

August 11, 2023

To,

The Listing Department,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

Scrip Code : 532613

To,

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex
Bandra (East), Mumbai-400 051.

Trading Symbol : VIPCLOTHING

Sub: VIP CLOTHING LTD. – Investor Presentation on the Un-audited Financial Results for the First Quarter ended on June 30, 2023.

Pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we enclose herewith the Investor Presentation on the Un-audited Financial Results of the Company for the First Quarter ended on June 30, 2023.

The Investor Presentation has been uploaded on the website of the company www.vipclothing.in

This is for your information and record.

Thanking you

Yours faithfully,
For **VIP Clothing Limited**

ARCHANA MUNGUNTI
Company Secretary
Membership No.: A31071



CIN: L18101MH1991PLC059804

Registered Office: C-6, Road No.22, M.I.D.C., Andheri (East), Mumbai – 400 093

Q1 FY24 – Earnings Update

Revenue from Operations stands at ₹536.64 Mn in Q1 FY24

EBITDA stands at ₹35.30 Mn in Q1 FY24

Net PAT stands at ₹5.27 Mn in Q1 FY24

Mumbai, 10th August, 2023: VIP is an established innerwear manufacturer with portfolio of marquee brands like VIP, Frenchie, Feelings and Leader. The company in its board meeting held on 10th August 2023 has inter-alia considered and approved the Unaudited Financial Results of the Company for the first quarter ended on 30th June 2023 as one of its agenda.

Financial Statement Highlights for Q1 FY24 v/s Q1 FY23 v/s Q4 FY23

Particulars (₹ in Mn)	Q1 FY24	Q1 FY23	YoY%	Q4 FY23
Revenue from op.	536.64	519.96	3.21%	516.30
Other Income	0.94	2.69		0.13
Total Revenue	537.59	522.65	2.86%	517.36
Total Expenses excl. D&A & Finance Cost	501.35	508.95		469.84
EBITDA (excl. Other Income)	35.30	11.01		46.46
EBITDA Margin (%)	6.58%	2.12%		9.00%
Finance Cost	20.74	24.34		18.61
Depreciation	6.77	8.97		6.63
PBT before exceptional items and tax	8.73	(19.62)		22.27
Exceptional Items	0.00	0.00		0.00
PBT*	8.73	(19.62)		22.27
Total Tax	2.68	0.58		2.51
PAT	6.05	(20.20)		19.76
Other Comprehensive Income	(0.78)	(1.65)		(0.13)
Net PAT	5.27	(21.85)		19.63
Diluted EPS	0.07	(0.24)		0.24

*The company has conservatively and prudently made a provision of ₹7.5 Mn in relation to certain old receivable.

Management Discussion and Analysis:

**Figures in ₹ Mn, unless specified*

- Revenue from Operations stood at ₹536.64 Mn in Q1 FY24 from ₹519.96 Mn in Q1 FY23, due to higher offtake of economy segment products
- EBITDA stood at ₹35.30 Mn in Q1 FY24 from ₹11.01 Mn in Q1 FY23 and margins increased to 6.58% in Q1 FY24 from 2.12% in Q1 FY23 due to better inventory management and improved cost optimization

Developments during the Quarter

- Launched **nine** products under its various brands
- Onboarded **forty** new distributors in order to increase its market presence
- Adopted and implemented distributor management system (DMS) technology across 49 distributors to increase efficiency

Financial Outlook

- The management expects the revenue to be in the corridor of ₹2,500.00 Mn to ₹3,000.00 Mn for FY24, primarily fueled by enhanced brand visibility and expanding consumer spending on fashion and personal care goods
- EBITDA margins for FY24 will be in the range of 7.00%-9.00%

Management Comment:

"We are happy to share our financial and business performance for Q1 FY24, our revenue from operations stood at ₹536.64 Mn in Q1 FY24 from ₹519.96 Mn in Q1 FY23 indicating robust demand for our products. EBITDA increased to ₹35.30 Mn from Q1 FY24 from ₹11.01 Mn in Q1 FY23, margins improved from 2.12% in Q1 FY23 to 6.58% in Q1 FY24. Net PAT improved from (₹21.85) Mn to ₹5.27 Mn during the same period.

Our unwavering commitment to fortifying our brand's position in the market has yielded impressive results. Despite the prevailing economic uncertainties like delayed consumer purchase, elevated inventory and raw material cost, we managed to steadily grow, reflecting the strength of our brand equity and the demand for our products. Our comprehensive brand strategy, combined with effective marketing initiatives, has enabled us to maintain a competitive edge and capture a larger share of the market.

Further, we are witnessing uptake of our recently launched product line, which falls under the 'Frenchie U-19' brand. The response from the market has been notably positive, with a growing number of customers showing interest and engaging with this new offering. This trend indicates that our strategic decision to diversify our product portfolio under the different brands is resonating well with our target audience and will likely aid us in scaling our business handsomely.

Additionally, we are excited to share that we have onboarded Mr. Shashikant Bhosale as our National Sales Head for the women's segment, a pivotal addition to our team. Drawing from his valuable experience at Enamor, Mr. Bhosale brings a wealth of expertise in the realm of women's innerwear and apparel segment. His

profound understanding of market trends and consumer preferences is poised to significantly bolster our efforts in catering to the diverse needs of this crucial demographic.

VIP Clothing Industries has smoothly incorporated advanced software solutions into its operational framework, notably including the well-regarded SAP system, within our office setup. Moreover, we've successfully deployed a Distributor Management System (DMS) that effectively amalgamates different elements of our distribution network like monitoring of inventory, orders, and sales, providing us with real-time product performance insights. Through our commitment to leveraging these cutting-edge technologies, we've not only enhanced our partnership with distributors but also strengthened our agility in responding to changing market trends.

Our company stands at the threshold of a transformative journey, striving to enhance its manufacturing and sourcing processes, optimize advertising effectiveness, and harness technology for driving expansion, all the while augmenting brand recognition among customers. We hold a strong belief that these endeavors will provide us with ample opportunities for sustained growth and will generate significant value for our stakeholders.”

About VIP Clothing Limited

Incorporated in 1991, headquartered in Mumbai, VIP Clothing Ltd. (VIP) is engaged in the business of manufacturing, marketing and distribution of Men’s and Women’s innerwear and socks under the brand name VIP, Frenchie, Feelings and Leader. VIP has in-house manufacturing facility located in Tamil Nadu and is accredited with TUV- ISO 9000 certificate that reflects its emphasis on Quality Management System, designing, manufacturing and delivery. It is one of the India’s leading intimate apparel company providing intimate wear to consumers across various segments under different brands and possesses one of the widest and largest sales and distribution network for innerwear products. The company has more than ~180 sales and marketing professionals, ~35,000 retailers network and ~450 distributors and wholesalers network.

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