

## **AGM Speech for FY23**

## Mr. Gautam Saraogi

I wish you a warm welcome to the Annual General Meeting of our Company and present to you the Annual Report of the Company for the financial year 2022-23.

By virtue of remaining a focused marketing and retail player with a singular attention on the bottomwear category, Go Fashion has emerged as one of the fastest growing and profitable branded apparel players in India.

The country's escalating disposable incomes have led to an enhanced standard of living, consequently driving up the demand for premium bottomwear.

Go Fashion's retail competence was derived from a complement of exclusive stores, large format stores, multi-brand outlets and online channels (e-marketplaces and website). This enhanced consumer convenience, enhancing offtake. One of the most effective levers in enhancing retail offtake was an increase in the number of stores. In FY 2022-23, the Company's stores crossed 600 EBOs.

In FY 2022-23, the Company generated Rs. 491 Crore revenues from Exclusive Brand Outlets, accounting for 73.86% of revenues. The Company positioned its EBOs in high streets, malls, residential market areas in major metros, large cities, Tier II and III cities, and airports. The average EBO size was 300-500 square feet, offering a compact yet functional retail environment. Lease tenures ranged from 11 months to nine years, enhancing flexibility.

Revenues from large format stores were Rs. 139 crore as of 31<sup>st</sup> March 2023, representing 20.87% of the Company's total revenue from operations in FY 2022-23. The number of large format stores addressed by the Company increased from 1,473 on 31<sup>st</sup> March 2022, to 1,750 on 31<sup>st</sup> March 2023. Large format stores (LFS) are big box retailers like Reliance Retail, Pantaloons, V Mart and Spencer's Retail, among others.

The fiscal year also saw the Company's business approach and brand vitality clearly reflected in our financial results: with a 66% surge in revenues, a substantial 74% boost in EBITDA, and an impressive 133% enhancement in post-tax profits. This expansion positioned your company ahead of the growth curve compared to the Indian bottom wear category. Over the recent years, this sector has experienced a robust growth rate of approximately 16%, marking it as one of the fastest-growing segments within the broader textiles industry. Significantly, the Company consistently outperformed this niche with an impressive revenue growth of around 29%, underscoring its competitive edge and leadership position.

Our foremost priorities encompass a comprehensive strategy:

Firstly, consolidating our brand identity 'Go Colors' and focusing intently on the marketing and retail aspects of women's bottomwear.



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Next is to craft a diverse portfolio encompassing a complete range of women's bottomwear, thereby evolving into a specialized solution provider.

Next, Fortifying our direct-to-consumer (D2C) channel through the direct promotion of products via exclusive brand outlets, predominantly managed by our organization, which ensures control over the retail experience.

Also, expanding our visibility by establishing a presence in prominent retail locations nationwide strengthening footfalls. Lastly, reinforcing brand recall by maintaining consistent signage encompassing typeface, colours, and store ambiance, projecting an enduring message of stability and continuity.

The Company has enhanced its inventory management by strategically allocating products to distinct sales channels and refining store layouts. This procedure entails a meticulous evaluation of sales potential and requisites. As a result, each store, irrespective of its format, was adeptly catered to in terms of product needs through well-timed orders.

The Company is strategically planning to bolster its revenue streams, allure new customers, and retain its existing clientele by introducing fresh styles, colours, and patterns. This approach aligns with the Company-owned Company-operated (COCO) model, aimed at augmenting control.

Emphasizing the expansion of its exclusive brand outlets across Tier-2 and Tier-3 cities, the Company is committed to expanding its network within established geographies, intensifying its market presence in the south and west of India, and concurrently establishing a stronger foothold in the north and east regions. Furthermore, the Company is poised to extend its large format footprint across the entirety of India.

With that I would like to express my heartfelt gratitude to our esteemed stakeholders for their relentless encouragement and support, which have played a crucial role in propelling the progress and accomplishments of our Company. Their steadfast confidence has been instrumental in the success of our value-adding business initiatives and ventures.

Thank You All.