
January 31, 2025

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001

To
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai - 400 051

Scrip Code: 544058

Scrip Symbol: MUFTI

Dear Sir/Madam,

Sub: Media release

Please find attached a media release titled as “Q3 FY25 Financial & Business Performance”.

The above is being made available on the Company's website at www.credobrands.in.

This is for your information and dissemination on your website.

Thanking you,

Yours faithfully,
For **Credo Brands Marketing Limited**

Sanjay Kumar Mutha
Company Secretary and Compliance Officer

Encl. As above



Credo Brands Marketing Limited

Q3 & 9M FY25 Financial & Business Performance

Mumbai, 31st January 2025 – Credo Brands Marketing Limited (MUFTI), one of the prominent players in the men's casual wear providing a meaningful wardrobe solution for multiple occasions in a customer's life, with product offerings ranging from shirts to t-shirts to jeans to chinos, which caters to all year-round clothing has announced its Unaudited Financial Results for the Quarter and nine months ended 31st December 2024.

KEY FINANCIAL HIGHLIGHTS

Profit & Loss (in Rs. Crore)	Q3 FY25	Q3 FY24	YoY	9M FY25	9M FY24	YoY
Revenue from Operations	155.5	150.1	4%	465.0	434.3	7%
Gross Profit	96.3	89.8	7%	271.2	251.7	8%
<i>Gross Profit Margin</i>	61.9%	59.8%		58.3%	58.0%	
EBITDA	47.6	42.5	12%	138.7	129.6	7%
<i>EBITDA Margin</i>	30.6%	28.3%		29.8%	29.8%	
Profit before Tax	24.4	20.7	18%	72.9	69.0	6%
PAT	18.3	15.6	17%	54.6	52.1	5%
<i>PAT Margin</i>	11.8%	10.4%		11.7%	12.0%	

On Consolidated Basis

KEY BUSINESS UPDATES

- **No. of EBOs added during 9M FY25 are 27 Stores on a Gross Basis**
 - Total EBOs as on 31st December 2024 stood at 435 stores
- **Sales Mix for 9M FY25**
 - EBO : 56% ; MBO : 23% ; LFS : 3% ; Online : 14% ; Others : 4%
- **Product Mix for 9M FY25**
 - Shirts : 39% ; T-shirts : 12% ; Bottomwear : 39% ; Outerwear : 8% ; Others : 2%
- **Working Capital Days** as on 31st December 2024 stands at 156 days, reduced by 10 days from March 2024
- **RoCE** stood at 20.4%; **RoE** stood at 19.9% for 9M FY25
- **Debt-Equity** stands at -0.13x. The Company is net debt free.



Credo Brands Marketing Limited

Commenting on the Result, Mr. Kamal Khushlani, Chairman & MD, Credo Brands Marketing Limited said

“Our commitment to achieving profitable growth is demonstrated as we delivered a decent Q3 FY25, with revenue growing by 4% and gross margins expanding by 210 basis points to 61.9%, despite subdued demand for premium and mid-premium branded apparel due to factors such as reduced discretionary spending and weaker consumer sentiment impacting overall industry consumption. Our cost optimization initiatives have helped us effectively manage expenses, resulting in a 12% YoY increase in EBITDA and a 17% YoY growth in PAT for the quarter.

During 9M FY25, our revenues grew by 7% to Rs. 465 crores, EBITDA grew by 7% to Rs. 139 crores with EBITDA Margins of 29.8%. PAT grew by 5% to Rs. 55 crores. This performance aligns with our plan for the year, of achieving profitable growth for the company. At the start of the year, we focused on managing inventory levels efficiently and reducing working capital days. We have successfully achieved this goal, with inventory days decreasing from 77 days in March 2024 to 66 days as of December 2024. This vindicates the Company’s ability in managing inventory levels as required without impacting profitable growth of the Company.

This highlights the customer loyalty and enduring appeal of the brand we have built, and we want to continue prioritizing profitability while growing our business.

Till December, we have opened 27 new stores on a gross basis (10 new stores on a net basis) taking our total count to 435 stores across 243 cities in India. Our store expansion has been selective, with a focus on better locations, as per changing market dynamics.

With the goal of building a strong brand identity, we have been executing a cohesive advertising strategy and launching a series of targeted marketing campaigns. As per our endeavor to grow our business in the D2C space, focusing on expanding the brand’s presence on digital platforms, primarily to attract new customers through Google and Meta. We have managed to achieve a business of Rs. 8.64 crores in 9MFY25 as compared to Rs. 3.62 crores in 9MFY24. Going forward, we shall continue to endeavor to grow this business.

Our strategy revolves around providing high quality products to our customers and continue being the bridge between the mass and premium consumer segments and our asset light business model, robust cash flows, and low-debt position provide a solid foundation to execute our multipronged strategies whilst maintaining profitability and healthy margins.

We are confident in our ability to handle short-term fluctuations and achieve sustainable, consistent and profitable growth in the future.”



Credo Brands Marketing Limited

About Credo Brands Marketing Limited

Credo Brands Marketing Limited (MUFTI) is a prominent player in the men's casual wear in India providing a meaningful wardrobe solution for multiple occasions in a customer's life, with our product offerings ranging from shirts to t-shirts to jeans to chinos, which caters to all year-round clothing.

The brand "Mufti" was launched with a vision to redefine menswear. The brand was created as an alternative dressing solution and was designed to deliver a casual alternative with a focus on creative, bold, and expressive clothing for the contemporary Indian man who wanted something more stylish than what was commonly available.

The products are available through a pan-India multichannel distribution network that we have built over the years comprising of EBOs, LFSs and MBOs, as well as online channels comprising of website and other e-commerce marketplaces. The Company's multi-channel presence is planned strategically in a manner that products across categories are available at consumers' preferred shopping channels.

The Company is asset-light with respect to the plant, property, and equipment, primarily due to outsourcing of our manufacturing operations. The Company comprehensively focuses on the design of products and outsources the manufacturing of products to various manufacturing partners. The Company conducts multiple levels of checks to ensure the desired quality. This structure provides agility with longstanding sourcing partners allowing the Company to manage supply, based on the demand from various distribution channels.

The Company has developed a strong brand identity through effective brand advertising and multiple marketing campaigns for the brand.

For more information, please contact

Company:

Credo Brands Marketing Limited

Investor Relations (IR)

Strategic Growth Advisors Pvt. Ltd.



CIN: U18101MH1999PLC119669



CIN: U74140MH2010PTC204285

Mr. Rasik Mittal – CFO

investorrelations@mufti.in

www.muftijeans.in

Mr. Deven Dhruva / Mr. Deep Hemani

deven.dhruva@sgapl.net / deep.hemani@sgapl.net

+91 98333 73300 / +91 98192 32889

www.sgapl.net

Safe Harbor

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.