

Arvind Limited Board Meeting

31st August 2020 | Ahmedabad

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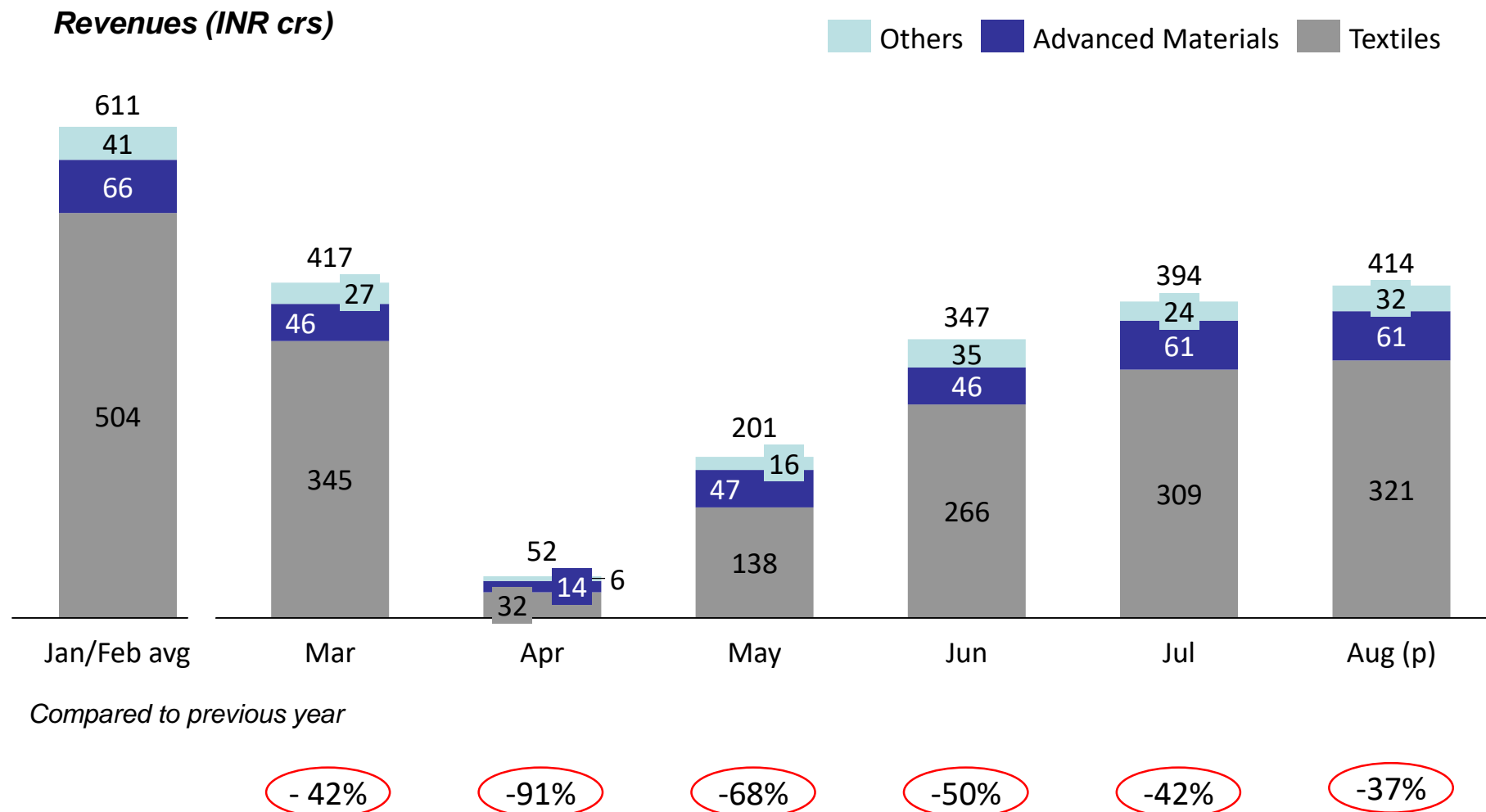
Agenda

- Q1 FY2021 summary financial performance
- Performance of key businesses
- Outlook

Executive Summary: clear signs of recovery starting June/July

- Post a plunge in April, revenues have started recovering
 - June/July revenues have reached ~55-60% levels of previous year
 - AMD monthly revenues have recovered to pre-Covid levels
- Multi-pronged efforts has helped reduced Fixed Cost by ~15%, structurally
- EBITDA margins have recovered to pre-Covid levels, and even higher in few businesses
- Cash accruals followed above trends, and became positive starting June
- Net Borrowing went up from Rs 2371 crs as of 31st Mar 2020 to Rs 2702 crs as of 30th Jun 2020
 - Expected to return to Mar 2020 levels by end of Q2

Overall top-line has recovered quite well post lock-down



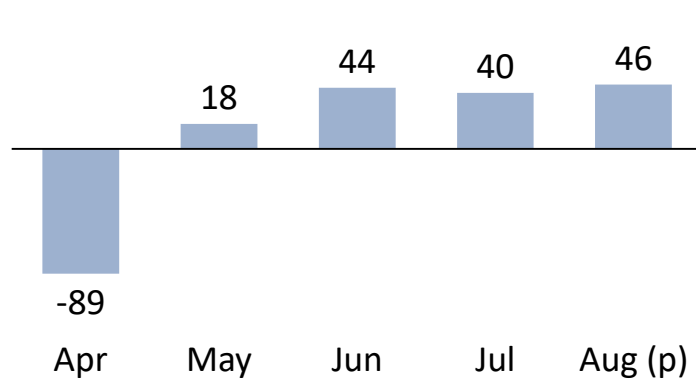
EBITDA margins have recovered to pre-Covid levels, after a sharp drop in April 2020

	Jan-Feb		Mar	May	Jun	Jul	Aug (p)
Textiles	9.3%		10.0%	8.3%	13.4%	11.6%	12.6%
Advanced Materials	12.7%		16.8%	19.9%	15.7%	12.6%	12.6%
Overall	9.6%		9.8%	8.9%	12.6%	10.2%	11.1%

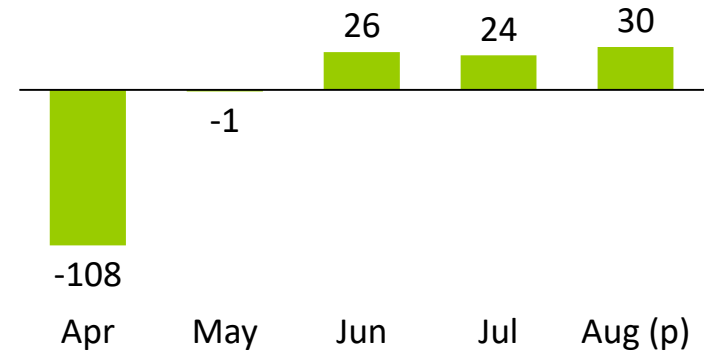
Higher portion of exports and favourable exchange rates played a key role

EBITDA and Cash Accruals became positive starting May and June respectively; Net borrowing returning towards pre-Covid levels

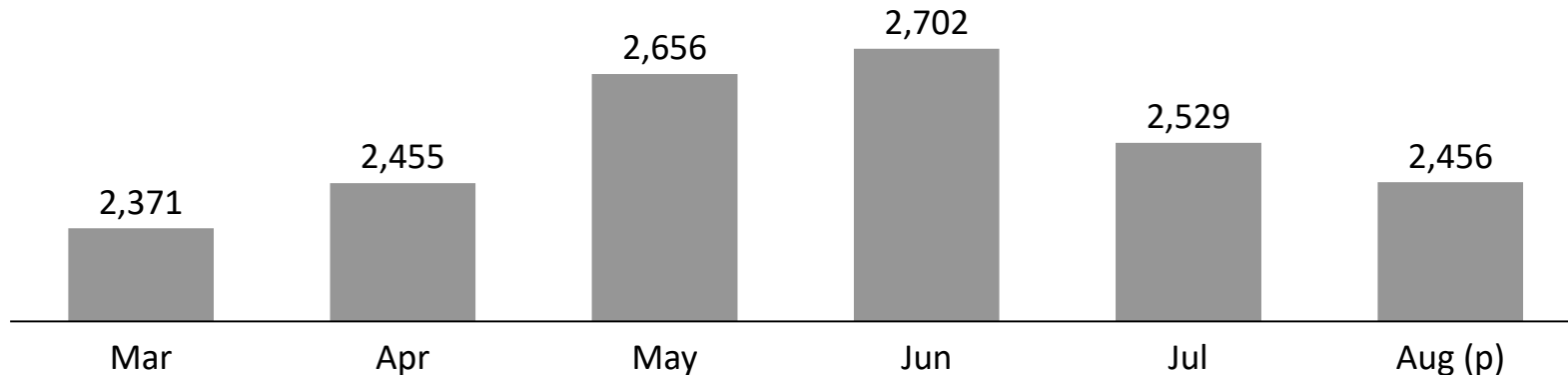
EBITDA (INR Crs)



Cash Accruals (INR Crs)



Net Borrowing (INR Crs)



Profit and Loss summary: Lock-down related disruptions deeply impacted the Q1FY21 financials

<i>All figures in INR Crs</i>	Q1 FY21	Q1 FY20	Change
Revenues from Operations	599	1,896	-68%
EBIDTA	-29	154	-119%
Profit Before Tax	-156	46	-437%
Profit After Tax	-95	30	-415%
Less : Exceptional Item	0	6	
Net Profit	-95	24	-496%

- *Exceptional item in Q1FY21 includes Retrenchment compensation*

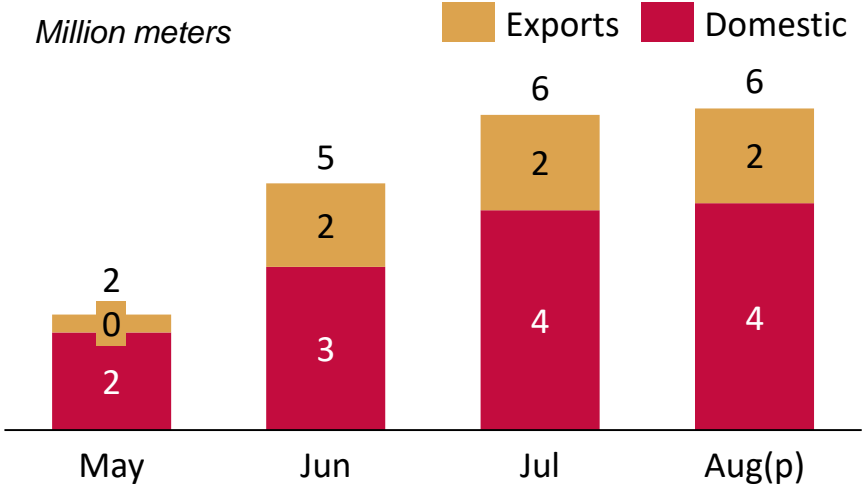
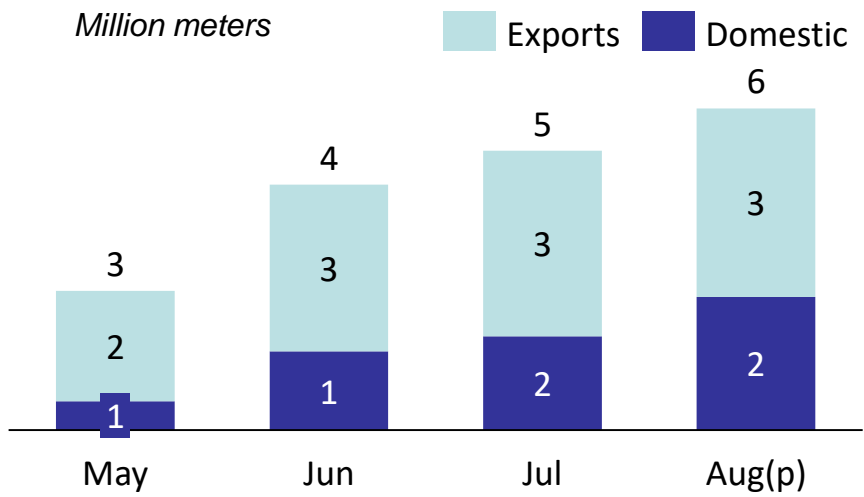
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Fabric volumes have recovered well, esp in Denim; Domestic market for Wovens fabrics still quite challenging

Denim

Wovens



Compared to previous year

Compared to previous year

-64% -41% -33% -10%

-80% -56% -36% -38%

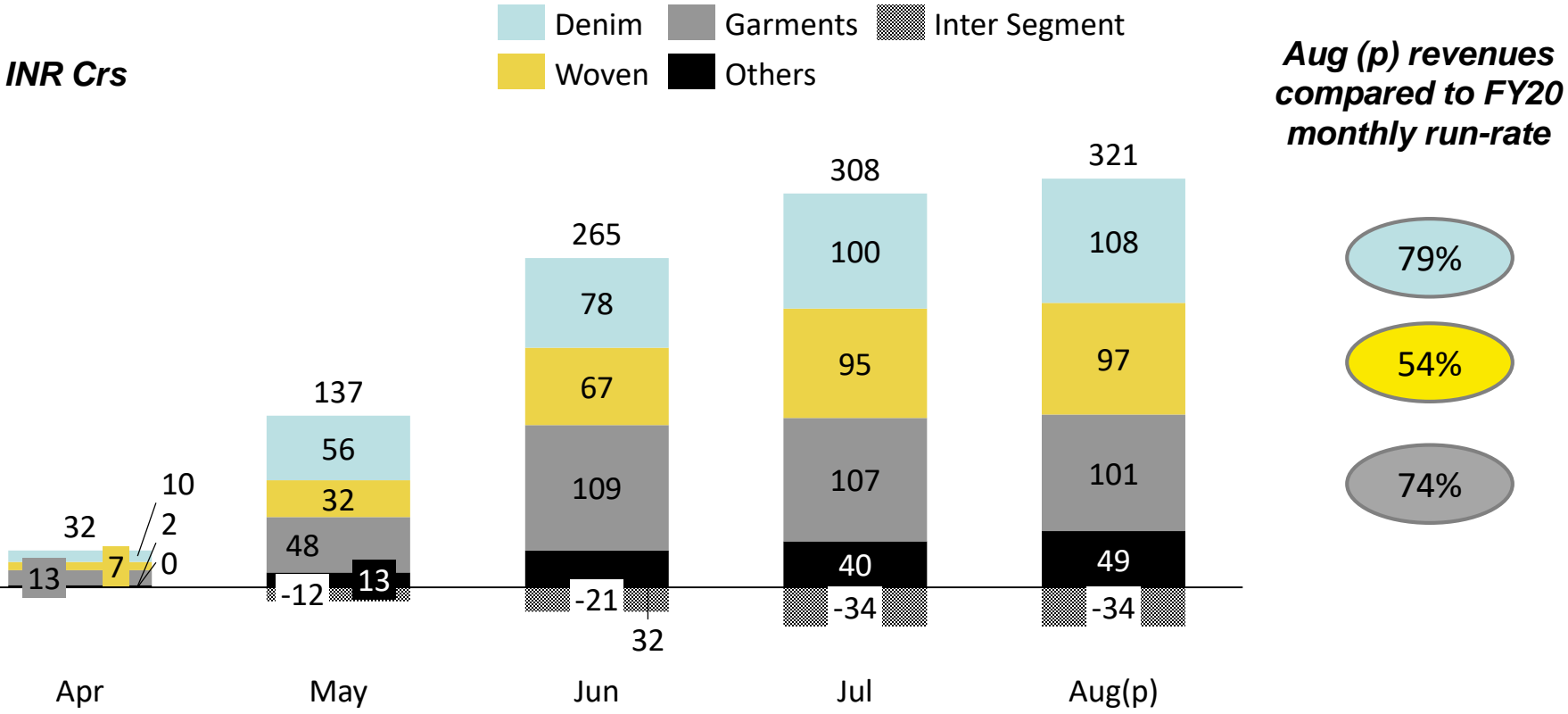
- Average price realization for Denim has improved to Rs 205/meter, whereas Wovens has seen a slight erosion to Rs 168/meter

Garment volumes revived at the start of Q2

Million Pcs	April	May	June	July	Aug (p)
FY1920	3.0	3.5	3.5	3.4	3.6
FY2021	0.5	1.6	1.9	2.0	2.2
Monthly Volume as % of PY	16%	47%	56%	59%	63%

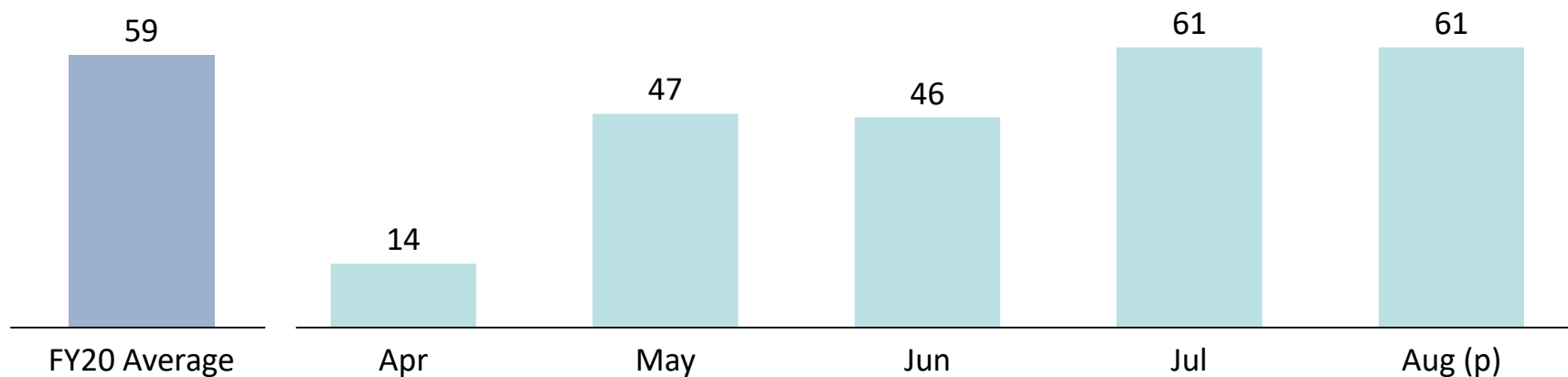
* Excludes Essentials and Suits

Textile revenues for Q1 got severely impacted by Covid-19; monthly run-rate reviving steadily



AMD: Revenues and EBITDA margins have fully recovered to FY20 monthly run-rate

Monthly revenues INR Crs



EBITDA margin



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Forward looking commentary

- Revival in Q2 based on Denim and Garments returning to ~75-80% levels and Wovens to ~55-60%
- Q3 expected to grow by further 10% over Q2
 - Wovens & Knits revenue growth to help increase sales in Q3
 - Denim volumes to be marginally lower as it is lean season quarter
- EBIDTA margins in Q2 expected to be in the positive 10%-11% range
 - Q3 onwards, margins will depend on input costs and exchange rate movements
- Net Debt at end of Q2 will be close to March end number; Q3 will further reduce



Thank You!