

Q2 FY27 RESULTS PRESENTATION

Arvind Fashions

Nov | 2026

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Q2 FY27 PERFORMANCE HIGHLIGHTS

MARKET & ECONOMY UPDATE



Overall demand remains steady despite shifting festival & online tower events

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

External macro economic factors like ongoing West Asia conflict, El Nino impact on weather & repo rate changes to have inflationary pressures which we will mitigate by smart pricing and cost 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

Q2 FY27 BUSINESS HIGHLIGHTS

SALES

Strong revenue growth at 10.0% Y-o-Y, driven by direct channel performance

Retail LTL growth of 7.3%; aided by superior execution; adjusted for festive shift retail LTL is 10%

GROWTH DRIVERS

Gross addition of 24 EBOs; net sq. ft. at ~26K

Adjacent categories growth of 13%

PROFITABILITY

Gross margins higher by 136 bps in Q2 led by strong LTL, lower retail discounting & better channel mix

EBITDA growth of 15.5% Y-o-Y to ₹ 216 crores; 67 bps higher margin

CHANNEL-WISE PERFORMANCE

15.4% growth in retail channel with strong LTL & store expansion

Online direct-to-consumer business grew 28% Y-o-Y

Mid-single digit growth in consumer sales in wholesale channels due to festive shift

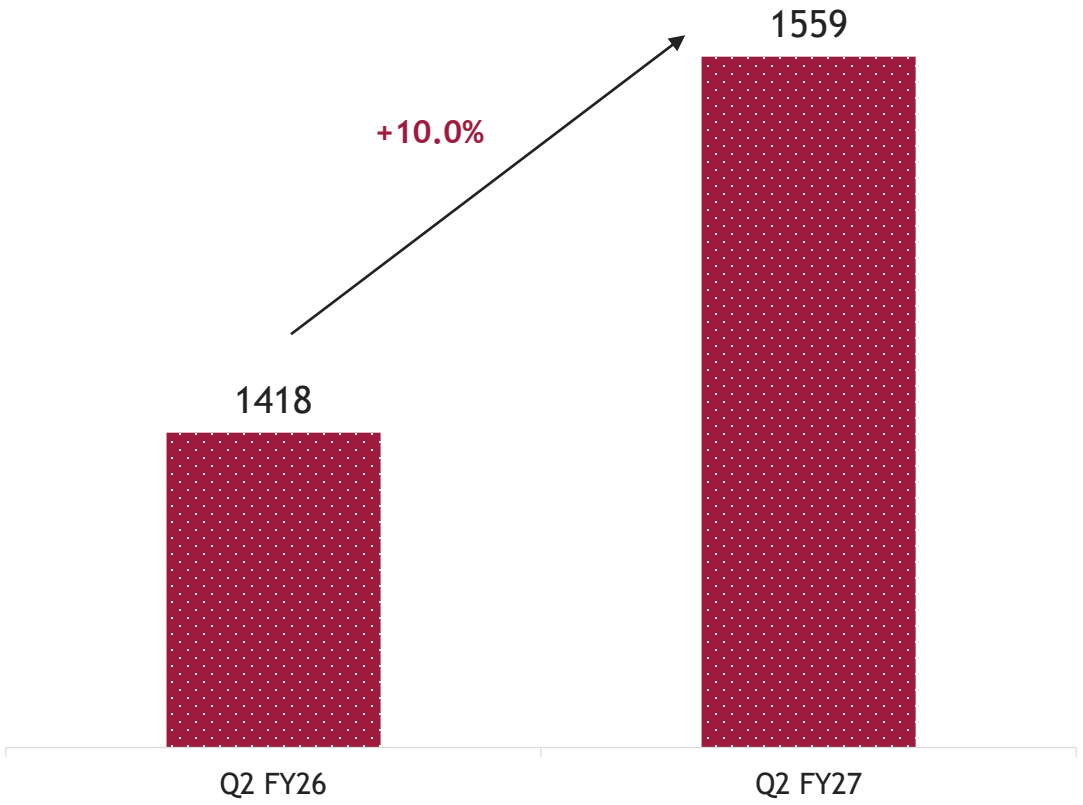
WORKING CAPITAL

NWC days at 65 & inventory turns at healthy ~3.4x

STRONG SALES GROWTH LED BY DIRECT CHANNELS

Sales

(₹ in crores)

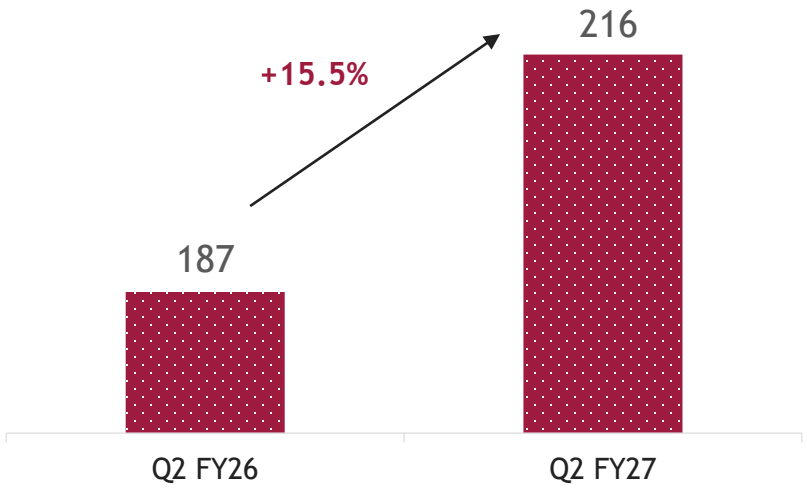


- Delivered strong revenue growth of 10%, aided by growth across direct channels
- Direct channels continued their outperformance
  - Sharp execution in retail drove strong LTL of 7.3% resulting in ~15% growth along with lower discounting
  - Adjusted for festive shift, retail LTL is 10%
  - ~28% growth in online B2C channel (45% growth adjusted for festive shift)
- EBO count stood at 1044 as of Sep'26, net sq. ft. addition of ~26k

LEADING TO CONTINUED MARGIN EXPANSION

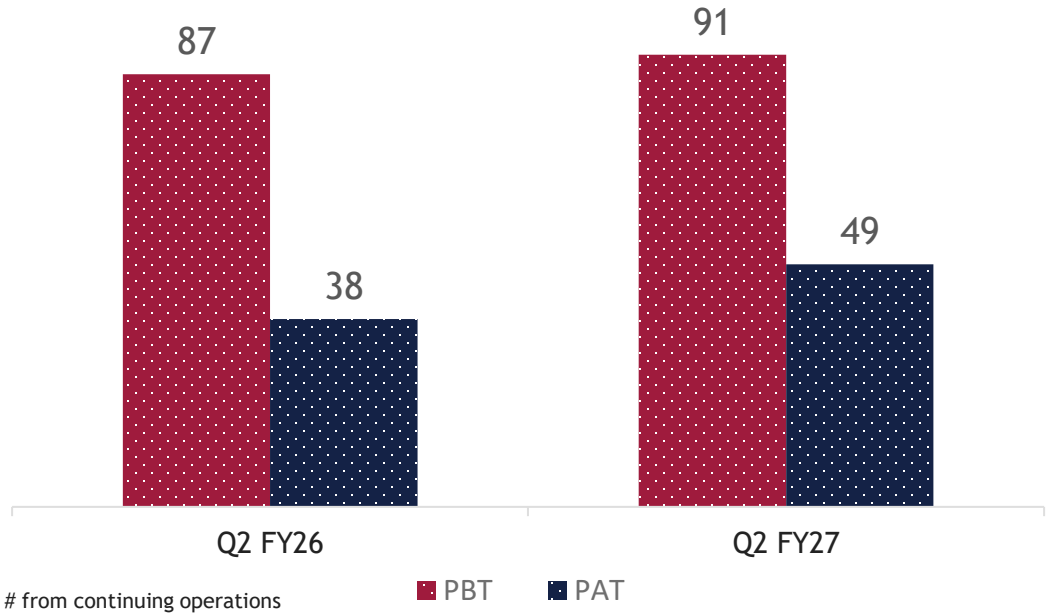
EBITDA

(₹ in crores)



PBT # and PAT #

(₹ in crores)

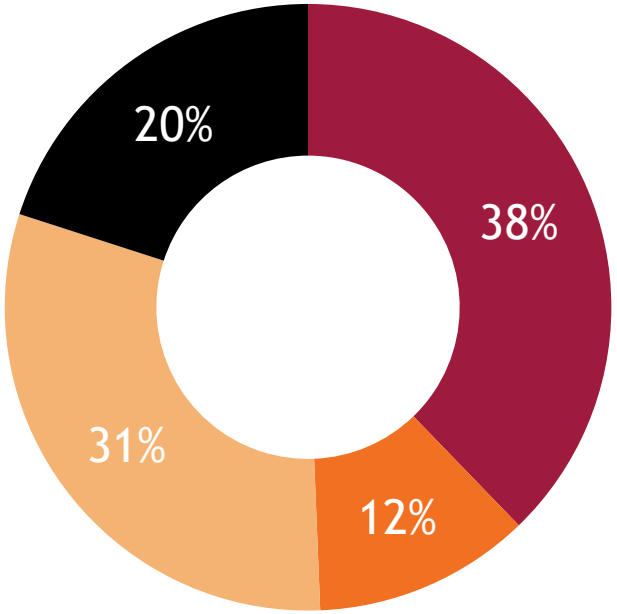


from continuing operations

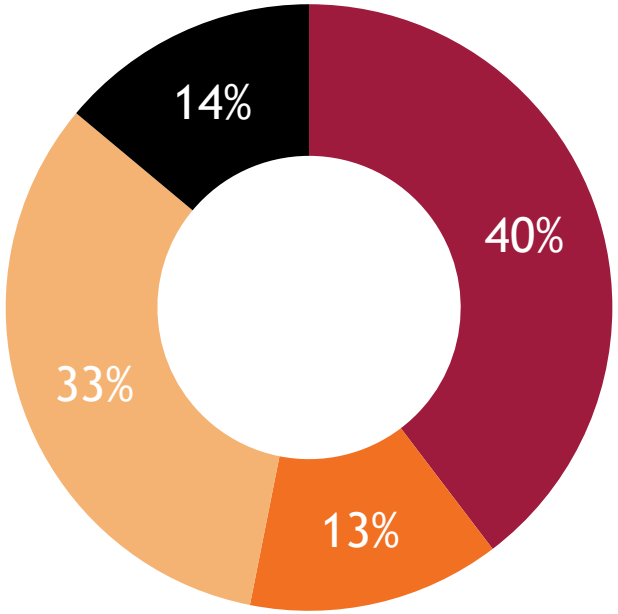
- ***Improvement in EBITDA margins by 67 bps Y-o-Y aided by gross margin expansion & better channel mix***
- ***PAT (from continuing operations) grew by 29.6%***

CHANNEL MIX

Q2 FY26



Q2 FY27



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

CONTINUE TO OPEN MARQUEE EBOs

Arrow - Jayanagar, Bengaluru



CONTINUE TO OPEN MARQUEE EBOs

JM Road, Pune



CONTINUE TO OPEN MARQUEE EBOs

Horizon Tower, Jaipur



Muthialpet, Puducherry



CONTINUE TO OPEN MARQUEE EBOs

Bailey Square, Patna



U.S. POLO ASSN.
SINCE 1890

FLYING MACHINE

ARROW
USA·1851

ck
Calvin Klein

TOMMY
HILFIGER

Q2 FY27 PERFORMANCE HIGHLIGHTS

BRAND HIGHLIGHTS

Brand Highlights

U.S. POLO ASSN.
SINCE 1890



- Strong growth momentum continues
  - With new retail identity & sharp retail execution- continued retail expansion with marquee & large sq. ft. stores opening to further deepen retail presence
  - Delivered strong double digit LTL growth with lower retail discounting
  - Strong growth across all channels
  - Continued marketing investments
- Share of revenue increasing for direct channels; growth of 25%+

Brand Highlights



- Product innovation continues to be at the core of brand journey, e.g., launched industry first super white range of shirts
- Strong direct channel performance with 35%+ growth in online B2C
- Continued retail expansion with marquee stores launch
- Continued investments in marketing

Brand Highlights







- Sharp positioning of Flying Machine as unisex, denim anchored, on-trend youth brand
- Online B2C expanded to other online channels leading to growth in online B2C channel. Direct channel contribution improved by 3%+
- Direct channel well-positioned to grow & scale faster
- Continued marketing investments
- Well-positioned to improve financial performance backed by growth & operating leverage

BREAK
LOOSE

FLYING
MACHINE




BREAK
LOOSE
FLYING
MACHINE

Brand Highlights



- Launch of TH.com to expand direct channel mix
- Strong brand pull continues for this market leader
- Strong LTL growth led by premiumization
- Continued EBO expansion & focus on expanding retail & online presence
- Continue to deliver strong financial performance

Brand Highlights



- Strong LTL growth with lower retail discounting & continued store expansion
  - Mid double-digit LTL adjusted for festive shift
  - Strong LTL growth led by premiumization
- Premiumization trend helping brand deliver industry leading sell-thru's
- 20%+ growth in premium CKU innerwear leading to higher share
- Continue to deliver strong financial performance

Pre IND-AS P&L

Q2 FY27 - PERFORMANCE SNAPSHOT - Pre IND-AS

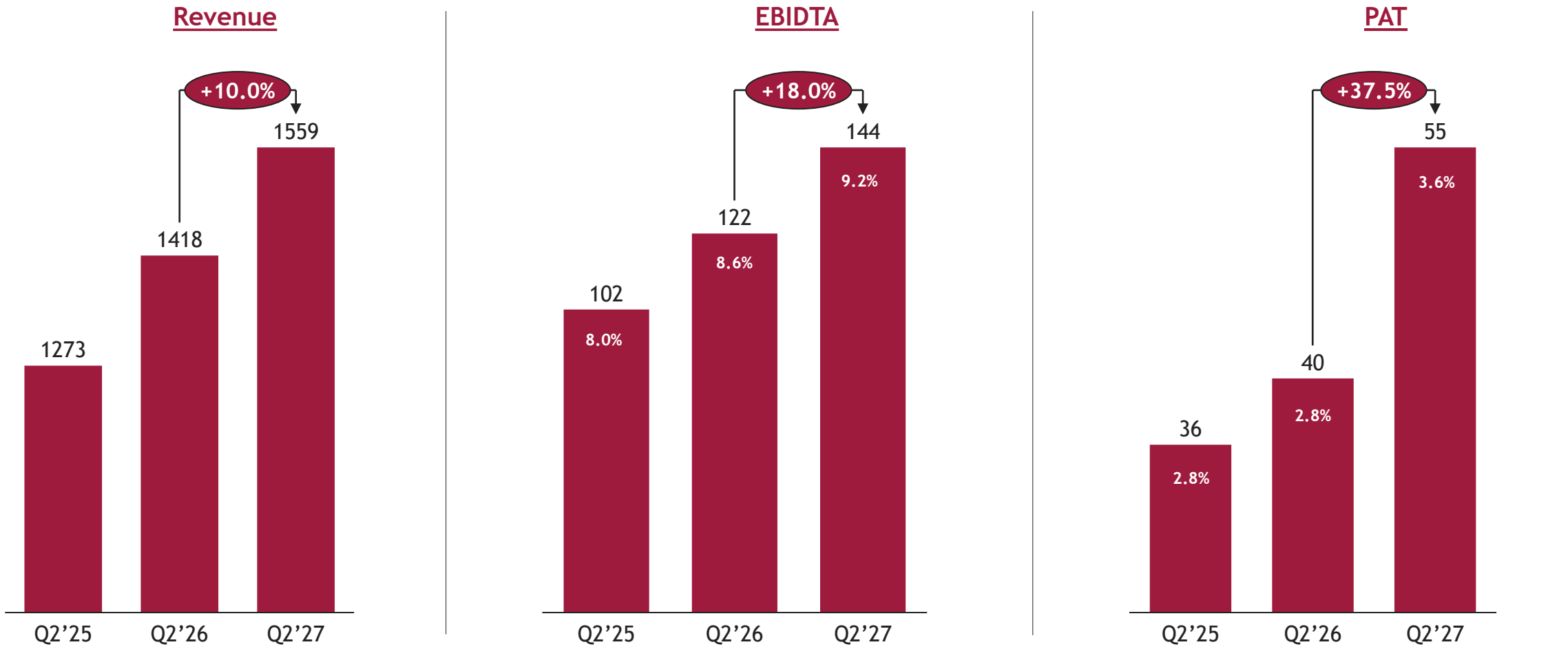
(₹ in crores)

	Q2 FY27	Q2 FY26	Q2 FY25
Revenue from Operations	1559	1418	1273
EBITDA (excl. other income)	144	122	102
EBITDA % (excl. other income)	9.2%	8.6%	8.0%
Other Income	3	7	5
PBT	98	90	73
Taxes	24	31	21
Non-Controlling Interest	19	19	15
PAT from continuing operations	**56**	**41**	**36**
Profit/(loss) from discontinued operations	0	0	0
Reported PAT	55	40	36



Q2 FY27 - PERFORMANCE SNAPSHOT - Pre IND-AS

Fig in INR Crs



EBIDTA excl. other income

Q2 FY27 RESULTS

Q2 FY27 - PERFORMANCE SNAPSHOT - Post IND-AS

(₹ in crores)

	Q2 FY27	Q2 FY26	H1 FY27	H1 FY26
Revenue from Operations	1559	1418	2837	2525
EBITDA (excl. other income)	216	187	376	321
EBITDA % (excl. other income)	13.9%	13.2%	13.2%	12.7%
Other Income	7	13	14	28
PBT	91	87	131	126
Taxes	24	31	36	45
Non-Controlling Interest	19	19	37	31
PAT from continuing operations	**49**	**38**	**59**	**51**
Profit/(loss) from discontinued operations	0	0	-1	-1
Reported PAT	48	37	58	50



EFFICIENT WORKING CAPITAL MANAGEMENT

(₹ in crores)

	Sep'26	Jun'26	Mar'26	Sep'25
Inventory	1828	1644	1605	1492
Inventory days	108	105	102	96
Receivables	844	684	752	936
Receivable days	49	52	54	56
GWC	2672	2328	2356	2428
GWC days	157	157	156	152
Payables	1584	1312	1387	1467
Payable days	92	93	93	91
NWC	1088	1016	969	961
NWC days	65	65	64	60

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



NWC days at healthy 65 days same as previous quarter closing. Higher share of direct channel led to higher inventory days.

BALANCE SHEET AS ON 30-SEP-2026

(₹ in crores)

Particulars	30-Sep-2026	31-Mar-2026
Net Worth	1231	1161
Borrowings	690	531
Capital Employed	1921	1692
Inventory	1828	1605
Receivables	844	752
Creditors	1584	1387
Net Working Capital	1088	969
Net Fixed Asset	411	361
Discontinued Operations	(12)	(12)
Other Assets	435	373
Capital Employed	1921	1692



WAY FORWARD

WAY FORWARD

AFL

Stable demand environment to deliver consistent double digit revenue growth	*Continue to expand margin led by higher direct channel share & operating leverage*	*Continue to expand 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 expansion and FCF generation*

Arvind FASHIONS

THANK YOU