



Aditya Birla Fashion and Retail posts highest ever Quarterly Revenues with 50% growth YoY; PAT rises ~6 folds

Performance Highlights

1. Continuing its strong growth momentum, the company achieved its highest quarterly revenues in Q2 FY23.
 - a. Revenue up 50% YoY at Rs. 3075 Cr. for the quarter
 - b. 33% growth over Pre-COVID levels
2. Consolidated EBITDA for the quarter increased to Rs. 418 Cr.
 - a. Robust performance across business segments led to 24% YoY growth in EBITDA
3. Aggressive network expansion across brands
 - a. Pantaloons added 21 stores on a net basis
 - b. Branded business posted net addition of 85 stores
4. Successful execution of our portfolio expansion strategy
 - a. Reebok transaction completed, brand to be part of ABFRL portfolio from 01st October 2022
 - b. House of Masaba launched its beauty and personal care line, "Lovechild", targeting a wide range of products
 - c. Kid's wear business launched by Van Heusen Innerwear
5. Digital and omnichannel continue to build as prominent drivers of growth
 - a. E-commerce sales grew 24% YoY across the portfolio
 - b. Consistent enhancement of Omni-channel coverage across 1600+ stores; one of the largest Omni-enabled fashion networks in the country.
6. Closed the quarter with net debt of Rs. 243 Cr. at consolidated level against Rs. 504 Cr. at the end of March' FY22.

Financial Performance

The Board of Directors of the Company, at its meeting today, approved the results for the quarter ended 30th Sept 2022. These financials are post factoring in necessary adjustments under Ind AS 116.



Financials – Q2

<i>Standalone In Rs. Cr.</i>	<i>Q2 FY22</i>	<i>Q2 FY23</i>	<i>Growth % (vs. LY)</i>	<i>Consolidated In Rs. Cr.</i>	<i>Q2 FY22</i>	<i>Q2 FY23</i>	<i>Growth % (vs. LY)</i>
Revenue	1996	2953	48%	Revenue	2054	3075	50%
EBITDA	337	465	38%	EBITDA	338	418	24%
PAT	14	80	469%	PAT	5	29	478%

Financials – H1

<i>Standalone In Rs. Cr.</i>	<i>H1 FY22</i>	<i>H1 FY23</i>	<i>Growth % (vs. LY)</i>	<i>Consolidated In Rs. Cr.</i>	<i>H1 FY22</i>	<i>H1 FY23</i>	<i>Growth % (vs. LY)</i>
Revenue	2770	5727	107%	Revenue	2866	5949	108%
EBITDA	199	969	386%	EBITDA	193	918	375%
PAT	-321	204		PAT	-347	124	

Robust Like-to-Like and consistent E-commerce performance have been key drivers of growth in the quarter. The period also saw an increase in marketing investments post a hiatus of more than 2 years since COVID, as the company reinvigorated its focus towards brand building and strengthening consumer connect.

Each of the business segments posted strong performance.

- Lifestyle brands** – Best quarter for the branded portfolio as revenue grew 45% YoY (34% over pre-COVID levels) to reach Rs. 1680 Cr on the back of industry-leading retail L2L growth of 27%. EBITDA surged 52% YoY to Rs.286 Cr. The quarter also marked solid traction for the Women’s and kid’s wear business portfolio as it achieved the highest-ever quarterly revenue. The business continued with its focus towards building the growth engine of small-town stores, with a network of ~550 stores across brands.
- Pantaloons** – Business achieved highest-ever quarterly revenues to grow 64% YoY to Rs. 1094 Cr. E-commerce grew 20% YoY on the back of robust festive sales on the app and the website. EBITDA margins were ahead of pre-COVID levels, mainly led by sharp markdown reductions and better value realisations. Pantaloons celebrated its 25th anniversary with its customers through several campaigns across the country.



- **Inner wear & athleisure segment** achieved 27% revenue growth YoY. The business continued to expand its network by adding ~1400 new trade outlets and 31 retail outlets to exit the quarter with ~30400 trade outlets and 111 stores.
- **Youth Fashion segment** consisting of American Eagle and Forever 21, continued to show robust growth of over 50% YoY.
- **Super premium brands**, comprising of the multi-brand format "The Collective" and other super-premium brands, continued the strong momentum with revenue growing 35% YoY. E-commerce revenue witnessed 100% growth over the same quarter last year.
- **Ethnic businesses** grew ~ 90% YoY (9x over pre-COVID), driven by both network expansion and category extensions. The brand "Sabyasachi" opened its first-ever exclusive brand store in New York. Men's premium ethnic wear brand Tasva continued its aggressive expansion targeting to end this year with ~70 stores.

OUTLOOK

Driven by a buoyant demand outlook and an encouraging start to the festive season, ABFRL remains optimistic about the overall consumption of fashion products for the rest of the year. Accelerated urbanization, sustained income growth and the need for a sophisticated shopping experience augur well for ABFRL's portfolio of brands. Through millions of loyal customers, a proven execution track record, the strength of its brands and a comprehensive portfolio play, ABFRL continues to see strong growth opportunities ahead. With a strong balance sheet, ABFRL is well poised to make the most of this opportunity as it cements its leadership position in the Industry.

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 3,593 stores across approximately 31,734 multi-brand outlets with 6,491 point of sales in department stores across India (as on 30th September 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** and



Reebok.

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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