

31st October, 2023

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

Security Code: 500101
Security ID: ARVIND

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

Symbol: ARVIND

Dear Sir/Madam,

Sub: Investor Presentation on unaudited financial results for the quarter and half year ended on 30th September, 2023

Ref.: Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Investor Presentation issued by the Company in respect of unaudited financial results for the quarter and half year ended on 30th September, 2023.

You are requested to take the same on records.

Thanking you

Yours faithfully,
For Arvind Limited

R.V. Bhimani
Company Secretary

Encl.: As above



Arvind Limited Q2/H1 FY24 Results

Investor Review Note

31st Oct 2023 | Ahmedabad

Safe harbour statement

Certain statements contained in this document may be statements of future expectations and other forward looking statements that are based on management's current view and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. None of Arvind Limited or any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its content or otherwise arising in connection with this document. This document does not constitute an offer or invitation to purchase or subscribe for any shares and neither it nor any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

Good overall Q2 performance | steady volumes masked by deflated prices

₹ crs

YoY

Sequential

| Revenues | | |
|-------------|-------------|-----------|
| 1922 | -11% | 4% |

| EBITDA (Without other Income) | | |
|-------------------------------|-----------|------------|
| 206 | 2% | 14% |

| PAT (Before exceptional items) | | |
|--------------------------------|-----------|-----------|
| 79 | 85 | 65 |

| Closing Net Debt | | |
|------------------|---|---|
| 1333 | 1301 (30 th Jun 2023) | 1327 (31 st Mar 2023) |

- Q2 revenues were marginally higher on a sequential basis
 - Volumes across Denim, Wovens and Garments improved slightly over Q1
 - Price realisation improved in Denims and softened in Wovens, both to a small extent each
 - Textile margins improved by 90 bps over Q1
 - AMD Q2 revenues were up ~4% over Q1
- Compared to Q2 FY23, revenues were lower primarily on account of price deflation in tandem with lower input costs
 - Textile revenues were lower by 17% although Fabric volumes declined by ~5%, and Garment volumes by ~6%
 - AMD revenues grew by 13%, while volume growth stood at 21%
- LT debt reduced by 26% during H1 in line with plan
 - LT debt stood at ₹480 cr at the quarter close (₹652 cr at the start of FY24)
 - Overall net debt increased slightly by ₹6 Cr during H1

Consolidated P&L | continuing steady performance

| <i>All figures in INR Crs</i> | Q2 FY24 | Q2 FY23 | YoY Change | Q1 FY24 | QoQ Change |
|--|--------------|--------------|-------------|--------------|------------|
| Revenue from Operations | 1,922 | 2,170 | -11% | 1,853 | 4% |
| EBIDTA (Continuing Operations) | 206 | 202 | 2% | 180 | 14% |
| <i>EBIDTA %</i> | <i>10.7%</i> | <i>9.3%</i> | | <i>9.7%</i> | |
| Other Income | 12 | 11 | | 12 | |
| Interest | 39 | 42 | | 37 | |
| Cash Accruals (Continuing Operations) | 179 | 171 | 4% | 156 | 15% |
| Depreciation | 67 | 62 | | 65 | |
| PBT | 112 | 109 | | 91 | |
| Tax | 29 | 22 | | 22 | |
| PAT | 79 | 85 | | 65 | |
| Exceptional Item | 1 | 41 | | 1 | |
| Profit from Discounting Operations | 0 | -1 | | 0 | |
| Net Profit | 80 | 125 | | 66 | |

Segment results | margins grew across both Textiles and AMD

| <i>In Inr Cr</i> | Q2 FY24 | | | | Q2 FY23 | | | |
|------------------------|-------------|------------|--------------|--------------|-------------|------------|-------------|--------------|
| Business | Revenue | EBIDTA | EBIDTA % | ROCE % | Revenue | EBIDTA | EBIDTA % | ROCE % |
| Textiles | 1455 | 160 | 11.0% | 13.9% | 1758 | 171 | 9.7% | 15.3% |
| Advanced Material | 354 | 56 | 15.7% | 33.4% | 313 | 39 | 12.5% | 22.3% |
| Others & Inter Segment | 112 | 2 | | | 99 | 4 | | |
| Total | 1922 | 217 | 11.3% | 12.4% | 2170 | 214 | 9.9% | 12.2% |

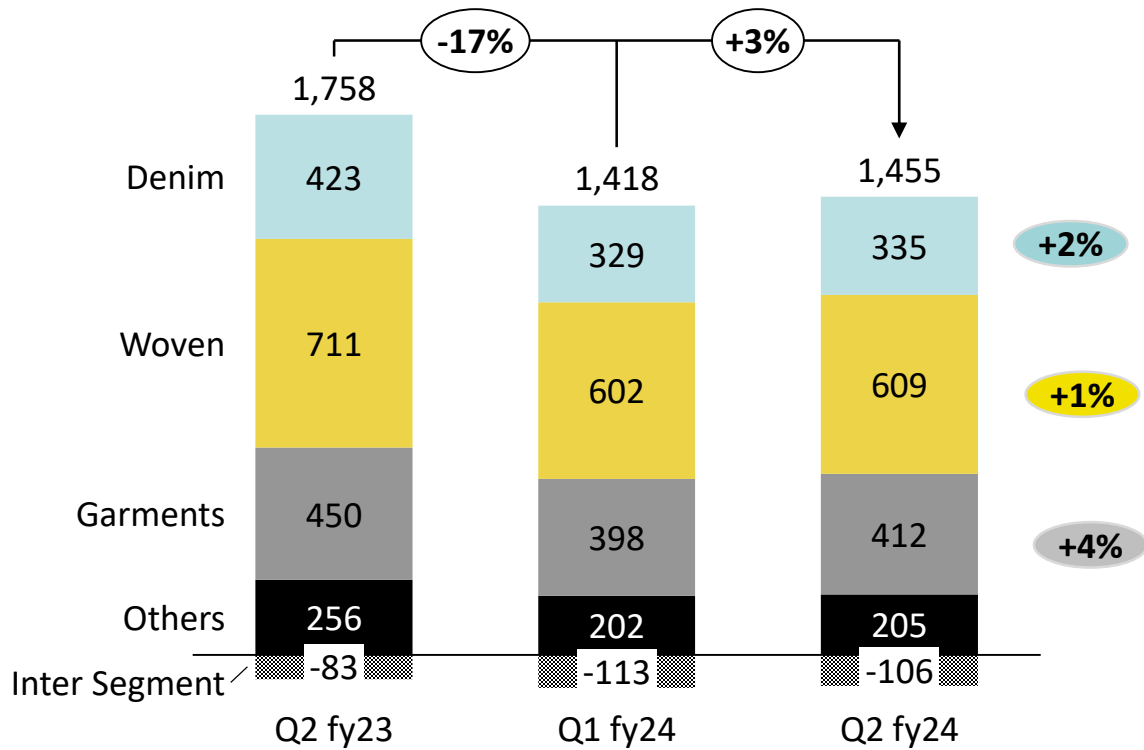
Consolidated Balance sheet as on 30th Sep 2023

| Particulars | 30 th Sep 23 | 31 st Mar 23 |
|--|-------------------------|-------------------------|
| Shareholders' Fund | 3426 | 3404 |
| Share Capital | 262 | 262 |
| Reserves & Surplus | 3100 | 3084 |
| Minority Interest | 64 | 59 |
| Borrowings | 1420 | 1404 |
| long Term Borrowings | 279 | 378 |
| Short Term Borrowings | 940 | 751 |
| Long Term Liability Maturing in one year | 201 | 274 |
| Lease Liabilities (Current + Non Current) | 124 | 114 |
| Other Liabilities | 2097 | 1992 |
| Total | 7067 | 6914 |
| Assets | 3768 | 3797 |
| Fixed Assets | 3395 | 3417 |
| ROU Assets | 101 | 89 |
| Non Current Investments | 183 | 211 |
| Long term Loans & Advances | 1 | 1 |
| Other Non Current Assets | 89 | 78 |
| Cash and cash equivalents | 88 | 77 |
| Other Current Assets | 3212 | 3040 |
| Total | 7067 | 6914 |

- Long term borrowings reduced by ₹172 crs during H1
- Net Borrowings has slightly increased by ~ ₹6 cr compared to March 2023.

Textile volumes improved sequentially; revenues lower YoY given price deflation

Textile revenues (₹ Crs)



Denim

- Volumes inched up sequentially
- Price realizations improved marginally compared to Q1

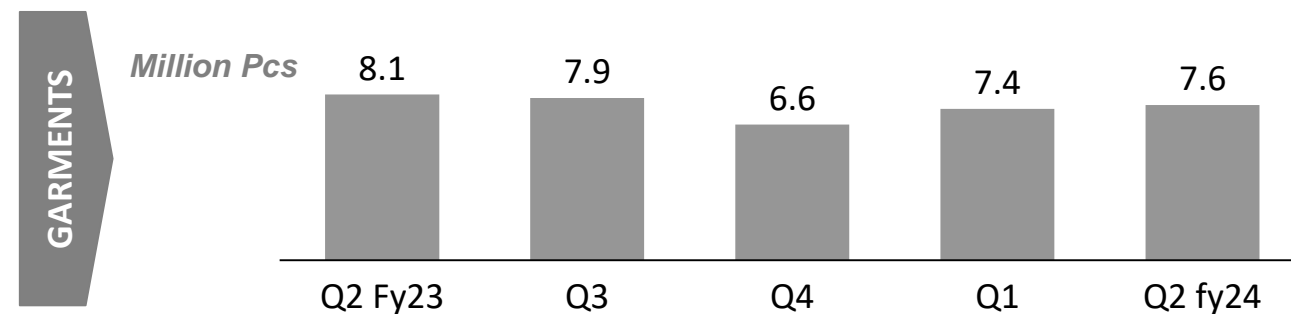
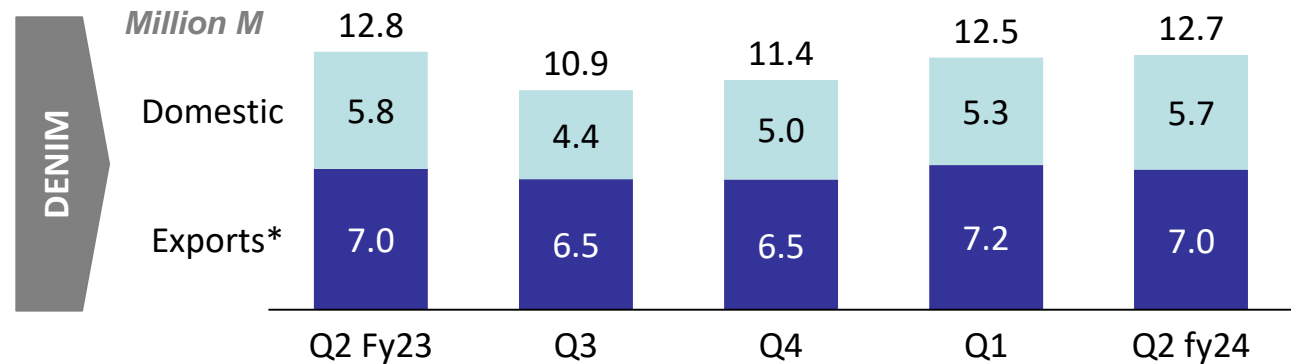
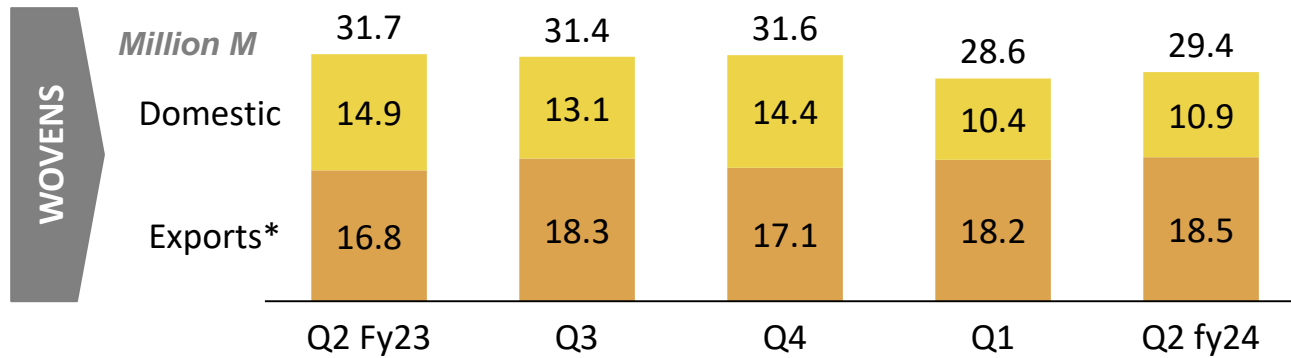
Woven

- Volume improved sequentially
- Price realization continued to deflate

Garments

- 7.6 M pcs for the quarter was similar to Q1

Volumes held steady across all segments of Textiles business; likely to pick-up in next few quarters

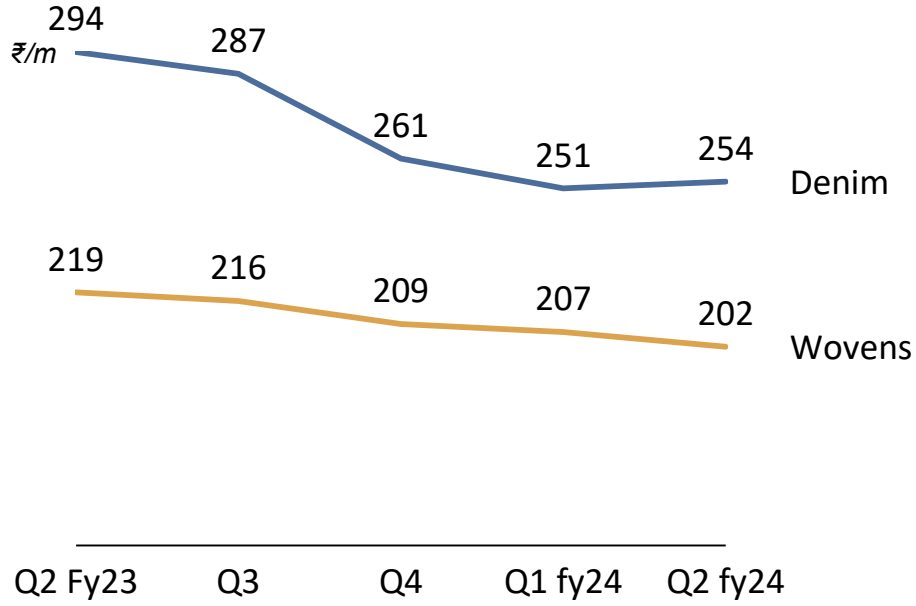


- Export customers continued to be cautious – volumes maintained by expanding customer base across geographies
- Inventory correction cycle has bottomed out among key export customers; expect volume uptick (including China+1 impact) to reflect in coming quarters
- Traceability becoming serious requirement among export customers, esp Europeans
- Domestic markets

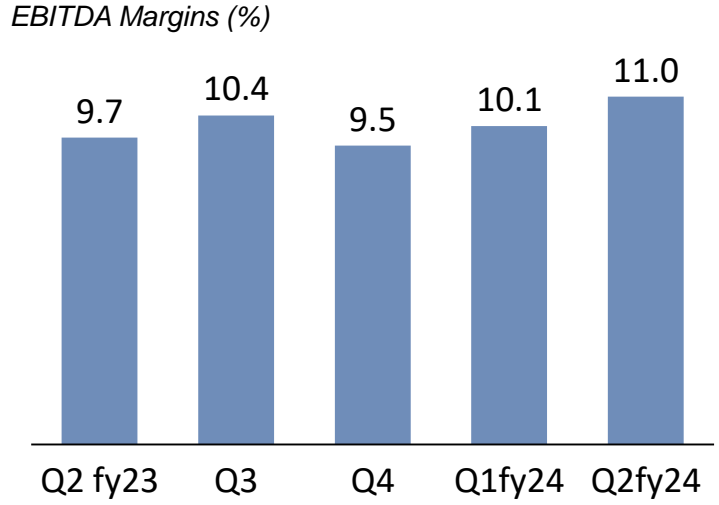
* Exports volumes includes sales made to export customers and shipments made to their garment factories in India

Price realizations remained low; Textile margins continued to trend up

Fabric prices continued to remain low...



... Textile margins continue to trend up

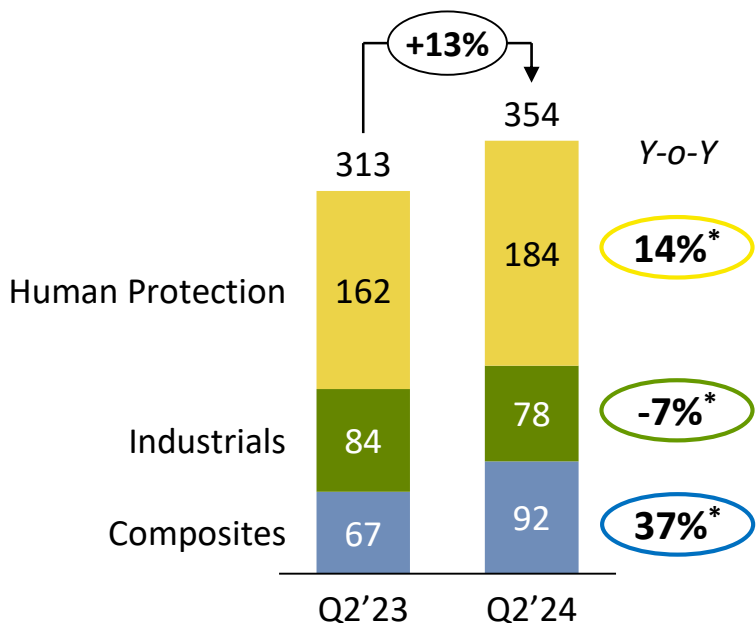


AMD delivered robust volume growth and margin expansion

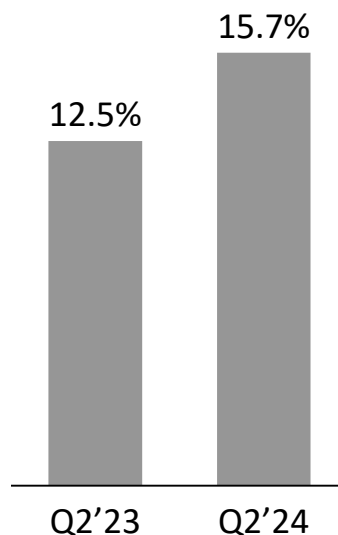
AMD performance summary

Comments

Revenues (₹ crores)



EBITDA margins (%)



- AMD volumes grew 20%+ as planned; revenue growth looks muted because of price deflation

- Highlights
 - Human Protection stepped up supply to Indian Defence segments
 - Composites business increased supply to Vande Bharat/ RRT/ Metro programs
 - Non-wovens increased volumes, woven filters and belt markets remained soft

- Margins expanded across the portfolio
 - One time gain from lower RM prices
 - Operating leverage

* Volume growth for the period was 12%, 12% and 47% for Human Protection, Industrials and Composites respectively (calculated as weighted average of individual products)

Outlook for H2 FY'24

- Higher interest rates continue to keep the consumer demand muted across the world
 - Green-shoots becoming visible in export markets as inventory correction cycle wraps up
 - Festival buying and macro indicators promise likely improvement in domestic markets over coming months
- Key operating costs including RM, Logistics and Energy expected to be range bound
- Revenues and Margins expected to show slight improvement on a sequential basis
 - Garments Volumes to increase gradually
 - AMD expected to maintain volume growth
 - Price deflation compared to last year will keep the revenue growth number look muted
 - Margins will remain strong – both on an absolute as well as percentage basis
 - Working capital will adjust commensurate to volumes/revenues



Thank You!