



## **Aditya Birla Fashion and Retail posts highest ever Quarterly Revenues with 20% growth YoY, 39% over pre-COVID**

### **Performance Highlights**

1. Company continued with its strong growth trajectory with fifth consecutive quarter of double-digit growth over pre-COVID period
  - a. 20% YoY growth with revenue at Rs. 3589 Cr. for the quarter
2. Consolidated quarterly EBITDA stood at Rs. 467 Cr.
3. Aggressive network expansion continues
  - a. Branded business network gained 245 stores including newly integrated Reebok stores
    - i. Ethnic business added 15 new stores
    - ii. Network of small-town format within Lifestyle brands is now 550+ stores strong
  - b. Pantaloons added 10 new stores to the network
4. Company continues to execute its long-term strategy with play across emerging consumer spaces
  - a. TMRW announced strategic partnership with eight digital first brands
    - i. Six brands already integrated into the portfolio
  - b. Reebok transitioned into ABFRL w.e.f. 01<sup>st</sup> October 2022
5. Digital and Omnichannel strategies crucial for driving business growth
  - a. E-commerce sales grew 33% YoY
  - b. Omni-channel coverage is now across 2350+ stores

### **Financial Performance**

The Board of Directors of the Company, at its meeting today, approved the results for the quarter ended 31<sup>st</sup> Dec 2022. These financials are post factoring in necessary adjustments under Ind AS 116.



## Financials – Q3

<i>Standalone In Rs. Cr.</i>	<i>Q3 FY22</i>	<i>Q3 FY23</i>	<i>Growth % (vs. LY)</i>	<i>Consolidated In Rs. Cr.</i>	<i>Q3 FY22</i>	<i>Q3 FY23</i>	<i>Growth % (vs. LY)</i>
<b>Revenue</b>	<b>2873</b>	<b>3359</b>	<b>17%</b>	<b>Revenue</b>	<b>2987</b>	<b>3589</b>	<b>20%</b>
<b>EBITDA</b>	<b>578</b>	<b>478</b>	<b>-17%</b>	<b>EBITDA</b>	<b>609</b>	<b>467</b>	<b>-23%</b>
<b>PAT</b>	<b>191</b>	<b>57</b>	<b>-70%</b>	<b>PAT</b>	<b>197</b>	<b>11</b>	<b>-94%</b>

Growth in the quarter was primarily driven by strong Like-to-Like across our branded business and consistent performance in e-commerce. The quarter also saw accelerated marketing investments post a hiatus of 2 years across businesses as the company reinstated its rigor on augmenting its brands and building customer engagement. Net profits for the quarter were impacted by ~2.3 times increase in marketing and strategic investments in new ventures.

Each of the business segments posted solid performance.

- **Lifestyle brands** – Best quarter for the branded portfolio as revenue grew 18% YoY to reach Rs. 1873 Cr on the back of 5% LTL growth. EBITDA stood at Rs. 317 Cr. Business witnessed broad-based growth across categories, but notably, occasion and work wear performed relatively well. Women’s business grew ~26% YoY propelled by innovative and high-quality products. Marketing efforts of brands returned to pre-COVID levels, resulting in a noticeable rise in overall brand recognition.
- **Pantaloons** – Business achieved its highest quarterly sales despite a challenging environment post the festive season as revenues grew 9% YoY to reach Rs. 1159 Cr. Q3 growth needs to be seen in the context of the shift of Pujo to Q2 during this year. EBITDA was reported at Rs. 168 Cr.
- **Inner wear & athleisure segment** posted ~10% revenue growth YoY despite the overall slowdown in the athleisure segment. During the quarter, the business continued to expand its footprint rapidly to exit with 159 exclusive stores and ~31000 trade outlets. The quarter also saw the business launching its largest nationwide television and digital advertising campaign.
- **Youth Fashion segment** consisting of American Eagle and Forever 21 delivered strong performance driven by effective market development actions through network expansion and building strongholds in some markets with a propensity for enhanced fashion. American Eagle delivered



46% revenue growth YoY and LTL growth of 24%. Forever 21 grew 15% YoY and added 5 stores on net basis during the quarter.

- **Super premium brands**, comprising of the multi-brand format “The Collective” and other super-premium brands, delivered a stellar performance with YoY revenue growth of 43% and strong LTL growth of 24%.
- **Ethnic businesses** grew ~66% YoY, driven by aggressive network expansion and brand-building initiatives. Sabyasachi grew 23% YoY, as the brand crossed Rs. 100 Cr. quarterly revenue. Men’s premium ethnic wear brand TASVA expanded its network with the addition of 11 stores during Q3 to exit with 32 stores. S&N posted its highest-ever quarterly revenue with 43% growth YoY.

## **OUTLOOK**

The long-term outlook for the company continues to be positive owing to normalization of offline businesses, proliferation of e-commerce, continued penetration for organized and branded apparel at the back of the strength of our brands. With multiple growth drivers at play, ABFRL is strategically positioned to capitalize, having firmly established its presence across multiple categories, segments, channels and price points.

## **About Aditya Birla Fashion and Retail Limited**

ABFRL is part of a leading Indian conglomerate, The Aditya Birla Group. With revenue of Rs. 8,136 Cr. spanning retail space of 9.2 million sq. ft. (as on March 31, 2022), it is India’s first billion-dollar pure-play fashion powerhouse with an elegant bouquet of leading fashion brands and retail formats.

The Company has a network of 3,848 stores across approximately 32,589 multi-brand outlets with 6,048 point of sales in department stores across India (as on 31<sup>st</sup> December 2022).

It has a repertoire of India’s largest brands in **Louis Philippe, Van Heusen, Allen Solly** and **Peter England**, established over 25 years. **Pantaloons** is one of India’s leading fashion retailer.

Company’s international Brands portfolio includes - **The Collective**, India's largest multi-brand retailer of international brands and has long term exclusive partnerships with select brands such as **Ralph Lauren, Hackett London, Ted Baker, Fred Perry, Forever 21, American Eagle, Reebok and Galeries Lafayette**.

The Company’s foray into branded ethnic wear business includes brands such as **Jaypore, Tasva & Marigold Lane**. The company has strategic partnerships with Designers ‘**Shantnu & Nikhil**’, ‘**Tarun Tahiliani**’, ‘**Sabyasachi**’ and ‘**House of Masaba**’.

In addition, to cater to the needs of digitally native consumers, ABFRL is also building a portfolio of Digital-first brands under its technology led ‘House of D2C Brands’ venture **TMRW**. **TMRW** is on a path to building a portfolio of Digital First brands in partnership with founders of emerging brands in the E-Commerce market. With a focus on Fashion & Lifestyle categories, **TMRW** is building a portfolio of the most loved consumer brands that tap into the significant growth potential in India



and globally.

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