



November 7, 2024

BSE Limited
Scrip code: **535755**

National Stock Exchange of India Limited
Symbol: **ABFRL**

Sub.: Press Release of the Board Meeting of the Company

Ref.: 1. Regulation 30 (read with Schedule III - Part A), of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations");
3. Our intimation dated October 30, 2024

Dear Sir/ Madam,

Pursuant to the above referred, kindly note that the Board of Directors of the Company at its meeting held today have *inter alia* considered and approved the Unaudited Standalone & Consolidated Financial Results along with Limited Review Report for the quarter ended September 30, 2024.

Enclosed is the press release in this regard.

The above is being made available on the Company's website i.e. www.abfrl.com.

Thanking you.

Sincerely,
For **Aditya Birla Fashion and Retail Limited**

Anil Malik
President & Company Secretary

Encl.: As above

ADITYA BIRLA FASHION AND RETAIL LIMITED

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Aditya Birla Fashion and Retail posts 13% YoY revenue growth in Q2FY25

Performance Highlights for the Quarter

1. Company posted 13% growth YoY, with revenue at Rs. 3644 Cr for the quarter
 - a. H1 revenue stood at Rs. 7072 Cr. growing 10% vs LY despite subdued demand environment
2. De-merged ABFRL, with play across multiple emerging high growth segments, grew 31% YoY
 - a. Ethnic businesses grew to more than three times of LY led by inclusion of TCNS and Tarun Tahiliani couture into the portfolio
 - i. Organic growth was ~10% YoY
 - b. TMRW's portfolio more than doubled over LY
3. Consolidated Q2 EBITDA for the quarter stood at Rs. 410 Cr., up 11% YoY, while EBITDA margin was 11.2%
 - a. Established businesses continue to contribute towards margin stability
 - i. Lifestyle brands EBITDA margin stood at 18.4%
 - ii. Pantaloons segment EBITDA up 65% YoY
 - b. Remaining businesses witness strong margin gains
 - c. While in H1, EBITDA margin expanded by 30 bps to reach 11.5%
4. Brands continued their distribution expansion in strategic markets; made corrections in underperforming markets
 - a. Total network at 4538 stores spanning 12.0 Mn sq. ft.
5. Sustained impetus on building a viable Digital and omnichannel model
 - a. 30%+ YoY growth in overall ecommerce sales in Q2
6. Net debt stood at Rs. 3759 Cr. as of Sep 2024

Financial Performance

The Board of Directors of the Company, at its meeting today, approved the results for the quarter ended 30th September 2024. These financials are post factoring in necessary adjustments under Ind AS 116.



Financials – Q2

<i>Consolidated In Rs. Cr.</i>	Q2 FY24	Q2 FY25	<i>Growth % (vs. LY)</i>
Revenue	3226	3644	13%
EBITDA	369	410	11%
PAT	-200	-215	

Note: PAT before exceptional item in Q2FY25 would have been Rs. -238 Cr.

Businesses achieved consistent growth this quarter, despite a subdued consumption environment, driven by sustained focus on driving product enhancements, elevated customer experiences and brand refresh. Growth was largely led by newer businesses operating in emerging consumer segments, while our established brands continued with their growth trajectory with a clear focus on improved profitability. While ABLBL reported sustained margins, the demerged ABFRL posted a sharp recovery in margins across its constituent businesses.

Consolidated net profit was impacted on account of higher depreciation/amortization for brand & retail assets due to inclusion of TCNS and higher interest costs on account of elevated borrowings.

Business performance

Proposed Aditya Birla Lifestyle Brands Limited (ABLBL):

- **Lifestyle brands** - Louis Philippe, Van Heusen, Allen Solly, Peter England, Simon Carter
- **Youth Western wear Brands** - American Eagle & Forever 21
- **Sportswear** brand Reebok
- **Innerwear** business under Van Heusen

Lifestyle brands – Revenue stood at Rs. 1636 Cr., a growth of 3% over last year. EBITDA for the business was Rs. 302 Cr. resulting in an EBITDA margin of 18.4%. Retail LTL for the quarter was at 3.4%, driven by well-rounded improvements across products (casualisation, younger fashion) and enhancement of instore experience.

Emerging growth businesses which include Youth Western wear, Innerwear & athleisure and sportswear segments posted 7% growth at an overall level with the segment posting another quarter of positive EBITDA.

Proposed De-merged Aditya Birla Fashion & Retail Limited (ABFRL) –

- **Masstige & Value Retail** play under Pantaloons & Style Up



- **Ethnic Brands** One of India's most comprehensive ethnic wear portfolio comprising of –
 - **Designer led** brands of Sabyasachi, Shantnu & Nikhil, House of Masaba and Tarun Tahiliani
 - **Premium ethnic wear** brands of Jaypore, Tasva & TCNS portfolio
- **Luxury Retail** – The Collective & Mono brands portfolio, Galeries Lafayette
- **TMRW** – Leading portfolio of digital first fashion brands

Pantaloons segment – The business posted quarterly sales of Rs. 1082 Cr, growing 3% vs LY. Led by gross margin improvement, EBITDA grew 65% YoY and margin expanded by 560 bps to reach 15.0% in Q2.

Style Up expanded its network by adding 5 stores, bringing the total to 35 stores, as it continues to improve performance metrics across the network.

Ethnic Brands

- **Designer led brands** – The designer led ethnic portfolio grew by 32% on YoY basis led by addition of GFPL. House of Masaba recorded 123% revenue growth vs LY, as the beauty business grew to ~10x of LY driven by robust distribution expansion and strong organic sales via its website.
- **Premium ethnic wear brands** – TCNS revenue in Q2 stood at Rs. 254 Cr. propelled by steady improvements in store throughput and a positive response to its newly launched merchandise. The men's premium ethnic wear brand TASVA's sales were up 79% vs LY on the back of strong start to festive season, driven by its strong product offerings and differentiated in-store experience. Brand Jaypore's revenue grew 15% YoY led by strong LTL and distribution expansion.

Luxury Retail, comprising the multi-brand format "The Collective" and other mono brands maintained profitable growth, with a YoY revenue increase of 9%. The total network now encompasses 40 stores.

TMRW portfolio grew to more than 2 times of LY driven by its strategic playbook of building digital-first brand portfolio.

OUTLOOK

Despite a challenging market landscape, Company demonstrated a strong and resilient performance. Company remained focused on executing its strategic priorities, driving existing portfolio transformation, while emphasizing profitability and operational efficiency.



ABFRL's approach balances agility with a long-term perspective as it closely monitors gradual shifts in consumer demand. By leveraging the strength of its brands, deep distribution, product proposition and consumer connect, ABFRL continues to build a sustained competitive advantage.

About Aditya Birla Fashion and Retail Limited

ABFRL is part of a leading Indian conglomerate, The Aditya Birla Group. With revenue of Rs. 13,996 Cr. spanning retail space of 11.9 million sq. ft. (as on March 31, 2024), 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 4,538 stores across approximately 37,952 multi-brand outlets with 9,047 points of sale in department stores across India (as on 30th September 2024).

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, while **Style Up** is an emerging value retail format.

Company's international Brands portfolio includes - **The Collective**, Amongst India's largest multi-brand retailers 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, Simon Carter 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**'. This also encompasses the recently amalgamated TCNS portfolio of women's ethnic brands: **W, Aurelia, Wishful, Elleven, and Folksong**.

In addition, to cater to the needs of digitally native consumers, ABFRL is 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.

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