
August 06, 2024

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001

To
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai - 400 051

Scrip Code: 544058

Scrip Symbol: MUFTI

Dear Sir/Madam,

Sub: Media release

Please find attached a media release titled as "*Q1 FY25 Financial & Business Performance*".

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

This is for your information and dissemination on your website.

Thanking you,

Yours faithfully,
For Credo Brands Marketing Limited

Sanjay Kumar Mutha
Company Secretary and Compliance Officer

Encl. As above



Credo Brands Marketing Limited

Q1 FY25 Financial & Business Performance

Mumbai, 6th August 2024 – Credo Brands Marketing Limited (MUFTI), one of the prominent players in the men's casual wear providing a meaningful wardrobe solution for multiple occasions in a customer's life, with product offerings ranging from shirts to t-shirts to jeans to chinos, which caters to all year-round clothing has announced its Unaudited Financial Results for the Quarter ended 30th June 2024.

KEY FINANCIAL HIGHLIGHTS

Particulars (in Rs. Crs.)	Q1 FY25	Q1 FY24	Y-o-Y
Revenue from Operations	123.9	118.5	5%
Gross Profit	72.6	66.5	9%
Gross Profit Margin (%)	58.6%	56.2%	
EBITDA	33.4	30.3	10%
EBITDA Margin (%)	26.9%	25.5%	
Profit before Tax	13.1	11.3	15%
PAT	9.8	8.6	14%
PAT Margin (%)	7.9%	7.2%	

On Consolidated Basis

KEY BUSINESS UPDATES

- **No. of EBOs added during Q1 FY25 are 5 Stores on a Net Basis**
 - Total EBOs as on 30th June 2024 stood at 430 stores
- **Sales Mix for Q1 FY25**
 - EBO : 62%; MBO : 14%; LFS : 2%; Online : 16%; Others : 6%
- **Product Mix for Q1 FY25**
 - Shirts : 42% ; T-shirts : 10% ; Bottomwear : 44%; Others : 4%
- **Same Store Sales Growth (SSSG)** for EBOs stood at 2.9% for Q1 FY25 as compared to Q1 FY24
- **Working Capital Days** as on 30th June 2024 stands at 161 days
- **RoCE** stood at 18.0%; **RoE** stood at 17.4% for Q1 FY25
- **Debt-Equity** stands at -0.02x



Credo Brands Marketing Limited

Commenting on the Result, Mr. Kamal Khushlani, Chairman & MD, Credo Brands Marketing Limited said

“MUFTI’s Revenues in Q1 FY25 grew by 5%, with EBITDA and PAT growing by 9% and 14% respectively, mainly due to cost optimization measures. The market for premium and mid-premium branded apparel continued to be subdued due to consumer behaviour influenced by an inflationary environment and a nationwide heatwave. Despite a difficult market, our SSSG growth for the quarter stood at 3%.

Improved demand and increased foot traffic are anticipated in H2 FY25, driven by the marriages and upcoming festival season.

In Q1 FY25, we added 5 net new stores to our portfolio, increasing our total store count to 430. We are optimistic about our continued store expansion efforts and aim to open between 25-30 new stores during FY25. We plan to expand our store network in existing and new cities. We have identified several markets as having potential for opening further EBOs. This offers the potential for market share gains, increased brand recognition and economies of scale. We are also looking to capitalize on the increasing e-commerce demand in Indian retail and grow our share of sales from own website and e-commerce partners.

We intend to increase our salience a lot more on the digital platforms looking to improve market share in the D2C space. We continue to develop a strong brand identity through effective brand advertising and multiple marketing campaigns for our brand. Looking ahead, for FY25 the Company aspires to achieve mid-teens revenue growth backed by new store openings in new and existing geographies and subject to recovery in overall industry demand for Premium and Mid-Premium Brands. The Company is also targeting to improve profitability through implementation of various cost efficiency measures.

Our sector's resilience, coupled with our adeptness in responding to evolving market dynamics and our commitments to technological advancements and product innovations, positions us favorably for attaining enduring growth. With focused expansion of our product portfolio, we intend to evolve brand Mufti as a 360°men’s lifestyle brand.”



Credo Brands Marketing Limited

About Credo Brands Marketing Limited

Credo Brands Marketing Limited (MUFTI) is a prominent player in the men's casual wear in India providing a meaningful wardrobe solution for multiple occasions in a customer's life, with our product offerings ranging from shirts to t-shirts to jeans to chinos, which caters to all year-round clothing.

The brand "Mufti" was launched with a vision to redefine menswear. The brand was created as an alternative dressing solution and was designed to deliver a casual alternative with a focus on creative, bold, and expressive clothing for the contemporary Indian man who wanted something more stylish than what was commonly available.

The products are available through a pan-India multichannel distribution network that we have built over the years comprising of EBOs, LFSs and MBOs, as well as online channels comprising of website and other e-commerce marketplaces. The Company's multi-channel presence is planned strategically in a manner that products across categories are available at consumers' preferred shopping channels.

The Company is asset-light with respect to the plant, property, and equipment, primarily due to outsourcing of our manufacturing operations. The Company comprehensively focuses on the design of products and outsources the manufacturing of products to various manufacturing partners. The Company conducts multiple levels of checks to ensure the desired quality. This structure provides agility with longstanding sourcing partners allowing the Company to manage supply, based on the demand from various distribution channels.

The Company has developed a strong brand identity through effective brand advertising and multiple marketing campaigns for the brand.

For more information, please contact

Company:

Credo Brands Marketing Limited



CIN: U18101MH1999PLC119669

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Investor Relations (IR)

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Safe Harbor

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.