
January 16, 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 Sirs,

Sub: Media release

Please find attached a media release titled as "*Robust Q2 & H1 FY24 Financial & Business Performance*".

This is for your information and dissemination on your website.

Thanking you,

Your faithfully,
For **Credo Brands Marketing Limited**

Sanjay Kumar Mutha
Company Secretary and Compliance Officer

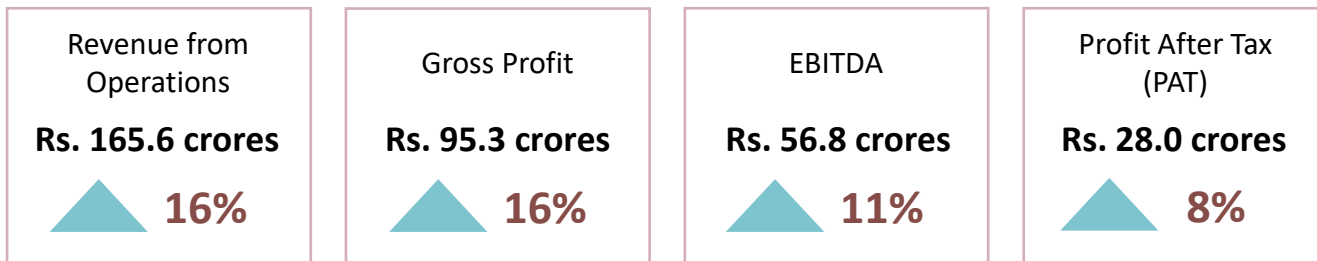
Encl. As above



Credo Brands Marketing Limited

Robust Q2 & H1 FY24 Financial & Business Performance

Mumbai, 16th January 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 and Half Year ended 30th September 2023.



For Q2 FY24

KEY FINANCIAL HIGHLIGHTS

Particulars (in Rs. Crs.)	Q2 FY24	Q2 FY23	Y-o-Y	H1 FY24	H1 FY23	Y-o-Y
Total Revenue	165.6	142.7	16%	284.1	234.9	21%
Gross Profit	95.3	81.9	16%	161.8	136.4	19%
<i>Gross Profit Margin (%)</i>	<i>57.5%</i>	<i>57.4%</i>		<i>57.0%</i>	<i>58.1%</i>	
EBITDA	56.8	51.2	11%	87.1	80.3	8%
<i>EBITDA Margin (%)</i>	<i>34.3%</i>	<i>35.9%</i>		<i>30.6%</i>	<i>34.2%</i>	
Profit before Tax	37.0	34.9	6%	48.3	48.7	-1%
PAT	28.0	26.0	8%	36.5	36.5	0%
<i>PAT Margin (%)</i>	<i>16.9%</i>	<i>18.2%</i>		<i>12.9%</i>	<i>15.5%</i>	

On Consolidated Basis

KEY BUSINESS UPDATES

- **No. of EBOs added during H1 FY24 are 31 Stores on a Net Basis**
 - Total EBOs as on 30th September 2023 stood at 404 stores
- **Sales Mix for H1 FY24**
 - EBO : 52.5%; MBO : 25.0%; LFS : 3.3%; Online : 16.3%; Others : 2.9%
- **Product Mix for H1 FY24**
 - Shirts : 42.1%; T-shirts : 13.5%; Bottomwear : 40.8%; Outerwear : 1.0%; Others : 2.6%



Credo Brands Marketing Limited

- **Same Store Sales Growth (SSSG)** for EBOs de-grew by 4.7% for Q2 FY24 as compared to Q2 FY23 and was flat on a half yearly basis compared to the first half last year.
- **Working Capital Days** as on 30th September 2023 stands at 177 days.
- **Cash Flow from Operations (OCF)** for H1 FY24 stood at Rs. -5.4 crores as compared to -Rs. 24.7 crore for H1 FY23
- **RoCE** stood at 38.4%; **RoE** stood at 26.2% for H1 FY24 (On annualized basis)

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

“We at Mufti thank the investor community for the tremendous support shown during the IPO. Public Listing is a proud moment for of us and this will provide a healthy visibility to the brand.

Over the recent months, the retail sector experienced a slowdown owing to subdued consumer demand. Despite facing these external challenges, the company has successfully sustained its growth momentum. Moreover, some demand typically linked with the festive season has been deferred to the third quarter of this year, leading to a comparatively lower growth for Q2 & H1 FY24.

During H1 FY24, Revenues grew by 21% Y-o-Y to Rs. 284 crores with Gross Margins at 57.0%. Our EBITDA and PAT for H1 FY24 stood at Rs. 87 Crores and Rs. 37 crores respectively.

We believe in 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 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. Our products are designed to provide a youthful appearance while keeping up with the ongoing fashion trends. Our design team is constantly focusing on expanding our product range to meet a varied range of consumer needs.

In order to adapt to an ever-changing retail landscape, we conducted an internal assessment in 2019 and put the learnings to reinvent the brand philosophy. As part of this brand reinvention, we developed, 1) a new Brand Identity; 2) a new merchandise architecture for increasing our share of customer’s wallet by providing designs suited for specific occasions in our customer’s life ranging from relaxed holiday casuals, authentic daily casuals to urban casuals, party wear and also athleisure; 3) a new Retail Identity.

Since we made the above changes, the brand has gained in salience and the same is reflected in the performance of the Company.

We intend to continue increasing our presence by setting up new Points of sale and expanding our EBO network in existing as well as additional cities and regions across India. We expect emerging demand from existing and new cities will help fuel our growth.

Mufti has been able to build a resonance with consumers through multiple marketing, advertising and customer engagement initiatives. We intend to continue enhancing the brand recall of our products through the expansion of our EBOs footprint as well as the use of targeted marketing initiatives.”



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

<p>Company: Credo Brands Marketing Limited</p>	<p>Investor Relations (IR) Strategic Growth Advisors Pvt. Ltd.</p>
<p> CIN: U18101MH1999PLC119669</p> <p>Mr. Rasik Mittal – CFO investorrelations@mufti.in</p> <p>www.muftijeans.in</p>	<p> CIN: U74140MH2010PTC204285</p> <p>Mr. Deven Dhruva / Mr. Harsh Shah deven.dhruva@sgapl.net / harsh.shah@sgapl.net +91 98333 73300 / +97689 74808</p> <p>www.sgapl.net</p>

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.