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Operator: Good day and welcome to the earnings conference call hosted by Valorem Advisors. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing star and zero on your touchtone phone. I now hand the conference over to Ms. Purvangi Jain from Valorem Advisors. Thank you, and over to you, Ms. Jain.

Purvangi Jain: Thank you. Good evening, everyone, and a very warm welcome to you all. My name is Purvangi Jain from Valorem Advisors. On behalf of the company, we would like to thank you for participating in the company's earnings call for Q1 FY27.

Before we begin, a quick cautionary statement. Some of the statements made in today's earnings conference call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ from those anticipated. Such statements are based on management's belief, as well as assumptions made by and information currently available to management. Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decision.

The purpose of today's conference call is purely to educate and bring awareness about the company's fundamental business and financial quarter under review. Now, I would like to introduce you to the management participating with us in today's earnings call and hand it over to them for their opening remarks. We have with us Mr. B.S. Ganesh, Managing Director; Mr. Dipanjan Bandyopadhyay, Chief Financial Officer; and Mr. Kartik Jatindra, Chief Executive Officer. Without any delay, I request Mr. B.S. Ganesh to start with his opening remarks. Thank you, and over to you, sir.

B.S. Ganesh – Managing Director: Thank you, and good afternoon, ladies and gentlemen. Welcome to the earnings call for Q1 FY27. I am joined by our Chief Financial Officer, Mr. Dipanjan, and our Chief Executive Officer, Mr. Kartik. I will begin with a brief overview of the business and the quarter, following which Mr. Dipanjan will take you through the financial performance in detail. We will then be happy to take your questions.

Let me begin by saying that we are encouraged by the underlying performance of the business during the quarter, particularly the volume growth. Consumer demand remained healthy, with good traction across our key channels, including exclusive brand stores, e-commerce, and our wide retail network. Our new product introductions, including {? JKY Blue ?}, also received an encouraging consumer response.

While volume performance was strong, reported revenue was moderated by temporary quarter-end logistics and manpower-related constraints. This affected billing during the period. The underlying demand and volume momentum therefore remained better than what was reported as revenue growth.

This quarter also reflected inflationary pressure across key inputs, particularly cotton and synthetic materials, amid a volatile external environment. As regards pricing, we remain calibrated and chose to absorb part of the input cost increase, balancing margin protection with consumer value and competitiveness. This approach helped us stay competitive, while the subsequent moderation in

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some input costs supported our position.

At the same time, we continue to focus strongly on productivity and operational efficiency. Our strategic sourcing and supply chain initiatives helped us mitigate some of the cost pressures. We are also seeing steady progress in the scale-up of our Odisha and K.R. Pet manufacturing facilities, which will progressively enhance our production capabilities and efficiency.

Our digital transformation journey also continues to progress across ERP, distribution management, and HR transformation. We are also working on our consumer data platform. These investments are aimed at creating a more agile and data-driven organization and improving the way we serve our consumers and retail partners.

Our distribution network remains a significant strength, with 115,871 multi-brand outlets, 1,640 exclusive brand stores, and 930 large-format stores. Our online channel also continues to deliver healthy growth.

Financially, revenue grew by 7.9% during the quarter, and profit after tax declined by 4%, reflecting the combined impact of input cost pressure and the temporary constraints on converting underlying volume into billing.

Looking ahead, we remain very confident in the underlying health of the business. We see multiple growth opportunities from volume recovery, new products, premiumization, retail and e-commerce expansion, and improving our supply chain and manufacturing efficiencies.

In fact, looking at the demand signals, we are working hard to augment our in-house capacities and also working on improving our outsourced garment supplies so as to cater to the demand. Our focus remains unchanged: to strengthen the brand, deliver greater value to consumers, improve availability, and grow the business sustainably and profitably.

I would like to thank all our shareholders for their continued trust and support. With this, may I now request Mr. Dipanjan to take you through the financial performance in greater detail? Thank you, and over to you, Dipanjan.

Dipanjan Bandyopadhyay – CFO: Thank you, Ganesh. Good afternoon, everyone. I will now provide an overview of the company's financial performance for Q1 FY27.

In Q1, revenue was rupees 14,204 million, which is a 7.9% growth year-on-year. Sales volume in the quarter was 61.9 million pieces, growing by 5.7% year-on-year. EBITDA for the period was rupees 2,890 million, which declined by 1.9% year-on-year. EBITDA margin was 20.3%.

While EBITDA margin was within our planned range of 19% to 21%, a stronger EBITDA margin of 22.4% in Q1 FY26, due to the stable input cost at that time, resulted in the decline in EBITDA in the current quarter.

Profit after tax for the quarter was rupees 1,928 million, declining by around 4% year-on-year. Inventory days were 66 at the end of Q1, as against 73 days at the beginning of the quarter. Net working capital days were around 54 days, as against 56 days at the beginning of the quarter.

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With that, we can now take up the queries. Shall we open the lines for questions?

Operator: Yes. Thank you. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

The first question comes from the line of Ashutosh Jyotiraditya with ICICI Securities. Please go ahead.

Ashutosh Jyotiraditya – ICICI Securities: Hi, thank you, sir, for the opportunity. I have two questions. The first one is on the volume growth side. I believe that in Q4, the CEO highlighted that we are focused on delivering double-digit volume growth going forward, but I do not understand what the miss was there.

The second question is on pricing. As far as I remember, last quarter management said that the price hike taken in January was mainly to improve product quality, and they were anticipating some calibrated price hikes going forward to mitigate the raw material impact. But again, on that front, what I understand is that management seems to have missed the outlook that was given. These are my two questions. Thank you, sir.

Kartik Jatindra – CEO: Thanks, Ashutosh, for the question. On the volume side, I think we still remain committed to the goal of double-digit growth in terms of volume for the financial year. This is going to be phased across quarters.

With regard to Q1 deliveries, there were two major factors that affected volume delivery. One is a planned factor, which is structural in terms of how we are planning our growth across quarters. With the {? ARS ?} now fully in place, we are also not front-loading our performance as we used to. Hence, schemes and incentives for the trade have been designed in a way that they are better distributed between quarters. Structurally, you will see a difference in performance between quarters. However, the annual goal remains unchanged, which is to aim for double-digit growth in volume.

The second factor that affected the quarter's delivery has essentially been our undelivered billing. Unlike Q1 last year, this year we had extraordinary volume that was not delivered despite being billed. That was because of the disruption we experienced in logistics and manpower toward the quarter-end, which was also mentioned in the Managing Director's commentary.

These two factors have impacted the volume growth reported for Q1. We believe that one is planned and the other is temporary, and therefore should be absorbed going forward.

With regard to the price increase, you are right. The January price increase was largely to enhance the product itself and was not linked to input costs. We undertook a price increase partially to absorb the input cost in Q1. This was done sometime in mid-May. However, the full gains from the price increase have still not been realized, and that is something we will realize in Q2, purely because of the {? FIFO ?} principles under which we operate our billing.

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A large portion of what was invoiced in Q1 was at the previous pricing, and the gains from the price increase taken in mid-May will be realized in Q2.

Ashutosh Jyotiraditya – ICICI Securities: Just to follow up on your reply regarding volume growth, as per my understanding, you are saying that for the remaining 3 quarters, we should be looking at average volume growth of around 11-12%. How confident are you?

Kartik Jatindra – CEO: Very confident, given how the demand environment has been in Q1. We should see a recovery that enables us to make up for the lost ground in Q1.

Ashutosh Jyotiraditya – ICICI Securities: I understand, sir. Thank you for the opportunity.

Operator: Thank you. The next question is from Analyst1. Please go ahead.

Analyst1: Hi, thank you. My first question was on the comment regarding the new product lines. Which segments would they focus on, apart from the younger consumer through {? Blue ?} or licensed merchandise? Could you help us understand that aspect?

Kartik Jatindra – CEO: We have product introductions across the categories. We have had some of the products [inaudible]

Kartik Jatindra – CEO: Some products just hit the market in Q1, while some of them will go through in Q2 before the festive season begins.

In Q1, the major launches were Group 3, which is our street-fashion line. It was launched in June. This is our third line. If you recall, we launched this proposition starting in Q1 last year. This year, the collection was taken to nearly 500 exclusive brand stores across the country and has been received very well. Our sell-through numbers look very good.

That was the major launch. Apart from that, we have introduced specific products across the portfolio. Another major initiative is the collaboration with Disney and Marvel to bring in character merchandise. However, while the go-to-market was planned toward the end of June, a large portion of the revenue from this will be realized in Q2.

Analyst1: I have two follow-up questions. The first is that licensed merchandising is quite a competitive space, with multiple D2C players already present. What is the differentiation opportunity that Jockey, as a brand, has?

The second question is whether it would be fair to assume that the new product lines would be dedicated to the athleisure space rather than the innerwear space.

Kartik Jatindra – CEO: Specifically on character merchandise, you are right. These products are prevalent across many brands, both D2C brands and legacy brands. We are looking to differentiate these products through the design aesthetic and the signature handwriting that we have the opportunity to bring to the market. Of course, this is backed by the trust and quality that consumers can expect from Jockey merchandise.

I believe these two elements will help differentiate our product offering compared with the rest of the market. The starting point is Disney and Marvel. This also opens a window for us to collaborate

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with other licenses in the character merchandise space going forward.

As far as the second question is concerned, there will be upgrades as well as newness across the portfolio. However, the major initiatives backed by marketing investments, new propositions, and so on will be in the athleisure space.

Analyst1: Noted. The second question was on inventory levels. If inventory days were reduced further from 73 to 66 or 67, could that also lead to some loss of sales? What is the thought process behind bringing down inventory levels on the ground?

Kartik Jatindra – CEO: That is a correct observation. I do not think our intention is to bring down inventory levels any further. We should admit that there was also some level of lost sales opportunity in Q1 because of non-availability. This was largely attributed to some disruption on the supply side in Q1.

I think we have reached an optimum level of inventory, both in the value chain and at the Page level. In fact, we are now looking at augmenting capacity and investing above plan in manufacturing to make sure that we can address the demand coming our way through both in-house and outsourced production.

Analyst1: Understood. Finally, if I may, would it be possible to give a ballpark range for the difference between primary and secondary growth in this quarter?

****Kartik**