

ARVIND FASHIONS LIMITED

A MEMBER OF THE LALBHAI GROUP

Corporate Office : Du Parc Trinity, 8th Floor, 17, M.G. Road, Bengaluru - 560 001
Tel : 91-80-4155 0601, Fax : 91-80-41550651
Website: <http://www.arvindfashions.com>

August 10, 2023

To,
BSE Limited
Listing Dept. / Dept. of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Security Code : 542484
Security ID : ARVINDFASN

To,
National Stock Exchange of India Ltd.
Listing Dept., Exchange Plaza, 5th Floor
Plot No. C/1, G. Block
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051

Symbol : ARVINDFASN

Dear Sir/ Madam,

Sub: Outcome of the Meeting of the Board of Directors of Arvind Fashions Limited ("the Company") held on August 10, 2023.

Ref: Regulation 30 and 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations")

Further to our letter dated August 3, 2023 for intimation of Board Meeting, and in accordance with the provisions of Regulation 30 of the SEBI LODR Regulations, this is to inform that the Board of Directors of the Company, at its meeting held today (i.e. on August 10, 2023) has, *inter alia*, considered and approved the following business:

1. The unaudited Standalone and Consolidated Financial Results of the Company for the first quarter ended on 30th June 2023.

Pursuant to Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), we hereby enclose the following:

1. Unaudited Standalone and Consolidated Financial Results of the Company for the first quarter ended on 30th June 2023, along with Limited Review Reports issued by the statutory auditors of the company i.e M/s. Deloitte Haskins & Sells.
2. A copy of the press release being issued by the Company in respect of unaudited financial results for the first quarter ended on 30th June 2023.
3. Investor Presentation for Q1 issued in this regard.


The above documents will also be uploaded on company's website at <https://www.arvindfashions.com/>

The meeting of the Board of Directors commenced at 10.45 A.M. and concluded at 01:00 PM

You are requested to take the above on your record and bring this to the Notice of all concerned.

Thanking you,

For Arvind Fashions Limited


Lipi Jha
Company Secretary
Encl: As above.



ARVIND FASHIONS

Regd Office : Arvind Limited Premises, Naroda Road, Ahmedabad - 380 025.
CIN : L52399GJ2016PLC085595

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF ARVIND FASHIONS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Arvind Fashions Limited** ("the Company"), for the quarter ended June 30, 2023 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. The comparative financial results of the Company for the quarter ended June 30, 2022 included in this Statement have been reviewed by the joint auditors including us, who had expressed an unmodified opinion thereon as per the report dated August 10, 2022.

Our conclusion is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)



Kartikeya Raval

Kartikeya Raval
(Partner)
(Membership No. 106189)
(UDIN: 23106189BGVOUR1488)

Place: Ahmedabad
Date: August 10, 2023

ARVIND FASHIONS LIMITED

A MEMBER OF THE LALBHAI GROUP

Corporate Office : Du Parc Trinty, 8th Floor, 17, M.G. Road, Bengaluru - 560 001
Tel : 91-80-4155 0601, Fax : 91-80-41550651
Website: <http://www.arvindfashions.com>

Statement of Standalone Unaudited Financial Results for the Quarter Ended June 30, 2023

(₹ in Crores except per share data)

Sr. no	Particulars	Quarter Ended		Year ended	
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		Unaudited	(Refer Note 3)	Unaudited	Audited
1	Income				
	(a) Revenue from Operations	120.56	265.10	115.95	740.57
	(b) Other Income (Refer Note 6)	54.33	10.54	1.90	18.02
	Total Income	174.89	275.64	117.85	758.59
2	Expenses				
	(a) Purchases of stock-in-trade	138.95	178.95	94.48	506.46
	(b) Changes in inventories of stock-in-trade	(56.05)	35.67	(27.86)	14.28
	(c) Employee benefits expense	14.07	16.94	14.35	56.67
	(d) Finance costs	4.86	4.78	2.82	15.52
	(e) Depreciation and amortisation expense	3.53	3.31	3.29	14.56
	(f) Other expenses	24.52	38.37	29.07	141.00
	Total Expenses	129.88	278.02	116.15	748.49
3	Net Profit/(Loss) before tax (1-2)	45.01	(2.38)	1.70	10.10
4	Tax Expense				
	Current Tax	7.15	-	-	-
	Deferred Tax Charge/ (Credit)	(0.92)	0.05	0.03	0.24
	Total Tax Expense/(Credit)	6.23	0.05	0.03	0.24
5	Net Profit/(Loss) for the period after tax (3-4)	38.78	(2.43)	1.67	9.86
6	Other Comprehensive Income/ (Loss) (Net of Tax)				
	Items that will not be re-classified to profit and loss				
	(i) Re-measurement gain/(loss) on defined benefit plans	(0.16)	(0.13)	(0.08)	(0.68)
	(ii) Income Tax related to the item above	0.06	0.05	0.03	0.24
	Total other comprehensive income/(loss) (Net of tax)	(0.10)	(0.08)	(0.05)	(0.44)
7	Total Comprehensive Income/ (Loss) for the Period (5+6)	38.68	(2.51)	1.62	9.42
8	Paid-up Equity Share Capital (Face Value ₹ 4/- per share)	53.13	53.13	53.03	53.13
9	Other Equity				2,268.96
10	Earning Per Share in ₹ (Not Annualised)				
	- Basic	2.92	(0.18)	0.13	0.74
	- Diluted	2.91	(0.18)	0.13	0.74
(See accompanying notes to the Standalone Unaudited Financial Results)					

For Arvind Fashions Limited

Bengaluru
August 10, 2023



Shailesh Chaturvedi

Shailesh Chaturvedi
Managing Director & CEO
DIN:03023079

ARVIND FASHIONS

Regd Office : Arvind Limited Premises, Naroda Road, Ahmedabad - 380 025.
CIN : L52399GJ2016PLC085595

ARVIND FASHIONS LIMITED

A MEMBER OF THE LALBHAI GROUP

Corporate Office : Du Parc Trinty, 8th Floor, 17, M.G. Road, Bengaluru - 560 001
Tel : 91-80-4155 0601, Fax : 91-80-41550651
Website: <http://www.arvindfashions.com>

Notes:

- 1 The above standalone unaudited financial results have been prepared in accordance with Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 2 The above standalone unaudited financial results were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on August 10, 2023 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The Statutory Auditors have carried out limited review of the financial results for the quarter ended on June 30, 2023.
- 3 The figures for the quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of full financial year and the unaudited published year to date figures upto the third quarter ended December 31, 2022 which were subjected to limited review.
- 4 The Company is primarily engaged in the business of Branded Apparels (Garments and Accessories) which in the terms of Ind AS 108 'Operating Segments', constitutes a single reporting segment.
- 5 ESOP Share Allotment: Pursuant to various Employees Stock Option Schemes, following equity shares of ₹ 4/- each were allotted to the option grantees:

Particulars	Quarter Ended			Year Ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
Shares allotted	5,000	14,494	1,36,000	3,63,847

- 6 Other Income includes dividend income from subsidiaries of Rs. 49.28 Crore for the quarter ended June 30, 2023.
- 7 In the earlier years, the wholly owned subsidiary of the Company i.e. Arvind Lifestyle Brands Limited (ALBL) had sublicensed its right with respect to "U.S. Polo Assn. footwear brand business" exclusively to the Company under the sublicense Agreement. Pursuant to mutual discussion between the parties i.e. ALBL ("Sub licensor") and the Company ("Sublicensee") the said exclusive Sublicense Agreement stands terminated effective from January 01, 2023. In accordance with the terms of the said Sublicense Agreement, ALBL has exercised its right of buying back of products from the Company at the Company's landing cost.

Bengaluru
August 10, 2023



For Arvind Fashions Limited

Shailesh Chaturvedi
Managing Director and CEO
DIN:03023079

ARVIND FASHIONS

Regd Office : Arvind Limited Premises, Naroda Road, Ahmedabad - 380 025,
CIN : L52399GJ2016PLC085595

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF Arvind Fashions Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Arvind Fashions Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2023 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the parent and the subsidiaries as given in the Annexure to this Report.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. We did not review the interim financial information of 4 subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect total revenue of Rs. 453.77 crores for the quarter ended June 30, 2023, total net profit after tax of Rs. 19.99 crores for the quarter ended June 30, 2023 and total comprehensive income of Rs. 19.17 crores for the quarter ended June 30, 2023 as considered in the Statement. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of these matters.

7. The comparative financial information of the Group for the quarter ended June 30, 2022 included in this Statement have been reviewed by the joint auditors including us, who had expressed an unmodified opinion thereon as per the report dated August 10, 2022.

Our conclusion is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)



Kartikeya Raval

Kartikeya Raval
(Partner)
(Membership No. 106189)
(UDIN:23106189BGVOUS7206)

Place: Ahmedabad
Date: August 10, 2023

Annexure to Independent Auditor's Review Report

The Parent

1. Arvind Fashions Limited

List of Subsidiaries

1. Arvind Lifestyle Brands Limited
2. Arvind Beauty Brands Retail Private Limited
3. PVH Arvind Fashion Private Limited
4. Arvind Youth Brands Private Limited
5. Value Fashion Retail Limited



ARVIND FASHIONS LIMITED

A MEMBER OF THE LALBHAI GROUP

Corporate Office : Du Parc Trinty, 8th Floor, 17, M.G. Road, Bengaluru - 560 001

Tel : 91-80-4155 0601, Fax : 91-80-41550651

Website: <http://www.arvindfashions.com>

Statement of Consolidated Unaudited Financial Results for the Quarter Ended June 30, 2023

(₹ in Crores except per share data)

Sr. no	Particulars	Quarter Ended		Year Ended	
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		Unaudited	(Refer Note 3)	Unaudited	Audited
1	Income				
	(a) Revenue from Operations	957.16	1,140.01	920.32	4,421.08
	(b) Other Income	10.92	14.45	2.15	52.50
	Total Income	968.08	1,154.46	922.47	4,473.58
2	Expenses				
	(a) Purchases of stock-in-trade	520.54	630.41	574.53	2,442.78
	(b) Changes in inventories of stock-in-trade	(68.83)	(84.25)	(109.14)	(151.09)
	(c) Employee benefits expense	63.81	71.62	65.99	268.16
	(d) Finance costs	38.84	39.09	27.86	138.38
	(e) Depreciation and amortisation expense	62.92	63.71	52.93	238.73
	(f) Other expenses	336.37	398.22	297.08	1,408.59
	Total Expenses	953.65	1,118.80	909.25	4,345.55
3	Net Profit/(Loss) Before Tax (1-2)	14.43	35.67	13.22	128.03
4	Tax Expense				
	Current Tax	18.00	13.97	5.09	39.68
	Short provision related to earlier years	0.18	0.64	-	0.99
	Deferred Tax Charge/(Credit)	0.78	(8.44)	(0.04)	(0.56)
	Total Tax Expense/(Credit)	18.96	6.17	5.05	40.11
5	Net Profit/(Loss) for the period from Continuing Operations (3-4)	(4.53)	29.49	8.17	87.92
6	Discontinued Operations				
	Profit/(Loss) Before Tax for the period from Discontinued Operations	-	(0.96)	-	(0.96)
7	Tax Expense/(Credit) on Discontinued Operations	-	-	-	-
8	Net Profit/(Loss) for the period from Discontinued Operations (6-7)	-	(0.96)	-	(0.96)
9	Net Profit/(Loss) for the period from Continuing Operations and Discontinued Operations (5+8)	(4.53)	28.53	8.17	86.96
	Attributable to:				
	Equity Holders of the Parent	(16.43)	10.92	(0.51)	36.71
	Non-controlling interest	11.90	17.61	8.68	50.25
		(4.53)	28.53	8.17	86.96
10	Other Comprehensive Income/ (Loss) (Net of Tax)				
	(a) Items that will not be re-classified to profit and loss				
	(i) Re-measurement gain/(loss) on defined benefit plans	(0.54)	(1.77)	0.17	(2.02)
	(ii) Income Tax related to the item above	0.18	0.60	(0.06)	0.67
	(b) Items that will be re-classified to profit and loss				
	(i) Effective portion of gain / (loss) on cash flow hedges	(1.00)	(2.94)	0.75	0.80
	(ii) Income Tax related to the item above	0.25	0.74	(0.19)	(0.20)
	Total Other Comprehensive Income/ (Loss) (Net of Tax)	(1.11)	(3.38)	0.67	(0.76)
	Attributable to:				
	Equity holders of the Parent	(0.72)	(2.26)	0.40	(1.01)
	Non-controlling interest	(0.39)	(1.12)	0.27	0.25
		(1.11)	(3.38)	0.67	(0.76)
11	Total Comprehensive Income/ (Loss) for the Period (9+10)	(5.64)	25.16	8.84	86.20
	Attributable to:				
	Equity holders of the Parent	(17.15)	8.67	(0.11)	35.70
	Non-controlling interest	11.51	16.49	8.95	50.50
		(5.64)	25.16	8.84	86.20
12	Paid-up Equity Share Capital (Face Value ₹ 4/- per share)	53.13	53.13	53.03	53.13
13	Other Equity				856.51
14	Earning Per Share in ₹ (Not Annualised)				
	Continuing Operations				
	-Basic	(1.24)	0.90	(0.04)	2.84
	-Diluted	(1.24)	0.89	(0.04)	2.83
	Discontinued Operations				
	-Basic	-	(0.07)	-	(0.07)
	-Diluted	-	(0.07)	-	(0.07)
	Continuing and Discontinued Operations				
	-Basic	(1.24)	0.82	(0.04)	2.77
	-Diluted	(1.24)	0.82	(0.04)	2.76

(See accompanying notes to the Consolidated Unaudited Financial Results)

For Arvind Fashions Limited

Shallesh Chaturvedi

Shallesh Chaturvedi
Managing Director & CEO
DIN:03023079

Bengaluru
August 10, 2023



ARVIND FASHIONS

Regd Office : Arvind Limited Premises, Naroda Road, Ahmedabad - 380 025.

CIN : L52399GJ2016PLC085595

ARVIND FASHIONS LIMITED

A MEMBER OF THE LALBHAI GROUP

Corporate Office : Du Parc Trinity, 8th Floor, 17, M.G. Road, Bengaluru - 560 001
Tel : 91-80-4155 0601, Fax : 91-80-41550651
Website: <http://www.arvindfashions.com>

Notes:

- 1 The above consolidated unaudited financial results have been prepared in accordance with Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 2 The above consolidated unaudited financial results were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on August 10, 2023 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The Statutory Auditors have carried out limited review of the financial results for the quarter ended on June 30, 2023.
- 3 The figures for the quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of full financial year and the unaudited published year to date figures upto the third quarter ended December 31, 2022 which were subjected to limited review.
- 4 The Group is primarily engaged in the business of Branded Apparels (Garments and Accessories) which in the terms of Ind AS 108 'Operating Segments', constitutes a single reporting segment.
- 5 ESOP Share Allotment: Pursuant to various Employees Stock Option Schemes, following equity shares of ₹ 4/- each were allotted to the option grantees:

Particulars	Quarter Ended			Year Ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
Shares allotted	5,000	14,494	1,36,000	3,63,847

- 6 In Arvind Youth Brands Private Limited (AYBPL), one of the Subsidiary Company, terms of conversion of Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) specified in the Shareholders agreement dated July 09, 2020 were concluded in its board meeting on March 30, 2023. All the required conditions for the conversion ratio were fixed and agreed between the Shareholders of AYBPL and holders of the CCPS, as per the Adjusted EBITDA determined on the basis of Audited Financial Statements of AYBPL for the year ended March 31, 2022. Accordingly, the CCPS has been classified as entirely equity in nature by AYBPL.

In Consolidated Financial Statement, Non-controlling interest is recognized based on eventual exercise of rights to returns post conversion of the CCPS.

Bengaluru
August 10, 2023



For Arvind Fashions Limited

Shailesh Chaturvedi
Managing Director & CEO
DIN:03023079

Arvind FASHIONS

Regd Office : Arvind Limited Premises, Naroda Road, Ahmedabad - 380 025.
CIN : L52399GJ2016PLC085595

PRESS RELEASE

Arvind Fashions delivers good performance amid slow market conditions

4% revenue growth, 190+ bps EBITDA margin expansion

Bengaluru, Aug 10, 2023: Arvind Fashions Limited (AFL), India's leading casual and denim player, has declared its financial results for the first quarter ended June 30, 2023.

Key Highlights for Q1 FY24

- Revenues grew by 4% to Rs. 957 Crs compared to Rs. 920 Crs in Q1 FY23 despite challenging demand environment. Growth was largely led by department stores and retail channel posting 4% LTL along with addition of 45 EBOs during the quarter
- Gross margins expansion of 340 bps Y-o-Y to 52.8%, due to healthy full price sell-thru's
- Power brands EBITDA margin significantly improved to 12.4%, higher by 130 bps vs. Q1 FY23
- Emerging brands registered strong growth of 15% aiding higher EBITDA margin by 490 bps Y-o-Y
- Adjacent categories continued its growth momentum with footwear and kids wear businesses growing by 30%+ and 12% respectively
- 24% growth in EBITDA to Rs. 116 Crs compared to Rs. 94 Crs in Q1 FY23. EBITDA margins higher by 190+ bps through operating leverage and gross margin improvement
- Continued sharper focus on inventory & debtors resulted in lower gross working capital by 15 days

Commenting on the performance of the company, **Mr. Shailesh Chaturvedi, MD & CEO** said "Our differentiated offering through exciting brands portfolio continue to show good traction despite soft market scenario. We continue to remain sharply focused on improving profitability through superior retail execution along with cost optimization. We are confident that our decisive focus of scaling up existing brands will help deliver substantial value to all our customers and stakeholders."

Consolidated Financial Performance Summary

Rs. Crore	Q1 FY24	Q1 FY23	Y-o-Y Growth
Revenues	957	920	4%
EBITDA	116	94	24%
PBT	14	13	9%
PAT	(16)	(1)	-

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 US Polo Assn., Arrow, Tommy Hilfiger, Calvin Klein, Flying Machine and Sephora, it has presence across lifestyle brands and prestige beauty.

For more information, please contact:

Ankit Arora

Head – Investor Relations

Arvind Fashions Limited

Ankit.arora@arvindbrands.co.in

Mobile: +91 99206 64475

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 FY24 RESULTS PRESENTATION

ARVIND FASHIONS

Aug | 2023

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.

AGENDA



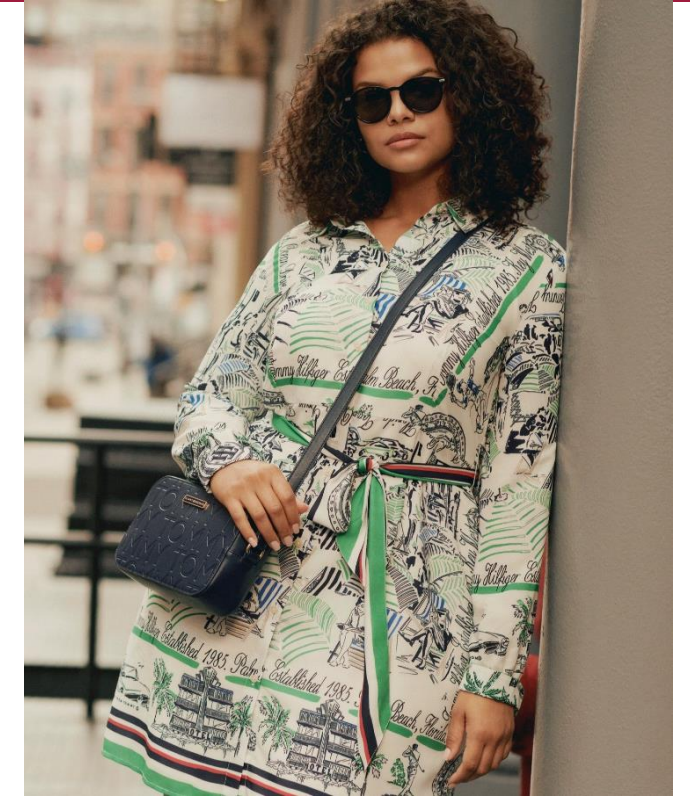
01

Q1 Performance Highlights



02

Q1 FY24 Results



03

Way Forward

Q1 FY24 PERFORMANCE HIGHLIGHTS

FY24 OBJECTIVES - WHAT WE HAVE SET FOR OURSELVES

Objectives

Sales & Profitability

- Focus on profitable revenue growth and aspiration to grow ahead of industry
- Continue sharper focus on further expanding EBITDA & PAT margins

Re-energizing the brands

- Drive higher market share through increased investments in advertising
- Product innovation

Retail rigor & key performance indicators

- Focus on high quality season launch, helping drive superior customer experience with better sell-thru's and lower discounting
- Pilot new retail format(s) for existing brands & execute multi-category play

Accelerate store expansion

- To open ~200 stores, largely through FOFO route

Working capital, debt, return on capital employed & equity

- Focus on better inventory turns & NWC days leading to higher free cash flow
- De-leveraging to continue
- Further improvement in ROCE & ROE

MARKET & ECONOMY UPDATE



Slowdown in consumption demand

Premiumization continues to be key differentiator across brands

Slowdown in the online channel

Early start of EOSS and higher discounting in market

Q1 FY24 BUSINESS HIGHLIGHTS



QUARTERLY SALES

4% sales growth Y-o-Y, leading to the best ever Q1 revenues

Retail LTL of 4%; despite muted consumer demand



POWER BRANDS

Improvement in EBITDA margins by 130 bps (Y-o-Y)

Maintained double digit EBITDA margins for USPA & Tommy Hilfiger

Continued focus on cost optimization



CHANNEL-WISE PERFORMANCE

Strong growth in retail and department store channel Y-o-Y

70%+ growth in online direct-to-consumer business (marketplace + NNNow)



GROWTH DRIVERS

30%+ growth in footwear and 12% growth in kids wear business (Y-o-Y)

Adjacent categories demonstrated strong growth momentum



GROSS MARGINS

Continued progress on healthy sell-thru's across brands; not resorted to early EOSS

Positive LTL along with other efficiencies led to 340 bps improvement in gross margin (Y-o-Y)



EBITDA

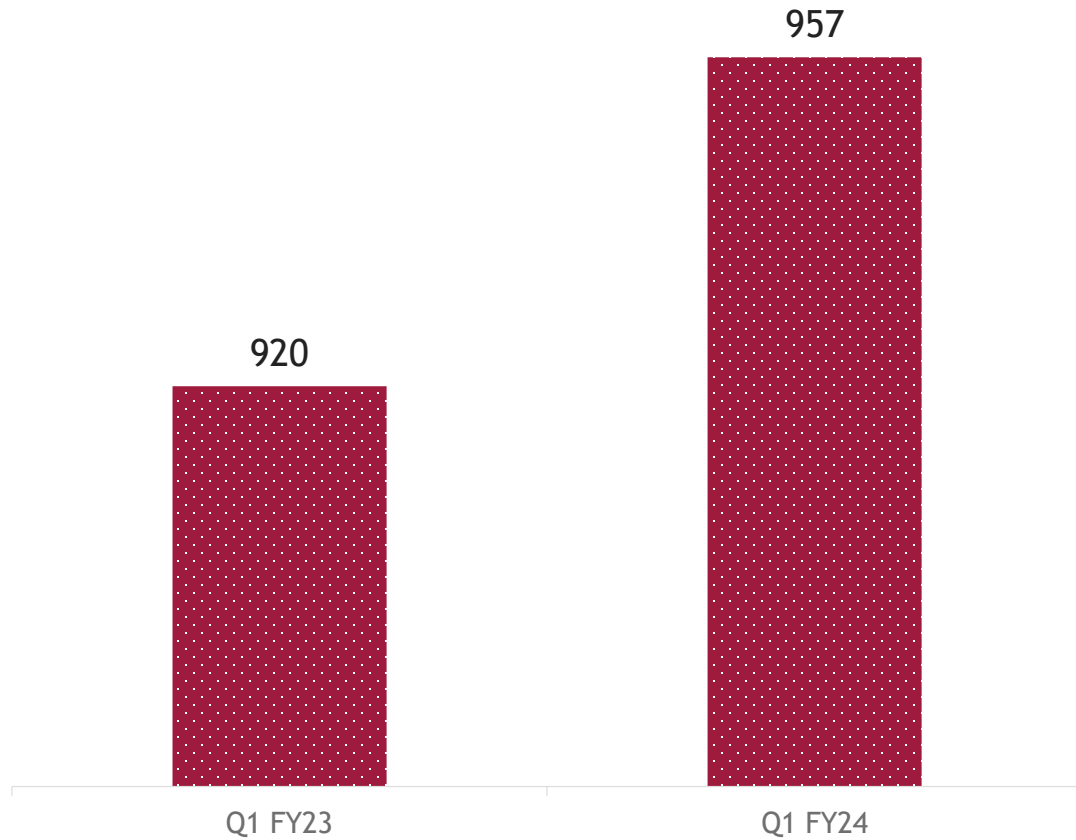
EBITDA at ₹ 116 crores; 24% growth Y-o-Y

EBITDA margins higher by 190+ bps led by gross margins improvement and operating leverage (Y-o-Y)

AFL CONTINUED TRAJECTORY OF GOOD PERFORMANCE

Sales

(₹ in crores)

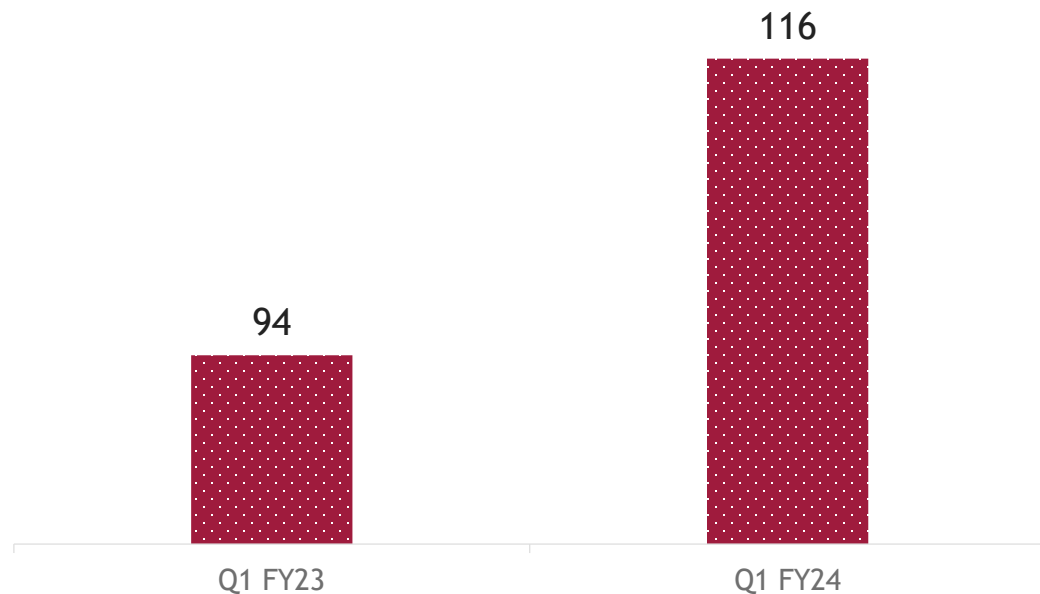


- Witnessed 4% sales growth largely led by department stores and retail channel
- Strong growth momentum in non-apparel categories (like footwear, accessories etc.)
- Added 45 EBOs during Q1

CONTINUING WITH IMPROVED PROFITABILITY

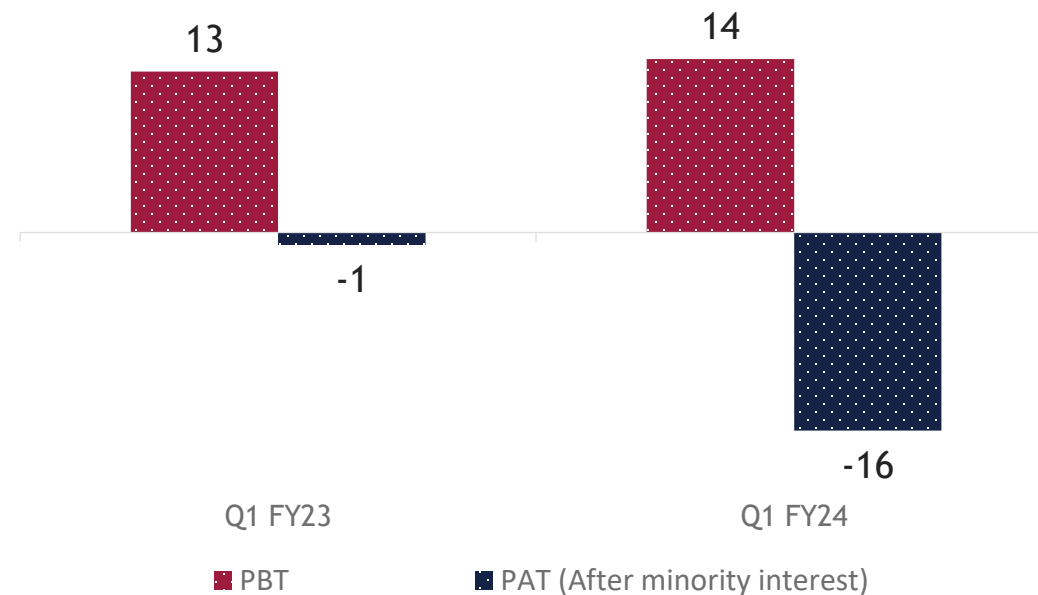
EBITDA

(₹ in crores)



PBT and PAT (after minority interest)

(₹ in crores)



Gross margins improvement & op. leverage led to EBITDA margin higher by 190+ bps

Higher tax on account of dividend received from PVHAFPL during Q1

Q1 FY24 - GROUPWISE PERFORMANCE

(₹ in crores)

	Sales			EBITDA		EBITDA %	
	Q1 FY24	Q1 FY23	% Growth	Q1 FY24	Q1 FY23	Q1 FY24	Q1 FY23
Power Brands	760	749	2%	94	83	12.4%	11.1%
Emerging Brands	197	171	15%	22	11	11.0%	6.1%
Total	957	920	4%	116	94	12.1%	10.2%

Operating leverage in power brands coupled with strong revenue growth in emerging brands leading to overall margins improvement by 190+ bps

Note:
 Power Brands - US Polo Assn., Tommy Hilfiger, Flying Machine and Arrow
 Emerging Brands - Calvin Klein, Sephora, Ed Hardy, Aeropostale and Others



U.S. POLO ASSN.
SINCE 1890



FLYING MACHINE



ARROW
USA • 1851



SEPHORA

Q1 FY24 PERFORMANCE HIGHLIGHTS

BRAND HIGHLIGHTS



U.S. POLO ASSN.
SINCE 1890

Brand Highlights



- Continued domination in casual lifestyle category in its journey towards 2,000+ Crs NSV
- Driving product innovation to premiumize the brand and significant investments in marketing initiatives
- Investment in bottom wear continuing to deliver strong outcomes
- Adjacent categories continue to strengthen the brand; recent launch of Athleisure line through a new line 'USPA Sports'



Brand Highlights



- Despite slowdown and lower wedding calendar, brand continued its journey of profitable growth
- Further rollout of super premium '1851' line yielded excellent results
- Strong sell-thru's in recently launched 'Autopress' product line and continued focus on superior retail experience



Brand Highlights



- Launched new brand identity through new logo, design and brand positioning in SS'23
- Improvement in full price sell-thru's in SS'23 despite slowdown in the market
- Driving upgraded product designs to build stronger customer connect
- Encouraging response to new collections by trade community
- Footwear category extension showing good traction



Brand Highlights



- Superior sales growth and profitability, despite market slowdown
- Focus on excellent customer retail experience along with high quality product designs across 100+ stores in India
- Encouraging response to 'Tommy tailored' line

Brand Highlights



- Premiumization aiding brand's strong financial performance with industry leading full price sell-thru's and retail LTL
- Market leadership in bridge to luxury segment in Jeans, Tees and Innerwear segments
- Continued strong partnership with brand ambassador - Disha Patani with launch of new watch campaign

SEPHORA

Brand Highlights



- Record launch of ‘Rare Beauty’ brand exclusively on Sephora across its stores and NNNow.com
- Leading player in the prestige segment with presence in 26 EBOs across key malls in the country
- Strong engagement with women consumers through unique shopping experiences

Q1 FY24 RESULTS

Q1 FY24 - PERFORMANCE SNAPSHOT

	(₹ in crores)	
	Q1 FY24	Q1 FY23
Revenue from Operations	957	920
Other Income	11	2
Total Income	968	922
EBITDA	116	94
PBT	14	13
Taxes	19	5
Minority Interest	12	9
PAT	(16)	(1)



Sharp focus on improving profitability

TIGHT CONTROL ON WORKING CAPITAL

(₹ in crores)

	Jun'23	Jun'22	Mar'23
Inventory	1174	1013	1131
Inventory days	93	98	91
Receivables	451	549	560
Debtor days	46	56	49
GWC	1625	1562	1691
GWC days	139	154	140
Payables	916	996	1020
Creditor days	88	105	91
NWC	709	566	671
NWC days	52	49	49

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

Continued focus on sharper control on inventory & debtors in challenging demand environment

WAY FORWARD

WAY FORWARD

AFL

Demand environment remains soft; expect trends to improve gradually by festival season

Improve profitability further by better full price sell-thru's, operating leverage through cost optimization etc.

Momentum on retail network expansion across brands through the franchisee model

Continue decisive focus on scaling existing brands through cash accruals

Increased investments in advertising to re-energize our brands

Strengthening balance sheet through FCF generation leading to higher ROCE

ARVIND fASHIONS

THANK YOU