



KEWAL KIRAN CLOTHING LIMITED

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Date: October 23, 2023

To,

<u>National Stock Exchange of India Limited</u> Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra(East), Mumbai-400051 NSE Code - KKCL	<u>BSE (Bombay Stock Exchange) Limited</u> "Phiroze Jeejeebhoy Tower", Dalal Street, Mumbai-400001 BSE Code - 532732
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Dear Sir/Madam,

Sub: Results Release in relation to the Financial Results for the quarter and half year ending September 30, 2023 (Q2 & H1 FY24) - Disclosure under Regulation 30 and other respective regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended -

Pursuant to the provisions of the Regulation 30 and other respective regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed herewith the Results Release in relation to the Financial Results for the quarter and half year ending September 30, 2023 (Q2 & H1 FY24).

This is for your information and records.

Thanking you.

Yours Truly

For Kewal Kiran Clothing Limited

Abhijit B. Warange

Vice President – Legal & Company Secretary

Encl.: a/a

KEWAL KIRAN CLOTHING LIMITED

Robust Performance - Consistent Double Digit Sales Growth & EBIDTA Margin

Revenue for Q2 FY24 up by **16.0%** y-o-y at ₹ 262.5 crores

EBIDTA for Q2 FY24 up by **23.4%** y-o-y at ₹ 61.7 crores

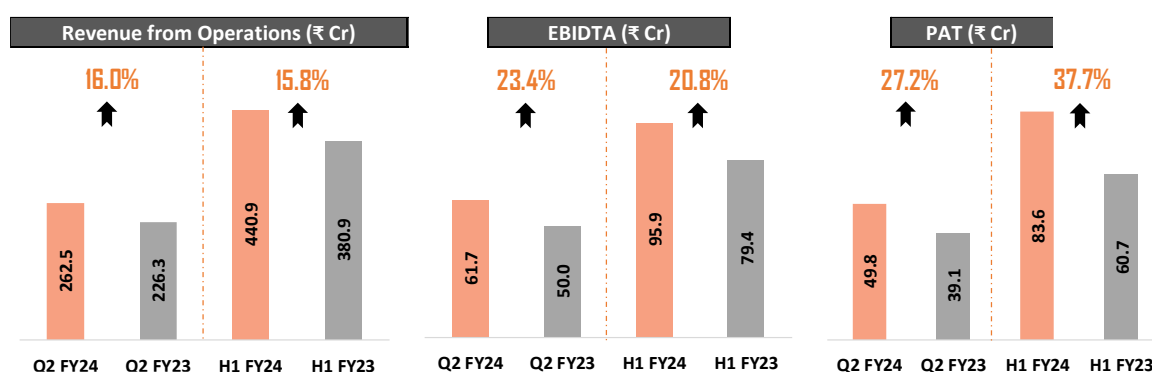
PAT for Q2 FY24 up by **27.2%** y-o-y at ₹ 49.8 crores

Mumbai, October 23, 2023: Kewal Kiran Clothing Limited (KKCL), one of India's leading Lifestyle brand company, with more than 4 decades of established presence in the Menswear fashion category announced its Audited Financial Results for the quarter and half year ending September 30, 2023.

Key Financial Highlights are as follows :

Particulars (₹ Cr)	Q2 FY24	Q2 FY23	Y-O-Y	Q1 FY24	H1 FY24	H1 FY23	Y-O-Y	FY23
Revenue from Operations	262.5	226.3	16.0%	178.4	440.9	380.9	15.8%	779.5
Gross Profit (GP)	111.9	93.7		76.8	188.7	160.5		330.6
GP Margin	42.7%	41.4%		43.0%	42.8%	42.1%		42.4%
EBIDTA	61.7	50.0	23.4%	34.1	95.9	79.4	20.8%	151.9
EBIDTA Margin (%)	23.5%	22.1%		19.1%	21.7%	20.8%		19.5%
PBT	66.2	52.3	26.8%	41.4	107.7	78.5	37.2%	157.1
PBT Margin (%)	24.5%	22.5%		21.9%	23.4%	20.3%		19.6%
PAT	49.8	39.1	27.2%	33.8	83.6	60.7	37.7%	119.3
PAT Margin (%)	18.4%	16.8%		17.9%	18.2%	15.7%		14.9%

Standalone Performance highlights for Q2 & H1 FY24



Performance highlights for Q2

- Revenue from Operations for Q2 FY24 grew by 16.0% to ₹ 262.5 crores as compared to ₹ 226.3 crores in Q2 FY23.
- Gross Profit grew to ₹ 111.9 crores in Q2 FY24 as compared to ₹ 93.7 crores in Q2 FY23. Gross margin for Q2FY24 increased to 42.7% as compared to 41.4% in Q2 FY23.

- **EBIDTA** for Q2 FY24 grew by 23.4% to ₹ 61.7 crores as compared to ₹ 50.0 crores in Q2FY23. **EBIDTA margin** for Q2FY24 stood at 23.5% as compared to 22.1% in Q2FY23.
- **PBT** for Q2FY24 grew by 26.8% to ₹ 66.2 crores as compared to ₹ 52.3 crores in Q2 FY23. **PBT margin** for Q2FY24 stood at 24.5% as compared to 22.5% in Q2FY23.
- **PAT** for Q2FY24 grew by 27.2% to ₹ 49.8 crores as compared to ₹ 39.1 crores in Q2FY23. **PAT margin** for Q2FY24 expanded to 18.4% as compared to 16.8% in Q2FY23.

Performance highlights for H1

- **Revenue from Operations** for H1 FY24 grew by 15.8% to ₹ 440.9 crores as compared to ₹ 380.9 crores in H1 FY23.
- **Gross Profit** grew to ₹ 188.7 crores in H1 FY24 as compared to ₹ 160.5 crores in H1 FY23. **Gross margin** for H1 FY24 expanded to 42.8% as compared to 42.1% in H1 FY23.
- **EBIDTA** for H1 FY24 grew by 20.8% to ₹ 95.9 crores as compared to ₹ 79.4 crores in H1 FY23. **EBIDTA margin** for H1 FY24 increased to 21.7% as compared to 20.8% in H1 FY23.
- **PBT** for H1 FY24 grew by 37.2% to ₹ 107.7 crores as compared to ₹ 78.5 crores in H1 FY23. **PBT margin** for H1 FY24 expanded to 23.4% as compared to 20.3% in H1 FY23.
- **PAT** for H1 FY24 grew by 37.7% to ₹ 83.6 crores as compared to ₹ 60.7 crores in H1 FY23. **PAT margin** for H1 FY24 increased to 18.2% as compared to 15.7% in H1 FY23.

KEY INITIATIVES / FOCUS AREAS

- **Launch of Brand “Junior Killer”**
 - Foray into the kids wear category in line with growth strategy to build a comprehensive portfolio across age group and gender
 - High-street fashion brand designed for boys of age group 4 year to 16 years
 - Move marks Brand Killer becoming a four-to-forever (age-group) brand
- **Strengthening Brand Focused EBOs presence**
 - Net addition of 49 Brand Killer EBOs in H1 FY24 taking the total tally of Killer EBOs to 271 and overall EBOs to 470 EBOs as at September 30, 2023

- Further, work on additional identified 49 EBOs is ongoing and expected to be launched in coming months. This expansion aligns with our strategy to bring our products closer to the consumer, enhancing accessibility and convenience.

- **Enhancing visibility through Focused Branding and Advertisement**

- Continued focus on branding and advertisement initiatives: Carried out in-stadium branding during the recently concluded India v/s West Indies T-20 series
- Focused outdoor advertising

Commenting on the results and performance, Mr. Kewalchand P. Jain, Chairman & Managing Director said :

“I am pleased to inform that this quarter has been a milestone period for the Company on several counts. To begin with, the Company has achieved the highest ever quarterly Sales, EBITDA & PAT for the quarter in its history. We delivered a resilient and competitive growth whilst stepping up our EBITDA margin in a challenging operating environment.

Our business model has increasingly evolved to deliver the right combination of quality, price and an elevated customer experience. The emphasis on own brands, nimble responsiveness to emerging consumer preferences coupled with relative price stability contributes to our distinctive market positioning in the apparel lifestyle space. The emphasis on own brands and strong product disciplines across the value chain is a key defining feature of our model. Over time, we have evolved from being denim-focused brands to lifestyle brands reflecting in our strong performance backed by volume and sales growth with an impressive margin profile.

Our comprehensive brand portfolio in the Indian fashion industry and new initiatives have demonstrated signs of success with the inherent strength of our balance sheet. Continuing with this philosophy, it gives me immense pleasure and pride to announce KKCL’s entry into the Kidswear segment with launch of – “Killer Junior”. This is not an overnight journey but a journey filled with determination, commitment, passion, focus and hard work put in by our able workforce/employees. Our team efforts across functional, geographical and hierarchical levels have helped us to achieve our business objectives of growth.

Looking forward we remain cautiously optimistic. Our focus is to provide superior value to our consumers, drive competitive volume growth, and invest behind our brands. Notwithstanding the external slowdown, we are confident that we are on the right path to execute the growth strategy and our robust distribution model well supported by the drive for expansion of Product Categories backed by in-house manufacturing capabilities will help us emerge stronger. Within the inherent challenges, lies the long term growth opportunity in the fashion apparel industry and with our aim and ambition to build a robust organization with a strong foundation that can weather challenges and create value for its stakeholders over many more decades, we will continue to stay focused on pursuing profitable growth.”

About Kewal Kiran Clothing Limited: Kewal Kiran Clothing Limited (“KKCL”), a menswear focused apparel player with more than four decades of success led journey. With its integrated operations comprising of Designing - Manufacturing - Branding – Retailing, the Company has been able to penetrate through its targeted consumer base with its 4 iconic menswear brands of **Killer, Intergiti, Lawman & Easies**. With 470 Exclusive Brand Outlets and 80+ Distributors covering 3,000+ MBOs spread across India and presence across national chain stores, the Company has a widespread distribution in India.

***Disclaimer :** Certain statements in this “Release” may not be based on historical information or facts and may be “forward looking statements” within the meaning of applicable securities laws and regulations, including, but not limited to, those relating to general business plans & strategy of the Company, its future outlook & growth prospects, future developments in its businesses, its competitive & regulatory environment and management’s current views & assumptions which may not remain constant due to risks and uncertainties. Actual results could differ materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any statement, based on any subsequent development, information, or events, or otherwise. This “Release” does not constitute a prospectus, offering circular or offering memorandum or an offer to acquire any shares and should not be considered as a recommendation that any investor should subscribe for or purchase any of the Company’s shares. The financial figures in this “Release” have been rounded off to the nearest ₹ One Crore. The financial results are standalone financials unless otherwise specified.*

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