ARVIND FASHIONS LIMITED
A MEMBER OF THE LALBHAI GROUP
Corporate Office: Du Parc Trinity, 8th Floor, 17, M.G. Road, Bengaluru - 560 001
Tel : 91-80-4155 0601, Fax : 91-80-4155 0651
Website : http://www.arvindfashions.com

Date: February 03, 2021

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

Security Code : 542484
Security ID : ARVINDFASN

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

Symbol : ARVINDFASN

Dear Sir/ Madam,

Sub: Outcome of the Meeting of the Board of Directors of Arvind Fashions Limited ("the Company") held on February 03, 2021

Ref: Regulation 30 and 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations")

Further to our letters dated January 25, 2021 and January 31, 2021 for intimation of Board Meeting, and in accordance with the provisions of Regulation 30 of the SEBI LODR Regulations, this is to inform that the Board of Directors of the Company, at its meeting held today (i.e., on February 03, 2021) has, *inter alia*, considered and approved the following business:

1. Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended on December 31, 2020 along with Limited Review Reports by the Sorab S. Engineer & Co., Statutory Auditors of the Company, for the said quarter and nine months;

2. Raising of funds through issuance and allotment of equity shares of face value of Rs. 4 each ("Equity Shares") for an aggregate amount of up to Rs. 200 crores (Rupees Two Hundred Crores), on a Rights basis to the eligible equity shareholders of the Company as on a record date (to be notified subsequently) on such terms and conditions as may be decided by the Board or Committee thereof subject to receipt of regulatory/statutory approvals, in accordance with the applicable laws including the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and rules made thereunder, as amended from time to time ("**Rights Issue**"); and

3. Delegation of powers to Committee of Directors in respect of Rights Issue including powers to decide all terms and conditions for Rights Issue and the matters connected and incidental thereto.

Pursuant to Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following:

a. Unaudited Standalone and Consolidated Financial Results of the Company for the third quarter and nine months ended on December 31, 2020, along with Limited Review Reports.

b. A copy of the press release being issued by the Company in respect of unaudited financial results for the third quarter and nine months ended on December 31, 2020.

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c. Investor Presentation on unaudited financial results for third quarter and nine months ended on December 31, 2020 issued in this regard.

The meeting of the Board of Directors commenced at 11:30 a.m. and concluded at 1:30 p.m.

You are requested to bring this to the notice of all concerned.

Thanking you,

Yours faithfully,
For **Arvind Fashions Limited,**

ARVIND FASHIONS LIMITED

Vijay Kumar B S
Company Secretary & Compliance Officer
Membership No.: FCS 10,458
Encl: As above.

Arvind Fashions Limited

Q3 FY21 Results Presentation

Feb 2021

Agenda

- Q3 Performance Highlights
- Q3 & YTD Results with IndAS
- Q4 Outlook

ARVIND FASHIONS

Q3 FY21 Highlights

1. Sales more than Doubled between Q2 & Q3 with recovery of 86%

2. Gross Working Capital reduced by Rs. 400+ Crs

3. USPA : Sales Recovery at 91%. Brand back to annualized run rate of Rs. 1,000+ Crs with double digit EBITDA (pre-IndAS). Brand extensions - Innerwear & Footwear on profitable growth trajectory

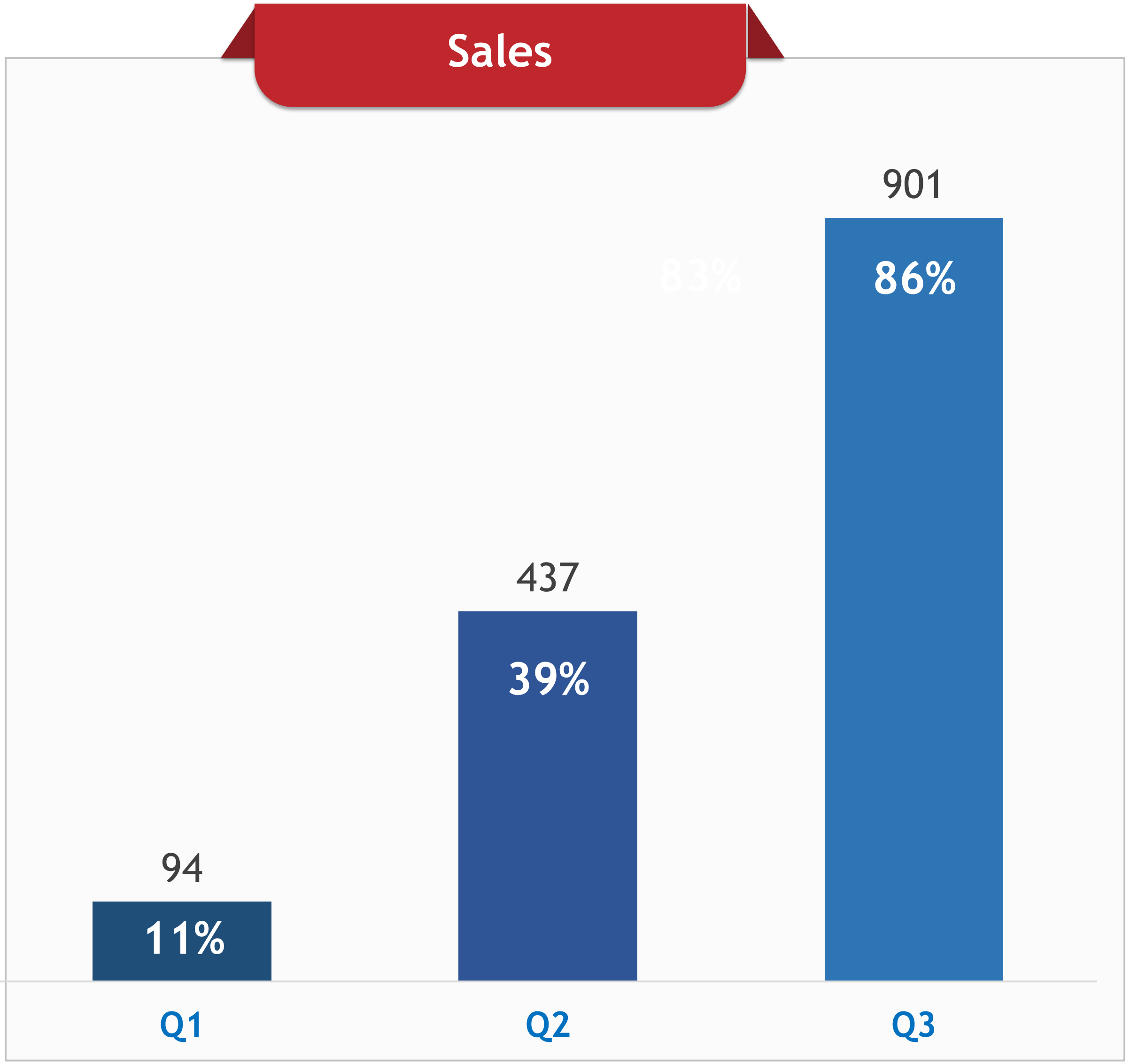
4. TH/CK : Sales Recovery at 97% with highest ever profitability - double digit EBITDA with 36% Y-o-Y Growth

5. Flying Machine : High Online Growth of 70% aided by Flipkart strategic partnership

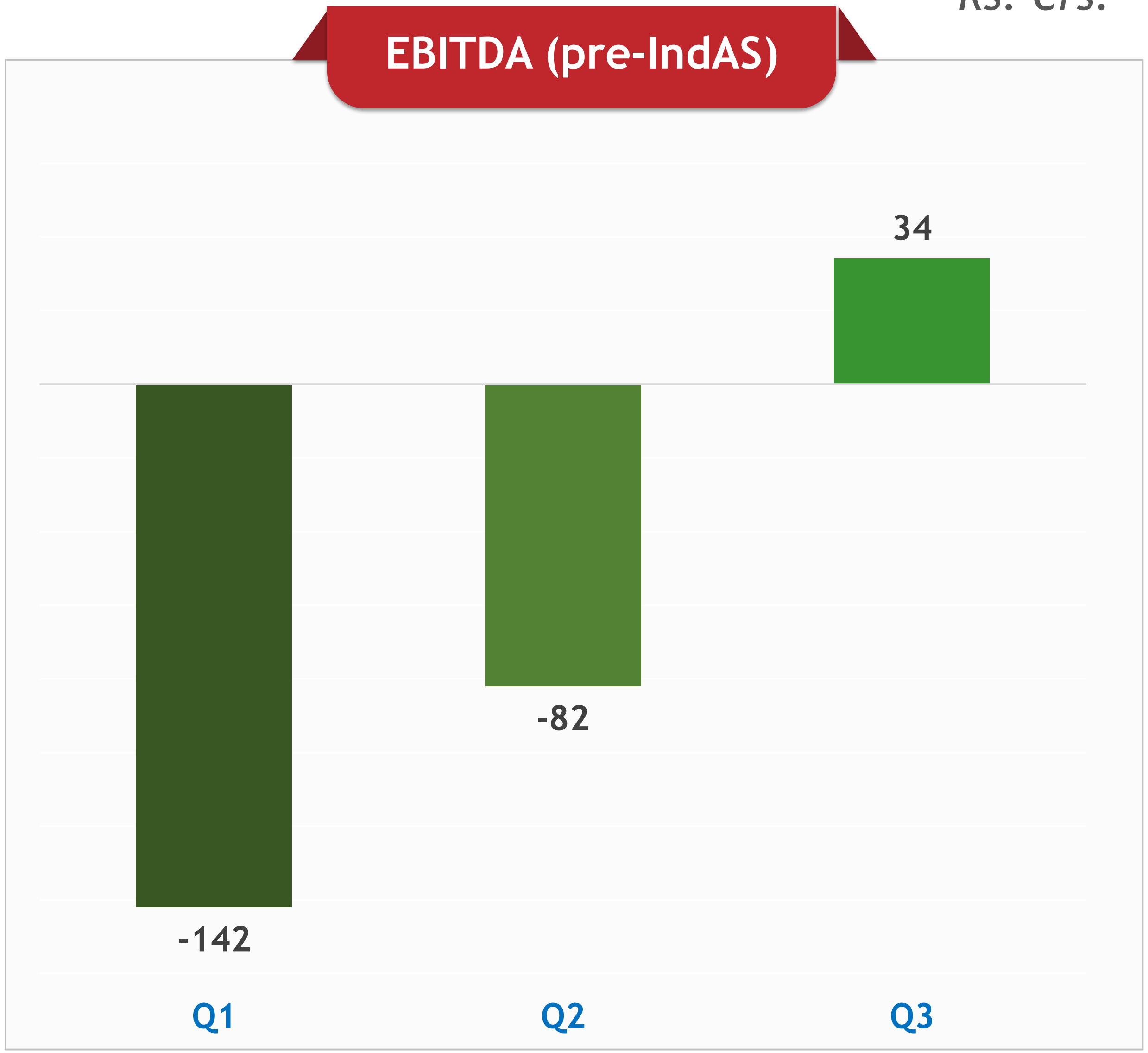
6. Unlimited : Positive EBITDA with 68% Sales Recovery. Achieved due to margin improvement & cost optimization

Sales Recovery & EBITDA

Rs. Crs.

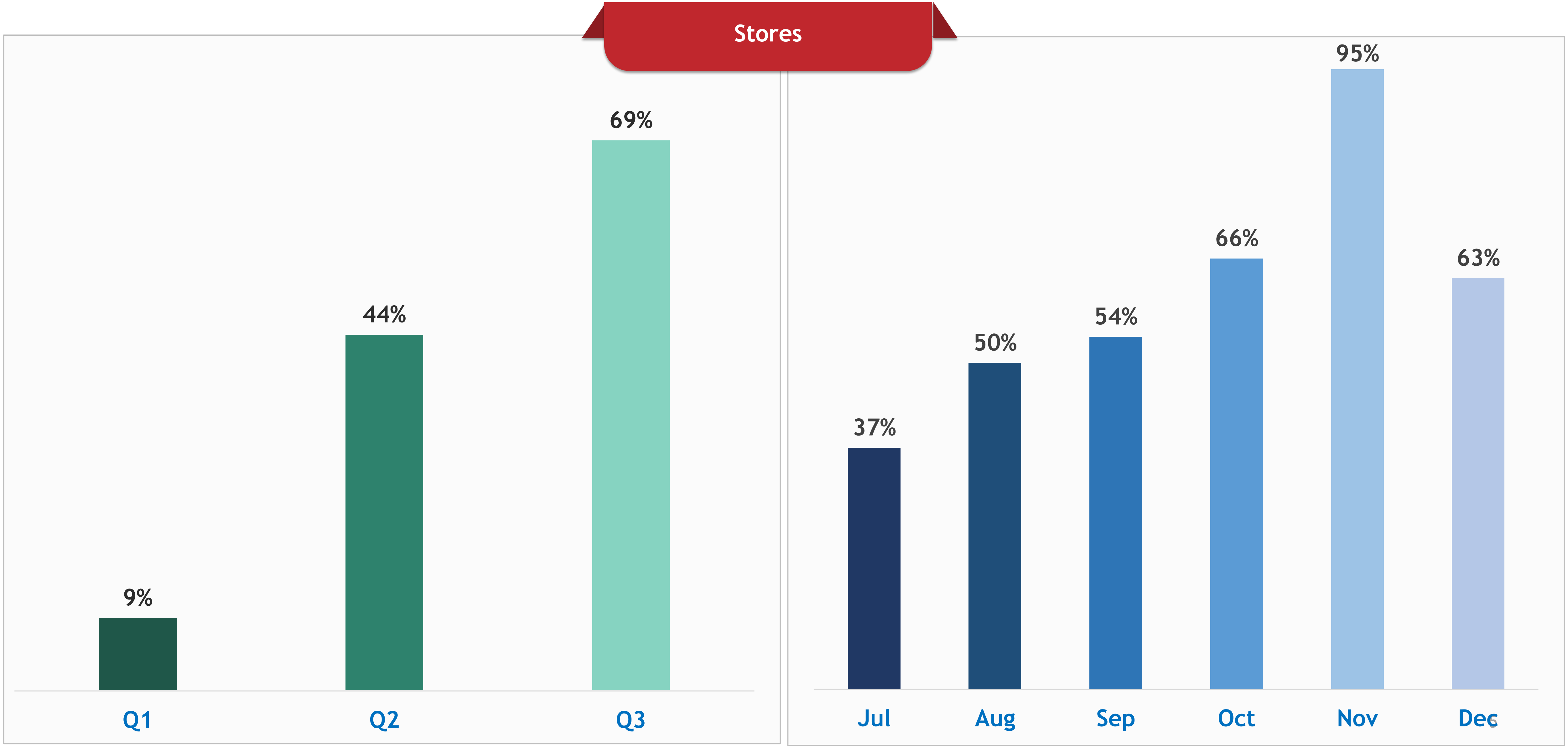


Sales Doubled between Q2 & Q3

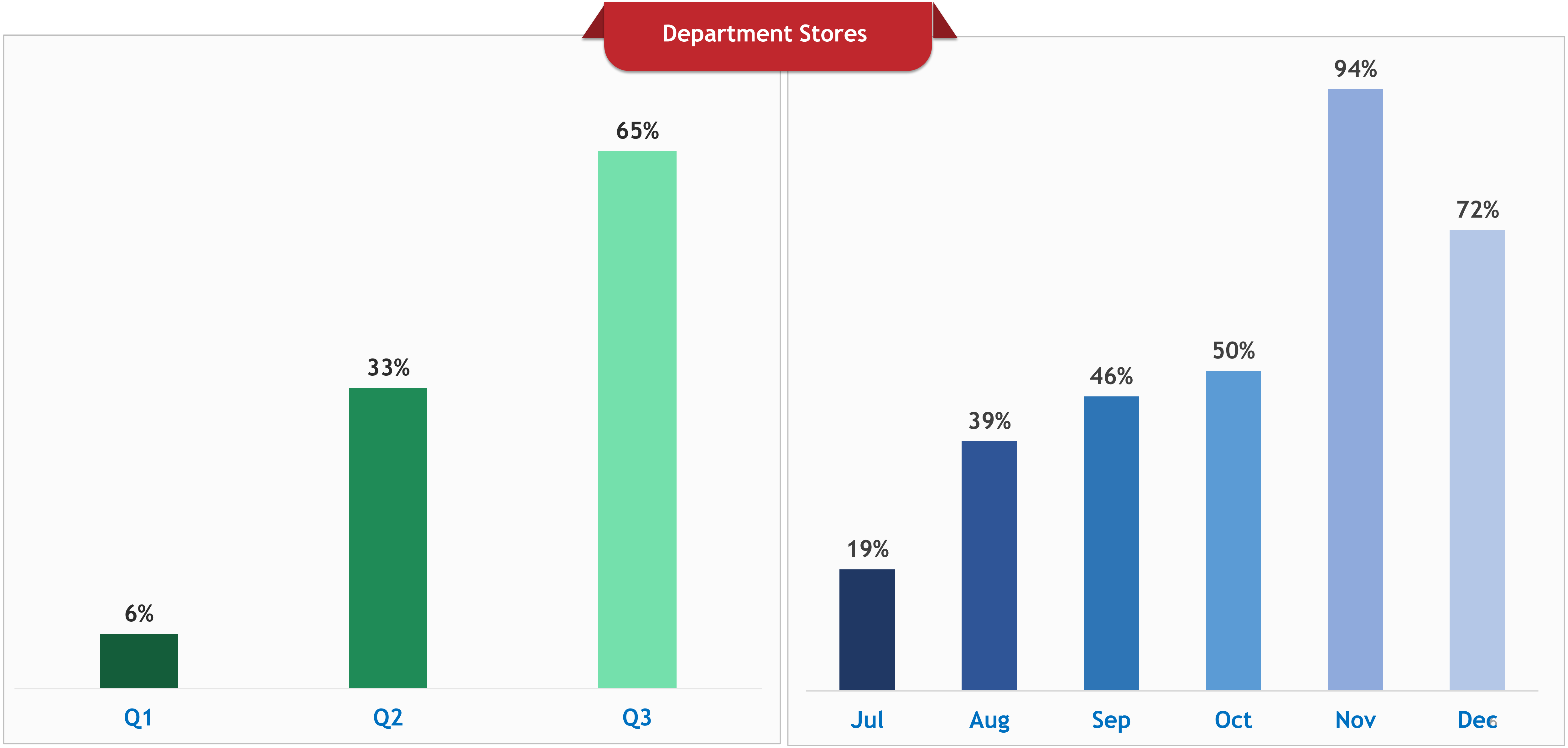


Continuing Brands

Sales Recovery : Stores

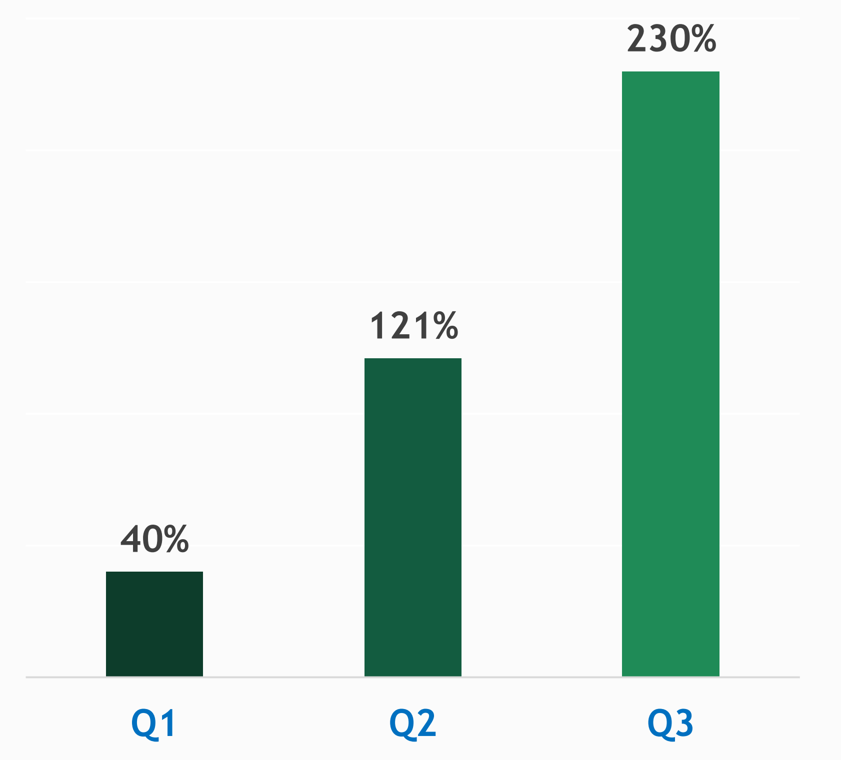


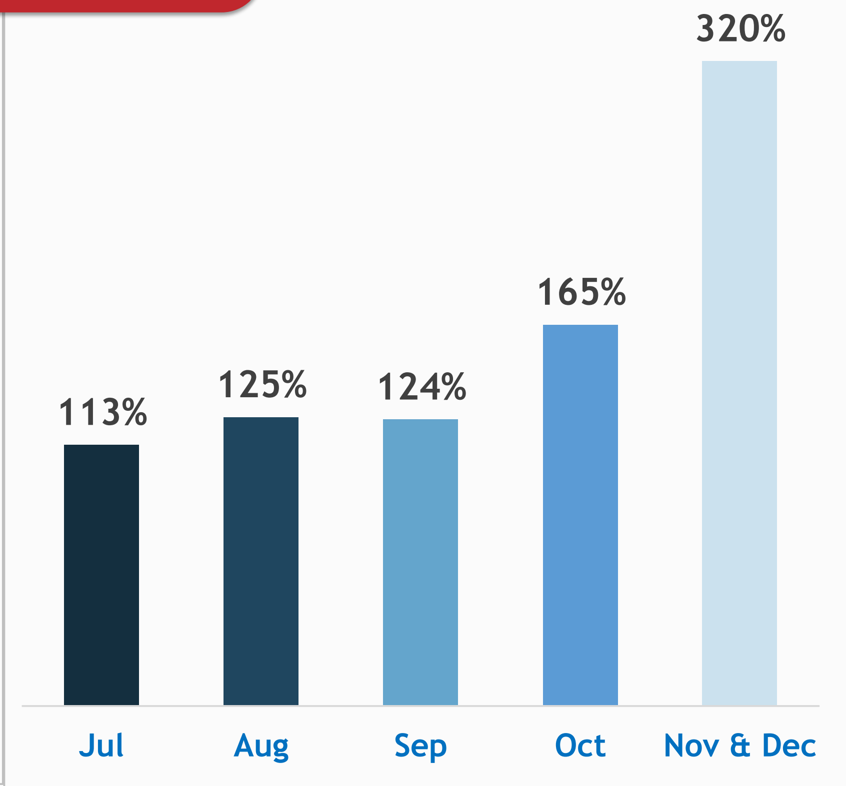
Sales Recovery : Department Stores

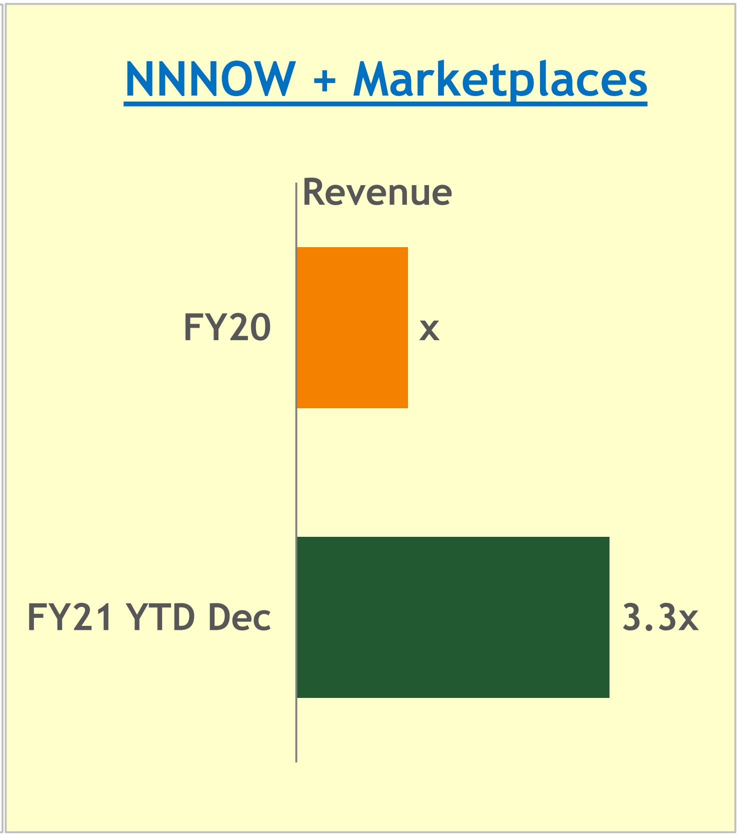


Sales Recovery : Online

Online







Agenda

Q3 Performance Highlights

Q3 & YTD Results with IndAS

Q4 Outlook

ARVIND FASHIONS

Q3 FY21 - Performance Snapshot

(Figures in INR Crs)

	Reported			
	Q3 FY21	Q2 FY21	Change	Q3 FY20
Revenue from Operations (continuing operations)	901	437	106%	1051
Other Operating Income (Rent concessions)	10	27	(63%)	11
Total Income	911	464	96%	1062
EBITDA	84	(18)	-	124
PBT	(34)	(151)	-	(67)
Exceptional Items	-	45	-	-
PBT for Discontinuing Operations	(22)	(28)	-	(14)
PAT	(68)	(212)	-	(51)

Groupwise Performance

	Sales (Rs Crs.)		Without IndAS EBITDA (Rs Crs.)		Reported EBITDA (Rs Crs.)	
	Q3 FY21	% Recovery	Q3 FY20	Q3 FY21	Q3 FY20	Q3 FY21
Power Brands	639	97%	41	36	94	63
Specialty Retail	178	70%#	-1	2	35	20
Emerging Brands	85	79%	-10	-3	(5)	0
Total	901	86%	30	34	124	84

Note: Continuing Brands only
Continuing Stores for Unlimited

YTD Performance Snapshot

(Figures in INR Crs)

	Reported		
	YTD Q3 FY20	YTD Q3 FY21	Growth
Revenue from Operations (continuing operations)	2,940	1,433	(51%)
Other Operating Income (Rent concessions)	18	103	
Total Income	2,958	1,535	(48%)
EBITDA	268	24	
PBT	(259)	(368)	
Exceptional Items	-	45	
PBT for Discontinuing Operations	(33)	(69)	
PAT	(196)	(477)	

YTD Q3 Groupwise Performance

	Sales (Rs Crs.)		Without IndAS EBITDA (Rs Crs.)		Reported EBITDA (Rs Crs.)	
	YTD FY21	% Recovery	YTD FY20	YTD FY21	YTD FY20	YTD FY21
Power Brands	964	51%	108	(92)	259	29
Specialty Retail	310	43%	(33)	(53)	63	21
Emerging Brands	159	50%	(19)	(45)	(54)	(26)
Total	1433	49%	56	(189)	268	24

Note: Continuing Brands only

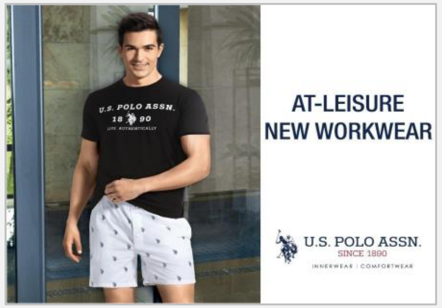
Strong Presence in Categories Recovering Faster

Accelerated Casualization & Work from Home

Casual Brands

- USPA/TH/FM/CK portfolio of strong casual brands recovering faster
- High sell-through in Winter wear
- Power brands recovery rate **90%+** in Q3 FY21

Innerwear/ Comfortwear



- Strong consumer off-take in the comfort wear and thermals
- Recovery rate **90%+** in Q3 FY21

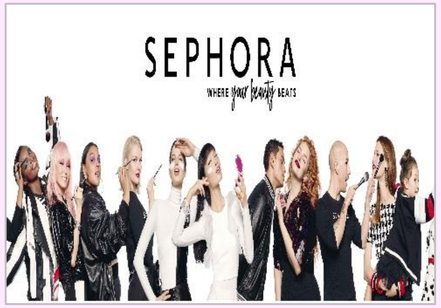
Footwear

- Recovery witnessed across all channels
- Sneaker, athleisure & home collection driving growth
- New product launches across active & fashion sneakers
- Recovery rate **130%+** in Q3 FY21

Kidswear

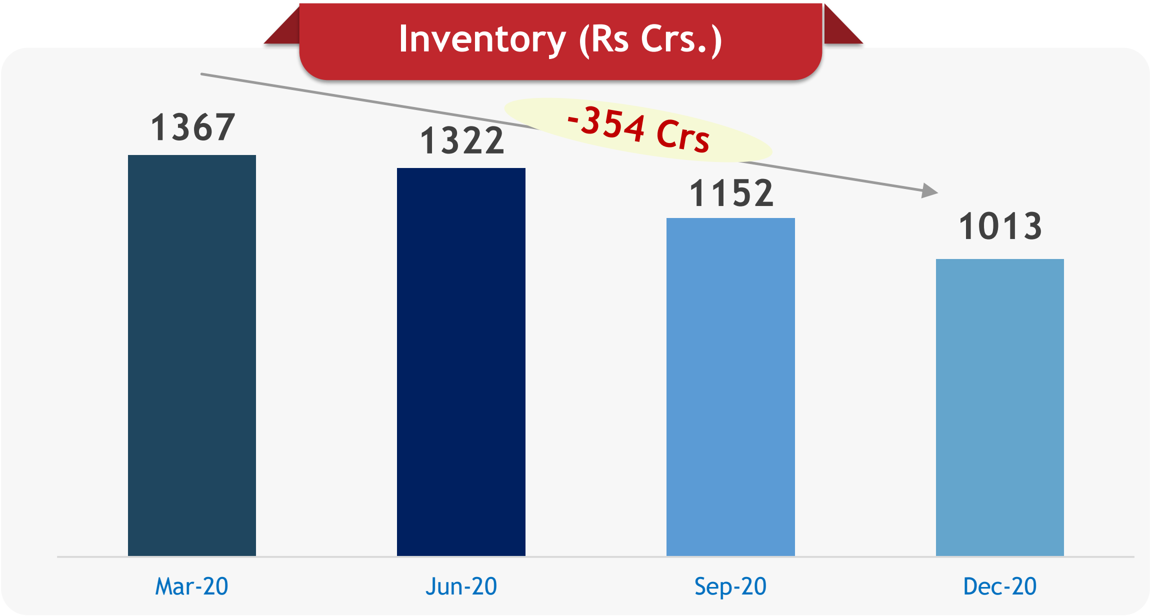
- Strong demand for kids clothing
- Recovery rate **80%** in USPA and **85%** in Unlimited kidswear in Q3 FY21

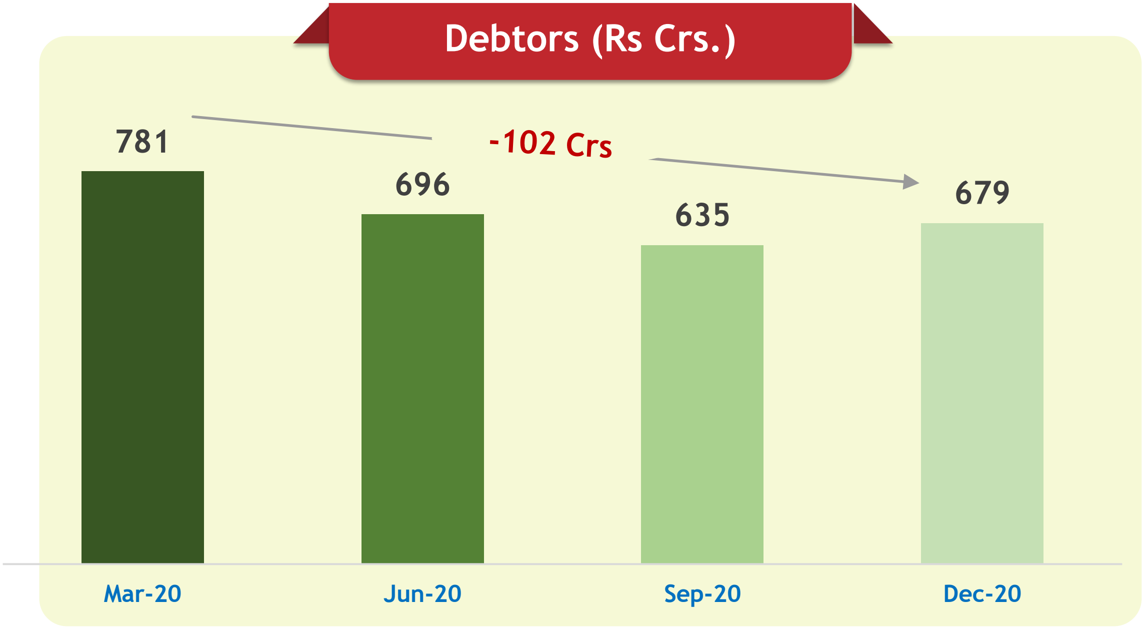
DIY Beauty

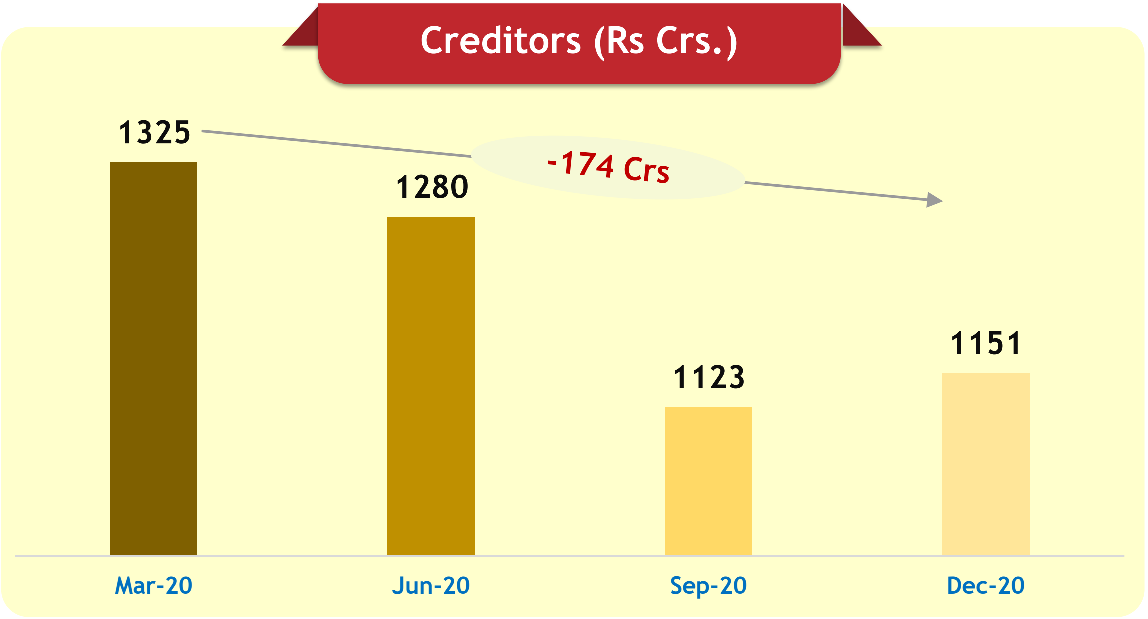


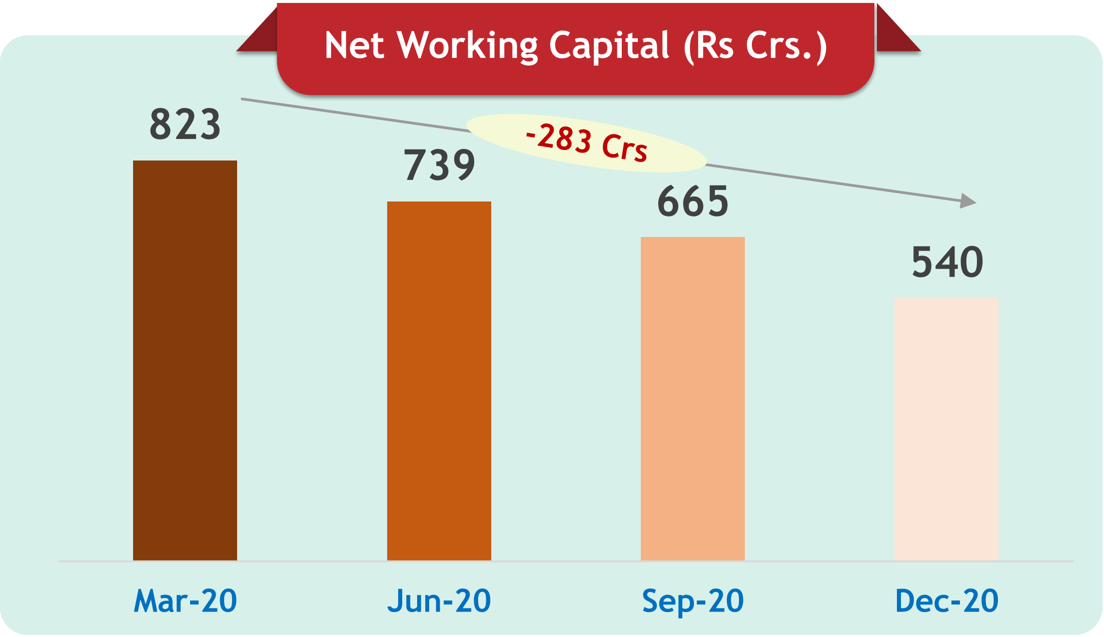
- Strong omni-push for stores
- **2.7x** Y-o-Y growth in online
- Recovery rate **70%+** in Q3 FY21

Working Capital



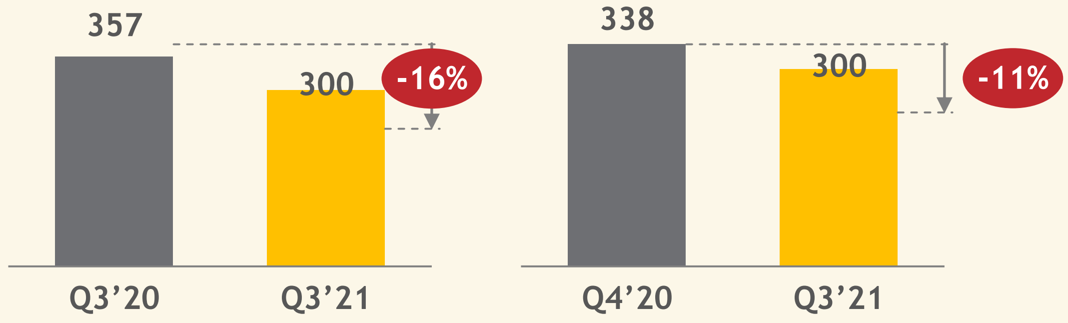




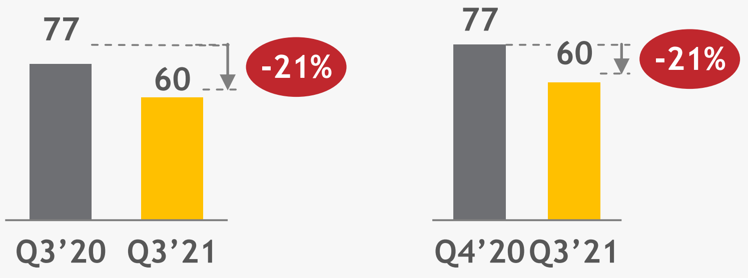


Cost Control

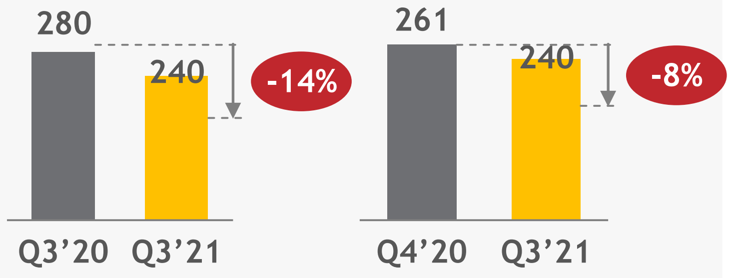
Total (Rs Crs.)



Employee Emoluments (Rs Crs.)



Other Expenses (Rs Crs.)

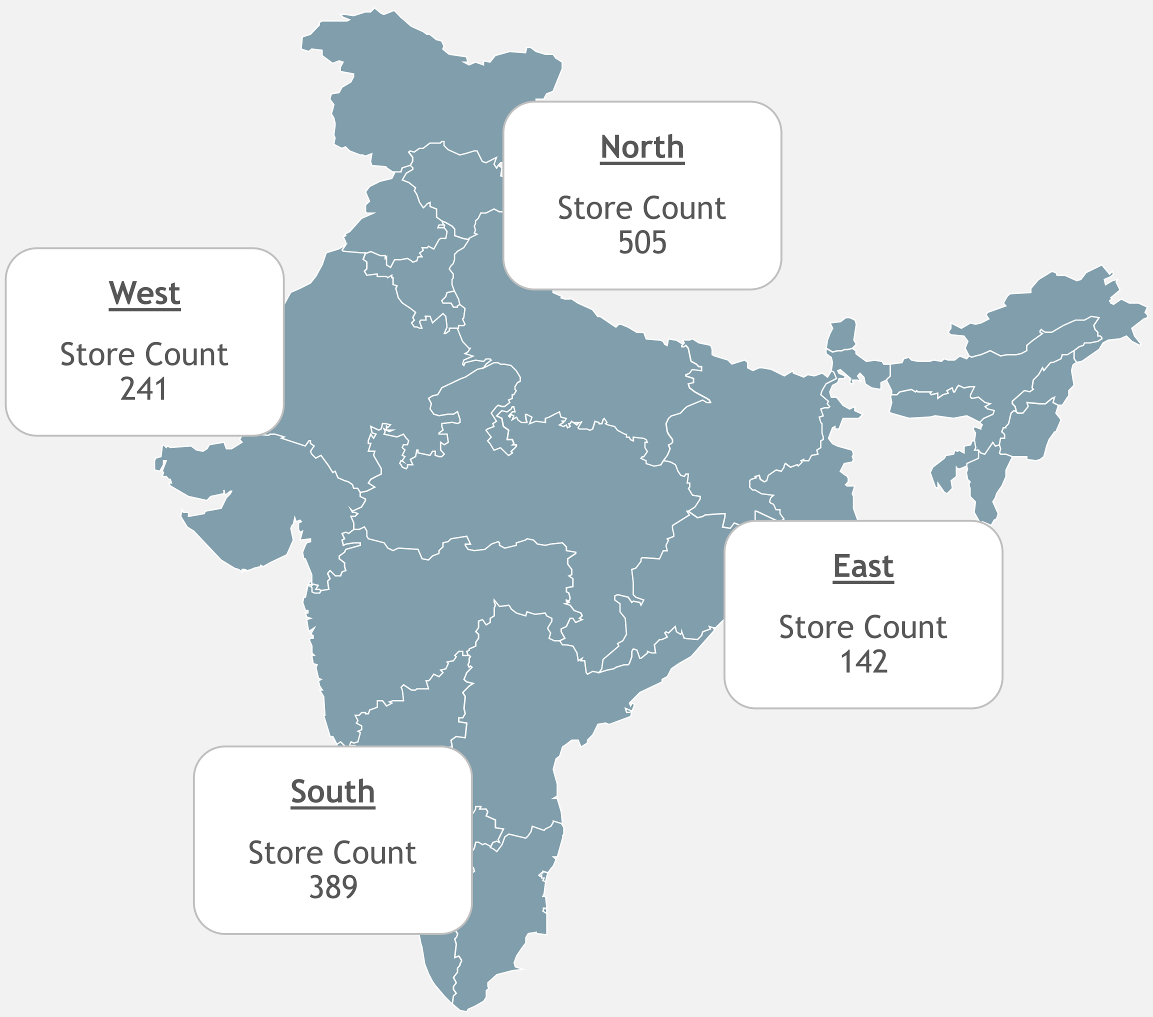


Rent Savings (Rs Crs.)

- Booked in Q1: Rs 70 Crs
- Booked in Q2: Rs 29 Crs
- Booked in Q3 : Rs 21 Crs

	Booked in Q1	Booked in Q2	Booked in Q3
Q1	41.3	-	-
Q2	18.0	25.5	-
Q3	8.5	2.4	20.2
Q4	2.5	1.1	0.5
Total	70.3	29.1	20.7

Distribution Footprint



	Q3 FY21 Exit	
	Store Count	Sq Ft (Lacs)
Stores	1277	20.0
Dept. Stores	3500+	-
MBO	10000+	-
Innerwear Wear MBO	13000+	-

Number of Stores Opened in Q3 : 45

Q3 FY21 Summary

Growth Drivers

- 6 Strong Brands with leading market positions to drive growth with improved Profitability and ROCE
- As a leading Casual - Wear player, product portfolio well suited to 'new normal' consumer requirements. High percentage recovery of USPA & TH testimony to this
- Strongly placed to gain share in Kidswear, Innerwear & Beauty
- Strategic tie-up with Flipkart has started to unlock significant growth opportunities for Flying Machine
- Early investment in technology enabling company to scale up Omni and E-Commerce Sales

- Portfolio rationalization completed. All resources focused on 6 brands
- USPA / TH / CK exhibiting strong momentum with high percentage sales recovery
- Innerwear and Footwear on Growth Path. USPA Footwear won best footwear brand award in Myntra Awards Function
- FK partnership started delivering results; 70%+ online growth
- Online / Omni annualized sales at Rs. 1000 Crs +

Cost & Cash

- Structural Reduction in cost to improve profitability when sales get back to normal
- New ways of buying to release cash through reduction in inventory
- Company adequately capitalized with inflow of Rs. 660 Crs, through a combination of rights issue of Rs. 400 crs and strategic investment

- On course to deliver Rs. 120 Crs reduction in cost
- Reduction in Inventory of Rs. 400 Crs +
- Balance Sheet to be further strengthened with proposed Rights Issue of Rs. 200 Crs

Agenda

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Q4 Outlook

Channel Performance

- Offline sales recovery in January better than December. Overall Q4 revenues to be higher than last year
- Online sales will continue high double digit growth
- While sales recovery is healthy in the MBO channel, the company is taking a more cautious view on billing and will have lower sales than usual in Q4

Costs

- Product cost estimated to go up due to sharp increase in cotton and yarn prices. Margin pressure will be mitigated through price increases
- Structural cost savings will continue to accrue however the cost savings on account of rental reductions will moderate

Thank You