

Dear Shareholders,

A very warm welcome to the 18th AGM of your Company.

FY25 has been a truly transformational year for your company. With definitive corporate actions — the de-merger and a successful fund raise — we have laid a strong foundation for the future. These milestones reflect bold decisions and a clear vision. With these corporate actions, we have set up the fashion business of the Aditya Birla Group for long-term growth and value creation.

What makes this journey remarkable is not only the scale of our ambitions but also the dynamism with which we have moved forward. We have straddled the fashion industry, fuelled by capital, fortified by brand trust and steered by decades of deep expertise. Together, these strengths give us the confidence to lead, the drive to innovate and the vision to keep redefining the landscape of our industry.

Before I share your Company's performance, let us briefly reflect on the economic and industry backdrop that shapes our opportunities ahead

India continues to stand out as a true outlier in the global economy — charting a path of resilience and strength against an otherwise volatile and uncertain international backdrop. While much of the world grapples with slowing demand, inflationary pressures and geopolitical instability, India has retained its momentum as a beacon of growth and stability.

In FY25, with GDP growth of 6.5%, India reaffirmed its position as the world's fastest-growing major economy. This momentum has only accelerated in Q1FY26, where growth surged to 7.8%, far ahead of consensus expectations. The rebound was led by a robust recovery in domestic output and an impressive, broad-based surge in the services sector.

As we look forward to FY26, the outlook remains both optimistic and resilient. With GDP expansion projected in the range of 6 to 7%, India is poised to sustain

its leadership position among global economies and also deepen its role as a key global growth engine.

Now the Apparel Market

India's apparel sector is in the midst of a structural transformation — one that is reshaping the industry for the next decade of growth. While there may be a temporary slowdown in demand in the near term, the long-term fundamentals remain exceptionally strong.

A young, rapidly urbanizing population, combined with the steady shift from unorganized to organized retail, continues to unlock new growth opportunities. This transformation is being further accelerated by deepening digital penetration, which is reshaping consumer behaviour, driving omni-channel engagement and creating new expectations for convenience, personalization and speed.

Adding to this momentum is the significant rise in aspirational consumption. With India's per capita GDP expected to grow from around US\$ 2,500 today to over US\$ 4,000 within the next five years, millions of households will move into higher income brackets, expanding discretionary spending. This income shift will enable consumers to both buy more and buy better. Consumers are increasingly seeking branded, high-quality and differentiated offerings that reflect lifestyle choices and aspirations.

Your Company has anticipated this shift. With careful deliberation, we have crafted a portfolio that spans five key consumption themes — Western wear, Masstige and value retail, Ethnic wear, Luxury retail and Digital-first brands. This enables us to serve a wide spectrum of consumer aspirations and positions us to lead in shaping the future of fashion in India.

An update on the Key Corporate Actions

This year marked a pivotal milestone in our journey.

At the forefront was the successful vertical demerger of the Madura Fashion and Lifestyle business into a newly incorporated entity — Aditya Birla Lifestyle Brands Limited (ABLBL) — effective 1st May 2025, followed by its independent listing in June 2025. The existing company Aditya Birla Fashion and Retail Ltd. continues as a listed entity with multiple high growth platforms.

This landmark step has unlocked focused growth pathways and sharpened strategic priorities for businesses within the two listed companies.

In parallel, we strengthened our financial foundation by raising USD 490 million in equity capital through a mix of Qualified Institutional Placement (QIP) and Preferential Issuance. This significant infusion has fortified the balance sheet of ABFRL, empowering your Company with enhanced flexibility to pursue high-growth opportunities with renewed energy and confidence.

As a result of these actions, we now stand with two well-capitalised, agile and future-ready entities — ABFRL and ABLBL — each uniquely positioned to capture emerging opportunities, accelerate scale and create enduring value for all stakeholders.

Now let me touch upon the Performance of Key Businesses

FY25 was a year that truly tested our resilience and rewarded our agility. Despite global and domestic uncertainties, your Company not only stayed firmly on course but also accelerated its momentum. We continued to expand our presence in high-potential segments and emerging categories, while simultaneously deepening our leadership position in our core businesses. This dual approach has strengthened the foundations of sustainable growth and positioned us to capture future growth opportunities with greater conviction.

For FY25, consolidated revenues — including ABLBL's discontinued operations — stood at ₹14,973 crore, marking a 7% year-on-year growth.

Let me now turn to the performance of our key business segments

ABLBL today stands at a defining point in its journey. It has firmly established itself as India's foremost premium western lifestyle brand platform — anchored in operational excellence, strengthened by a portfolio of iconic and trusted brands and propelled by a culture that celebrates innovation, creativity and world-class talent.

As an independent entity, ABLBL delivered revenues of Rs. 7,830 crore alongside a 100 bps EBITDA margin expansion. This performance underscores the power of its portfolio, the strength of its consumer connect, and most importantly, the disciplined execution of its strategic priorities.

Over the years, ABLBL has built one of the largest and most diverse retail footprints in India, spanning every major consumption channel:

- 3,253 Exclusive Brand Outlets (EBOs)
- 37,000+ Multi-Brand Outlets, primarily serving the fast-growing innerwear segment
- 7,000+ Shop-in-Shops across leading departmental store chains
- A strong presence across top e-commerce platforms as well as its own brand.com channels

This extensive omnichannel presence ensures that ABLBL is able to reach consumers wherever they are — from high streets to malls, from multi-brand stores to digital platforms.

Within its Lifestyle Brands of Louis Philippe, Van Heusen, Allen Solly and Peter England, the Company continues to consolidate its leadership position, driven by:

- Strong retail like-to-like growth
- Relentless product innovation across occasions, lifestyles and age groups

- An elevated consumer experience, with refreshed retail identities and assortment enhancements
- Consistent focus on margin discipline

At the same time, ABLBL's emerging brand portfolio, Reebok, American Eagle, and Van Heusen Innerwear, is rapidly gaining traction through sharper brand positioning, deeper consumer engagement and an expanding distribution presence. With improving profitability and significant untapped market potential, they are well on their way to becoming the next generation of mega-brands, complementing the strength of the established portfolio.

Looking ahead, ABLBL is uniquely positioned to accelerate growth by leveraging its high-margin core, widening its distribution reach and scaling high-potential categories and segments. All while funding this expansion through strong internal cash flows. By combining scale with profitability, innovation with discipline and aspiration with accessibility, ABLBL is poised to create enduring value for all its stakeholders.

Now onto ABFRL,

With the demerger complete, ABFRL enters its next phase of growth with renewed clarity and strength. Anchored in a well-defined strategy, strengthened by fresh capital from the recent fund raise and powered by its leadership across multiple segments, the Company is well positioned to seize the opportunities ahead.

ABFRL today commands a unique and diversified presence across:

- Ethnic wear, where it has built strong leadership with some of the most trusted and aspirational brands in the country
- Masstige and value retail, addressing the fast-growing needs of India's expanding middle class
- Luxury retail, redefining luxury consumption in India

- Digital-first brands, designed to meet the evolving aspirations of India's young, tech-savvy consumers

Together, these strengths form a powerful growth engine positioning the company at an inflection point. They provide your Company with the ability not only to accelerate and scale with purpose, but also to lead the next wave of India's fashion evolution.

As an independent entity, ABFRL delivered revenues of Rs. 7,355 crore, with EBITDA increasing by ~46% on comparable basis. This remarkable growth was accompanied by significant profitability improvements across all businesses, reflecting both strong execution and disciplined cost management.

Now Pantaloons & Style up,

Pantaloons continued to build on its core proposition of delivering aspirational fashion at accessible price points. The brand's progress during the year was driven by sharper planning, a higher fashion quotient in merchandise and a refreshed store identity — all of which deepened consumer appeal. As part of this journey, the Company also made the strategic decision to rationalize its store portfolio which resulted in an optimized and healthier network of nearly 400 stores, positioning Pantaloons for more profitable growth going forward.

The brand further benefited from enhanced operational efficiencies that led to better store performance, lower inventories and reduced discounting, leading to consistent margin expansion for four consecutive quarters. This sets the foundation for sustained, profitable growth in the years ahead.

Meanwhile, Style Up, our value fashion retail format, continued its strong upward momentum. Its growth was fueled by new product launches, deeper consumer engagement and rapid store expansion.

It gives me immense pleasure to share that Style Up has been rebranded as *OWND* — a bold new fashion brand crafted for India's Gen Z and trend-conscious youth. Backed by the recent fundraise, your Company is now poised

to aggressively scale OWND and capture the surging demand for affordable fashion from India's vibrant young consumers.

Ethnic

Your Company today commands the largest and most comprehensive ethnic wear portfolio in India, uniquely positioned to serve consumers across a wide spectrum of occasions, lifestyles, and price points. From premium ethnic brands to designer-led labels, the portfolio represents the rich diversity of India's fashion heritage while catering to the evolving aspirations of modern consumers.

At the heart of this portfolio are our **designer-led brands** — *Sabyasachi*, *Shantnu & Nikhil*, *Tarun Tahiliani*, and *House of Masaba*. These names have become synonymous with aspiration, craftsmanship and exclusivity in the occasion and wedding wear segment. Their distinctive styles, bold category extensions and differentiated collections have not only elevated the consumer experience but also set new benchmarks for scale in what was once a highly fragmented space. Each of these brands brings its own unique identity but together, they embody the very best of Indian design sensibilities, while increasingly appealing to global audiences seeking authentic yet contemporary expressions of Indian culture.

Premium Ethnic Brands form a vital part of your Company's ethnic wear portfolio, comprising *TASVA*, *Jaypore*, and *TCNS*. **TASVA**, launched in partnership with designer *Tarun Tahiliani*, has quickly established itself as a formidable player in the branded premium ethnic menswear market. With a strong consumer connect and increasing brand visibility, TASVA is now on an aggressive expansion path, well positioned to capture a growing share of this high-potential category. Jaypore, your Company's artisanal lifestyle brand, continues to flourish by curating authentic, handcrafted collections across apparel, home décor and accessories. TCNS, with its portfolio of widely recognized women's ethnic wear brands, has built a strong foundational base.

In FY25, it focused on optimizing its retail footprint, strengthening its product offering and aligning with evolving consumer expectations.

Looking ahead, your Company's ethnic wear business will continue to drive aspirational consumption, category leadership, and profitable growth, reinforcing its position as the undisputed leader in India's ethnic fashion landscape.

Luxury Retail

India's luxury retail market is on the cusp of an era of unprecedented expansion, fueled by rising affluence, aspirational lifestyles, and growing access to global fashion.

Against this backdrop, our *Collective & Mono Brands* portfolio has continued to maintain strong momentum, anchored by a loyal and discerning clientele further amplified through digital engagement that extends the luxury experience beyond physical stores. A defining moment in this journey will be the upcoming launch of *Galleries Lafayette's* flagship store in Mumbai. Bringing together over 200 of the world's most iconic luxury brands under one roof, this landmark store will redefine the luxury landscape in India.

Together, our established format The Collective and our partnership with Galleries Lafayette will create a powerful and synergistic luxury ecosystem. This ecosystem is designed not only to serve India's top metros but also to extend into emerging urban centres, thereby democratizing access to global luxury, while maintaining exclusivity and sophistication.

Digital-First Brands-TMRW

TMRW delivered robust growth of over 50% this fiscal, reflecting the strength of its differentiated model and the resonance of its brands with young consumers. During the year, we further strengthened the portfolio by adding WROGN, one of India's most dynamic youth brands.

At the heart of TMRW's success is its "brand builder" model, which combines deep consumer insights, advanced analytics and operational agility. This

approach not only accelerates the growth of each brand in the portfolio but also creates powerful synergies across the platform.

Looking ahead, TMRW is poised to become a trailblazer in India's fashion ecosystem, bridging creativity with technology and unlocking new opportunities in one of the fastest-growing consumer segments in the country.

Enhanced Digital and E-commerce play

We remain deeply committed to advancing our digital and e-commerce capabilities across all brands. Leveraging our in-house developed e-commerce platform, we have successfully built individual brand websites, mobile applications, and virtual stores, enabling seamless consumer engagement across channels.

Significant strides have also been made in modernizing core IT systems and strengthening data analytics and AI-driven insights, aimed at enhancing operational efficiency and delivering an elevated, personalized customer experience.

Coming to Sustainability

At ABFRL, sustainability is embedded in the very fabric of how we operate. From sourcing and product design to packaging and supply chain practices, every step of our value chain reflects our commitment to building a responsible and future-ready business. Our ReEarth sustainability program continues to be the cornerstone of this journey, driving innovation and accountability across the organization.

In 2024, we achieved an S&P Corporate Sustainability Assessment (CSA) score of 83 — the highest in India and fourth globally in the retail sector. This achievement is a testament to our unwavering focus on responsible growth and ESG leadership, positioning ABFRL among the global frontrunners in sustainable business practices.

Looking ahead, under the vision of Sustainability 3.0, we are accelerating our Net-Zero transition by:

- Expanding the use of renewable energy across operations
- Scaling circular economy practices
- Embedding digital technologies to enhance transparency, efficiency, and traceability

Through these initiatives, we are building a future where growth is not just profitable, but also sustainable and regenerative.

Beyond Business: CSR & Community Impact

Our responsibility extends well beyond the marketplace. ABFRL remains deeply committed to creating meaningful social impact through structured CSR programs across Karnataka, Tamil Nadu, Maharashtra, and Odisha. Our initiatives focus on education, healthcare, sanitation, and sustainable livelihoods, touching the lives of communities where we operate.

In FY 2024–25, our employees demonstrated this commitment with extraordinary passion. Over 9,570 employees from more than 50 cities across India participated in volunteering initiatives, contributing over 60,000 hours of service. Collectively, these efforts have made a difference to more than 1,95,000 lives, reinforcing our belief that business can and must be a force for good.

The Road Ahead

We now stand at the threshold of an exciting new chapter — one defined by organic growth, sharper execution and enhanced profitability. The strong foundations that we have built over the past few years are now beginning to bear fruit, and today, our strategic positioning is truly unparalleled.

Our portfolio is uniquely equipped to serve the full spectrum of Indian consumers across price points, channels and occasions. Backed by a clear roadmap for both entities, a fortified balance sheet and a passionate team, we are ready to reshape the fashion industry.

Yet, for us, growth has always meant more than scale or milestones. Real growth is about creating meaningful impact. It is the catalyst that inspires us to broaden our perspective, to dream bigger and to act with greater purpose in shaping the future.

This is the journey we are committed to — a journey of growth with purpose, responsibility and impact. Thank you very much for your continued support.