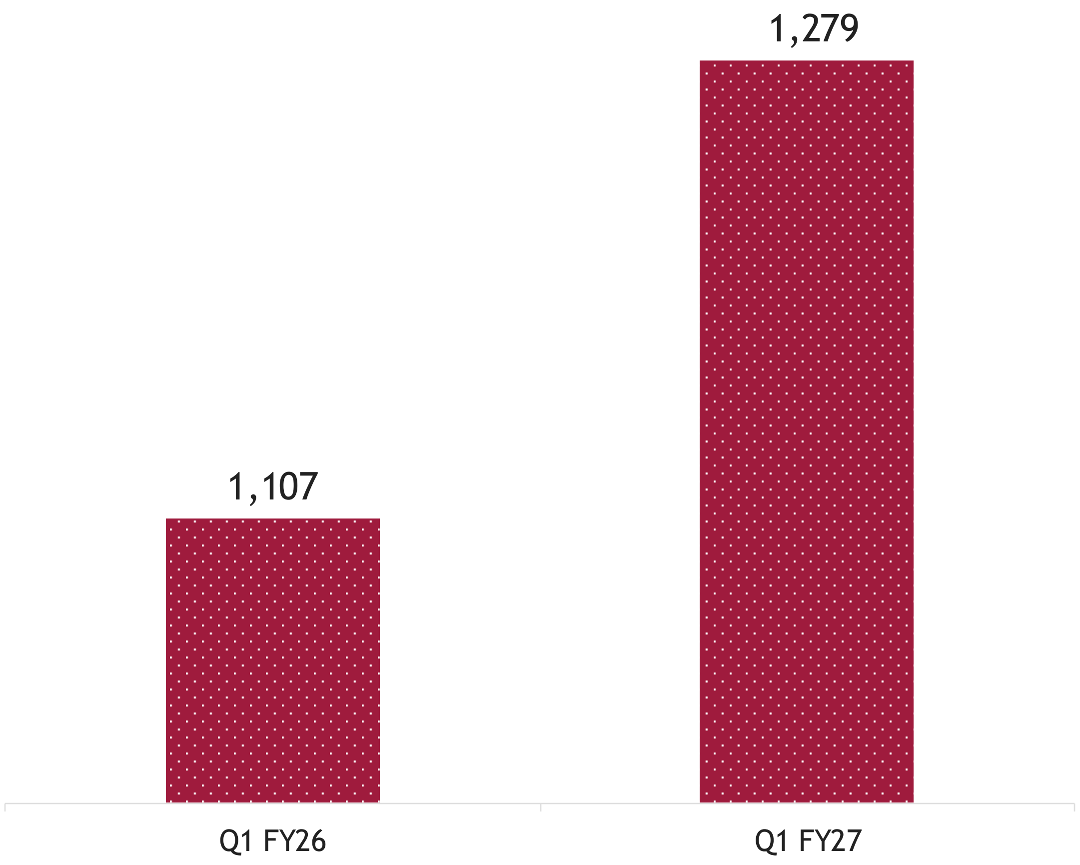
WORKING CAPITAL

NWC days remained stable; inventory turns at healthy ~3.5x

STRONG SALES GROWTH ACROSS CHANNELS

Sales

(₹ in crores)

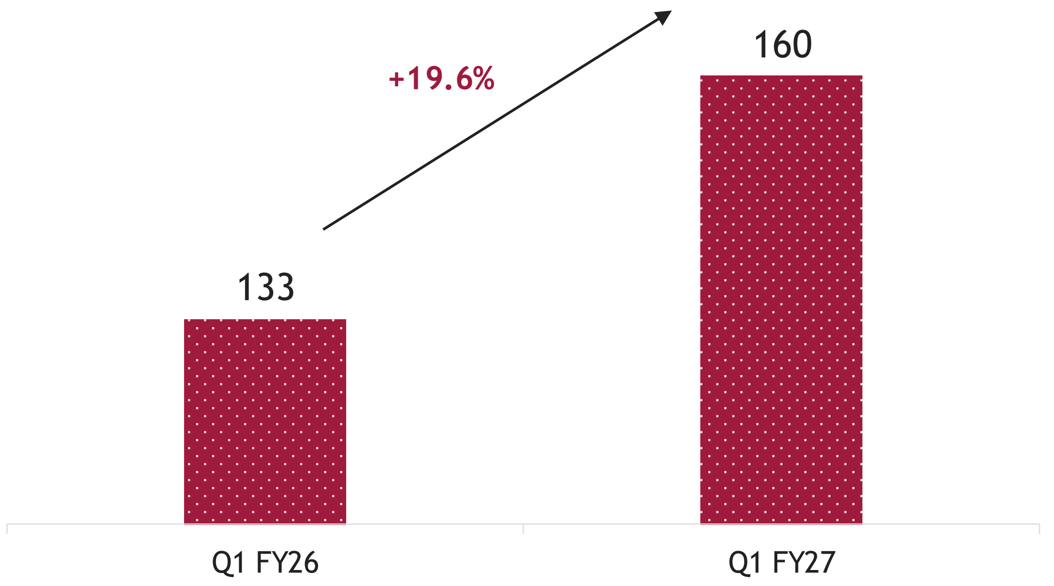


- Delivered strong revenue growth of 15.5%, aided by growth across direct channels
- Direct channels continued their outperformance
  - Sharp execution in retail drove strong LTL of 11.6% resulting in ~18% growth along with sourcing gains
  - ~38% growth in online B2C channel
- EBO count stood at 1030 as of Jun'26, net sq. ft. addition of ~20k

LEADING TO CONTINUED PROFITABILITY IMPROVEMENT

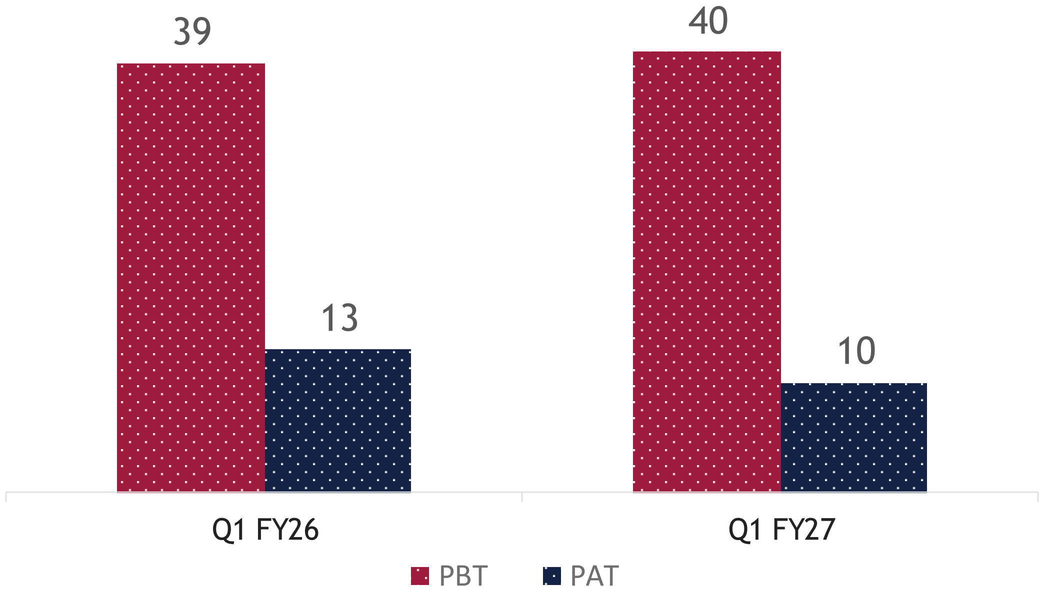
EBITDA

(₹ in crores)



PBT # and PAT #

(₹ in crores)

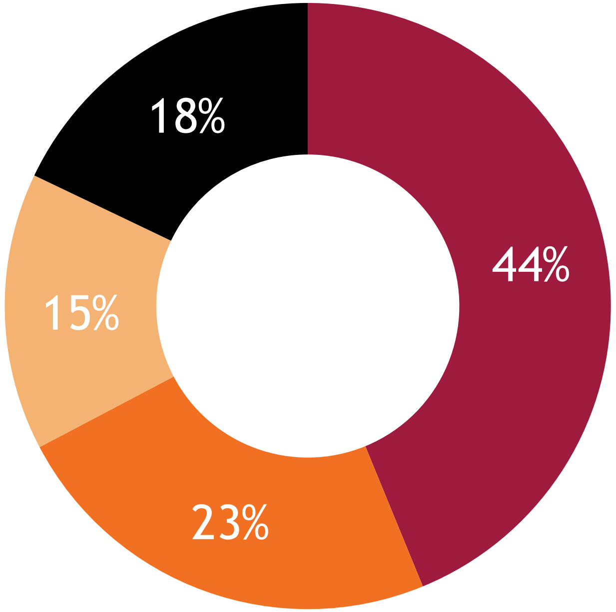


from continuing operations

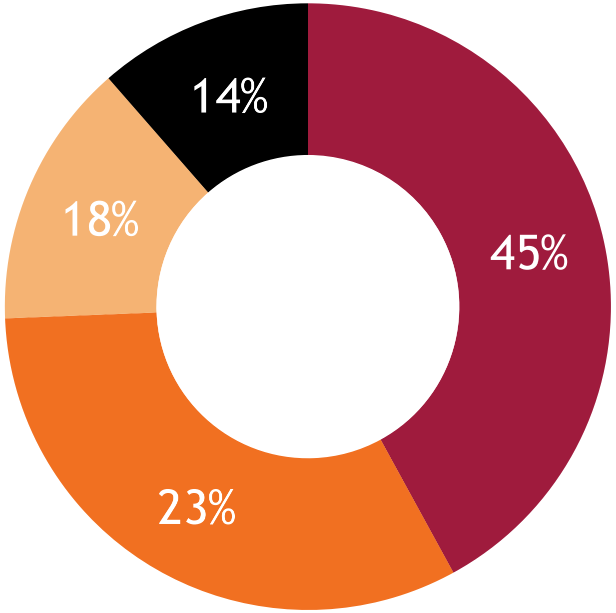
- *Improvement in EBITDA margins by 44 bps Y-o-Y aided by gross margin expansion & better channel mix*
- *PAT (from continuing operations) de-growth of 22.2% due to lower other income*

CHANNEL MIX

Q1 FY26



Q1 FY27



Wholesale (MBO + Dept. Stores) *Retail* *Online B2C* *Online B2B and others*

CONTINUE TO OPEN MARQUEE EBOs

USPA – Infinity Malad, Mumbai

CONTINUE TO OPEN MARQUEE EBOs

CK - Infinity Malad, Mumbai

CONTINUE TO OPEN MARQUEE EBOs

CK - Elante, Chandigarh

U.S. POLO ASSN.
SINCE 1890

FLYING MACHINE

ARROW
USA·1851

Calvin Klein

TOMMY HILFIGER

Q1 FY27 PERFORMANCE HIGHLIGHTS

BRAND HIGHLIGHTS

Brand Highlights

- Continued strong growth momentum with sharp retail execution & marketing investments, helping deliver strong high double digit LTL growth & consistent strong growth across channels
- Direct channels continue to outperform & grow at ~40%; share of revenue increasing
- Continued retail expansion with marquee and large sq. ft. stores opening to further deepen retail presence
- Adjacent categories continue to be amongst the significant growth driver for the brand

ARROW

Brand Highlights

- Strong direct channel performance with 80%+ growth in online B2C
- Focus on accelerating retail expansion
- Product innovation continue to be at the heart of brand journey, e.g., summer linen collection with 100% Linen
- Continue investments in marketing

Brand Highlights

- High double-digit growth led by LTL in retail channel & department stores
- Online B2C expanded to other online channels leading to growth in online B2C channel
- Direct channel well-positioned to grow & scale faster
- Well-positioned to improve financial performance backed by growth & operating leverage

Brand Highlights

- Strong LTL growth coupled with favorable tailwinds around premiumization continue to aid brand performance
- Accelerated EBO expansion & focus on expanding retail & online presence
- Strong brand pull continues for this market leader
- Continue to deliver strong financial performance

Brand Highlights

Calvin Klein

- Direct channel growth fueled by strong LTL growth & store expansion
- Premiumization trend helping brand deliver industry leading sell-thru's
- Continue to deliver strong financial performance

Q1 FY27 RESULTS

Q1 FY27 - PERFORMANCE SNAPSHOT

(₹ in crores)

	Q1 FY27	Q1 FY26
Revenue from Operations	1279	1107
Other Income	7	15
Total Income	1286	1122
EBITDA	167	148
EBITDA excl other income	160	133
PBT before Code of Wages impact	40	39
Taxes	12	14
Minority Interest	18	12
PAT	10	13
Profit/(loss) from discontinued operations	0	0
Reported PAT	10	13

EFFICIENT WORKING CAPITAL MANAGEMENT

(₹ in crores)

	Jun'26	Mar'26	Jun'25
Inventory	1644	1605	1281
Inventory days	105	102	92
Receivables	684	752	706
Debtor days	52	54	55
GWC	**2328**	**2356**	**1986**
GWC days	157	156	**148**
Payables	1312	1387	1151
Creditor days	93	93	89
NWC	**1016**	**969**	**835**
NWC days	65	64	**59**

Note for days calculation, for example:
Inventory days = Average TTM Inventory / TTM Revenues * 365

NWC days at healthy 65 days vs 64 in previous quarter closing. Higher share of direct channel led to higher inventory days.

WAY FORWARD

WAY FORWARD

AFL

Stable demand environment to deliver consistent double digit revenue growth	*Continue to expand margin led by operating leverage and higher direct channel share*	*Continue to accelerate direct channel share thru retail & online B2C expansion*
Deepen our leadership in 5 largest apparel categories e.g., shirts, polos, denim, t-shirts & blazer, continue focus on scaling adjacent categories	*Build brands of scale & desire - continue higher marketing investments for consumer connect*	*Continue to expand ROCE led by margin improvement and FCF generation*

THANK YOU