CREDO BRANDS MARKETING LIMITED
(fka Credo Brands Marketing Private Limited)
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Website: Corporate: www.credobrands.in
Ecommerce: www.muftijeans.in
CIN : L18101MH1999PLC119669

November 12, 2026

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

Scrip Code: 544058

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

Scrip Symbol: MUFTI

Dear Sirs,

Sub: Transcript of the investor/analyst conference call

Pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transcript of the investor/analyst conference call held on November 05, 2026 on unaudited financial results of the Company for the quarter and half year ended September 30, 2026, is enclosed herewith.

The same is also available on the Company's website at https://www.credobrands.in/investors/financials/#acc_42.

Kindly take the same on record.

Thanking you,

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

Sanjay Kumar Mutha
Digitally signed by Sanjay Kumar Mutha
Date: 2026.11.12 17:30:33 +05'30'

Sanjay Kumar Mutha
Company Secretary and Compliance Officer

Encl. As above

“Credo Brands Marketing Limited
Q2 & H1 FY27, Earnings Conference Call”
November 05, 2026

MANAGEMENT:

MR. KAMAL KHUSHLANI - CHAIRMAN AND MANAGING DIRECTOR
MR. RASIK MITTAL - CHIEF FINANCIAL OFFICER

INVESTOR RELATIONS ADVISORS:

STRATEGIC GROWTH ADVISORS

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 5th November 2026 will prevail.

Moderator: Ladies and gentlemen, good day, and welcome to the Credo Brands Marketing Limited Q2 and H1 FY27 Conference Call. As a reminder, all participant lines will be in the 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 an operator by pressing star then zero on your touch-tone phone.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

I now hand the conference over to Mr. Kamal Khushlani, Promoter and CMD from Credo Brands Marketing Limited. Thank you, and over to you, sir.

Kamal Khushlani: Thank you, Yashashri. Good afternoon, everyone, and thank you for joining us for the Q2 and H1 FY27 Earnings Call of Credo Brands Marketing Limited. With me on the call today is Mr. Rasik Mittal, our CFO, along with Strategic Growth Advisors, our Investor Relations advisors. I hope you had the opportunity to go through our investor presentation and press release, which have been uploaded on the stock exchanges and on our website.

Before I get into our performance, let me briefly touch upon the broader environment. The operating backdrop for discretionary categories, including apparel, continued to be mixed during the quarter. Consumers remained careful and selective with their spending, and footfalls across retail formats were uneven.

The evolving geopolitical situation also brings with it potential inflationary pressures, which could weigh on consumer sentiment and discretionary demand in the coming quarters. While we remain cautiously optimistic about the near-term environment, our confidence in the long-term growth potential of the Indian apparel market remains strong.

At the same time, we continue to see the structural shifts that make us optimistic about branded menswear in India over the long term, a steady move from unbranded to branded, rising aspirations among younger consumers, especially in Tier 2 and Tier 3 cities, and a growing preference for casual and lifestyle clothing over formal wear.

Customers today are clearly willing to pay for brands that offer distinctive design, good quality and a better shopping experience. That is exactly the space we are building Mufti for. Coming to the company's performance. I am pleased to share that the Q2 FY27 has been a strong quarter for Mufti and an encouraging sign that the choices we have made over the past year are beginning to reflect in our numbers.

Revenue from operations grew 16% year-on-year to INR189 crores, our highest ever quarterly revenue. This growth was supported by positive same-store sales growth along with better price realisations. Gross profit grew 19% and gross margins expanded by 150 basis points to 58.6% on the back of a richer product mix. EBITDA grew 24% with margins improving to 31.4% and the profit after tax grew 45%.

What gives me the most satisfaction about this quarter is not just the numbers, but where they are coming from. Q2 marks our third consecutive quarter of positive same-store sales growth. After a difficult FY26, this tells us that consumers are responding to the changes we are making across the store, the product and the brand. Let me take each of these in turn.

First, the Mufti stores. Under Mufti 2.0, we have been rolling out our new format premium stores with a reinvented brand identity, and I'm happy to say that these stores are doing well. Customer response has been encouraging, and we are seeing these stores draw a more aspirational shopper.

These stores bring the elevated Mufti experience to life through better design, curation and service, and they are becoming the template for how we want the brand to look and feel across the entire network. During the quarter, we have opened 14 stores of the new Mufti 2.0 identity, including 12 renovated stores.

As on today, we have 57 stores under new Mufti 2.0 identity. Our EBO count stood at 419 stores across 227 cities as of 30th September 2026. We will continue to reshape the network with discipline, prioritizing productivity and throughput per store over pure store count.

Second, the product. We have made a real step-up in the quality of our merchandise with sharper designs, better fabrics and improved fits and finishes across categories. We have also reworked our merchandise architecture around the occasions in our customers' lives from loungewear and daily casuals to party wear and holiday casuals so that we can earn a larger share of his wardrobe. And customers are recognizing this, and it is visible in our numbers. The average selling prices have risen across shirts, t-shirts and bottom wear during the quarter. Importantly, we have achieved this while staying true to our merchandise life cycle model, which keeps a fresh pipeline at every point of sale.

Third, the brand. Over the last few quarters, we have meaningfully stepped up our investment in brand building, and we are now starting to see some green shoots. Still early to say, but our recent campaigns, including Prateik x Mufti, Slow Living, The Detour, Loose Jean, and Corduroy, amplified through digital platforms like Google and Meta have helped refresh how potential consumers see Mufti.

In H1 FY27, we spent 6.7% of revenue on advertising and brand building, and we continue to plan for 8% to 10% of revenue for the full year. Brand building takes time and the returns do not always show up in a single quarter, but the early signs in same-store growth and in response to our new collections give us confidence that we are investing in the right direction. Alongside this, we continue to strengthen our digital and omnichannel capabilities.

Our focus on content-led engagement, digital storytelling and performance marketing is helping us meet the customer where he is and connect online discovery with off-line conversion and vice versa. Sales from our own website remained steady in H1 FY27 compared to the same period last year. Our D2C channel also brings us closer to our customers and helps us understand their preferences better, which in turn feeds back into our design and merchandising decisions.

Mufti 2.0 is a multiyear journey, and we are progressing steadily along it. We will keep working on our merchandise mix and a reimagined store experience that reflects where the brand is

headed, so that we can bring in more consumers into our stores, convert more of those visits into purchases, and build healthier sales as the season unfolds. Our aspiration is unchanged, to make Mufti one of India's most loved and enduring homegrown menswear brands and a leading name in premium clothing, built with discipline and with profitability and sustainability at its core.

Our priorities for the coming quarters remain clear: improving throughput per store, scaling the new store format across high-impact locations such as malls, high streets and airports, sharpening our merchandise, building brand differentiation and growing profitably across all our channels. We are encouraged by the progress in the first half, and we remain focused on executing with the same discipline in the second half of the year.

With that, I will now hand over the call to our CFO, Mr. Rasik Mittal, to take you through the financial performance in detail. Thank you.

Rasik Mittal: Thank you, Kamal, and good afternoon, everyone. Starting with Q2 FY27, revenue from operations stood at INR189 crores as compared to INR164 crores in Q2 FY26, a growth of 16% year-on-year. Gross profit grew 19% year-on-year to INR111 crores, and our gross margin stood at 58.6%, an improvement of 150 basis points.

EBITDA grew 24% year-on-year to INR60 crores, and our EBITDA margin stood at 31.4%, an improvement of 200 basis points. Profit after tax grew 45% year-on-year to INR27 crores with a PAT margin of 14.4%, an improvement of 290 basis points. In terms of channel mix for the quarter, EBOs contributed 47% of the revenue, MBOs 36%, online 12%, and LFS about 4%, and others, 1%.

Coming to H1 FY27 performance. Revenue from operations stood at INR314.6 crores as compared to INR283.6 crores in H1 FY26, a growth of 11% year-on-year. Gross profit grew 12% to INR188.2 crores, and our gross margin stood at 59.8%, an improvement of 80 basis points. EBITDA grew 9% to INR86.1 crores with an EBITDA margin of 27.4% compared to 27.9% in H1 FY26.

The marginal decline in EBITDA margin for the half year is primarily on account of our higher investments in advertisement and brand building, which stood at 6.7% of the revenue in H1 FY27. Profit after tax grew 18% to INR29.6 crores with a PAT margin of 9.4%, an improvement of 50 basis points.

For H1 FY27, the sales mix was EBO 53%, MBO 29%, online 12%, LFS 4%, and others at around 2%. Our ROCE and ROE on a trailing 12-month basis stood at 14.6% and 11.9%, respectively, as on 30th September 2026. We continue to remain debt-free with zero borrowings as of 30th September 2026.

With this, we now open the floor for questions and answers.

Moderator: Thank you very much. We will now begin the question-and-answer session. We'll take the first question from the line of Nilesh Doshi from Prospero Tree AMC.

Nilesh Doshi: Congratulations for the good numbers. Sir, after almost 12 to 13 quarters, company could report the jump in revenue and margins at all levels, GP level, EBITDA level, or PAT level. And really, congratulations for that thing.

But quarter 2 of any financial year is better than the other quarters. So, was there anything special in this current quarter, quarter 2 FY'27, for reporting such good numbers? Or is it the reward of some changes we are doing at the product level, at the store level, and can we expect such momentum in the coming quarters also?

Kamal Khushlani: Nilesh, this is Kamal Khushlani. So I have said it in the past, and I'll repeat again, our business is not a business that can be judged on a quarter-on-quarter basis. We have to be seen more on a year-on-year basis as to how we perform. Our business is all about being able to sell everything we have produced profitably. As long as we can do that, we are on a good wicket.

There are some good seasons, there are some bad seasons. So, we should not be seeing quarter-to-quarter. And you should look at the H1 results, which the growth is approximately 11%. Given the current geopolitical scenario and inflationary pressures, we remain cautious, but we will try to maintain 8% to 10% growth for this year, and we should be able to do that.

Nilesh Doshi: Sir, in the quarter 3, and the Diwali festival is near, 2, 3, 4 days away. So how is the October month, just you can share something on the current momentum in the current quarter also?

Kamal Khushlani: It's been good only. Compared to last year, we are seeing much better momentum in this year.

Nilesh Doshi: Okay. And sir, my another question is related to trade receivable. Trade receivable is around INR285 crores, and our first half revenue is INR314 crores. So it means the company offers almost 6-month credit period. Is it an industry standard or Mufti is offering the higher credit period to boost the revenue and increase the presence?

And another question, is it possible for another company? because Mufti is a debt-free company, we need not borrow the money to provide the credit period to the buyer. So is it the industry standard or how it is, because we consider the 6 months as a long period?

Kamal Khushlani: This will get normalized in the few coming months.

Rasik Mittal: Nilesh, see, basically, whenever we get the receivable number, it is in September and March. And that is the time when the billing or the goods are sent to the counter for a new season. And the money is not due for those goods as on the reporting date of 30th September or 31st of March. And normally, it gets normalized in the coming months basically. So annually, if you see, as on 31st March, it will get normalized. It is when you send the goods to the counters and whether the money is due against that.

Nilesh Doshi: Sir, I understand. Because even the trade receivable is INR285 crores and the first half revenue is INR314 crores. That's why I'm telling that are we offering the 6-month credit period, because even the current quarter, quarter 2 revenue, our trade receivable is more than the quarter 2 revenue?

Kamal Khushlani: No, no, no. We don't offer 6 months credit. And let me just give you a brief history of this. We supply to all our MBO partners through our distributor partners some have been with us for more than 25 years and we have long associations with everyone. And with none of them have we ever had any material write-offs on account of bad debts.

So these are very strong relations that we have. So given these relations, sometimes we support them for a few days here or there, but it is not 6 months. It's just on that date. Every season -- like the summer season ends around August after end of season sale and old stock is picked back and new stock is pumped in. When new stock is pumped in, it is during the period of August and September, which is not due as on 30th September.

So the graph looks like that, that it peaks at that time. But if you look at this, in October, November, it will look completely different. So, you have to look at our business on a more normalized basis and whether we are recovering all our money every time or is there any money which is due for -- which has not been recovered.

Nilesh Doshi: Okay. Okay. And sir, next question is related to inventory. Inventory is almost INR130 crores. Is this inventory a part of which are the goods lying at the company's warehouse, or it is considered the EBOs level inventory also, company's own EBO level?

Rasik Mittal: So Nilesh, this INR130 crores inventory that is reflected in the books is the inventory which belongs to the company and which is in the company's books, whether it is the company's stores or warehouse. It is not the inventory with the distributor or the franchisee.

Nilesh Doshi: But once the goods are transported to the company's own EBO or company's operated EBO, which is owned by the companies, that inventory is also counted or whether we have recognized the revenue for that inventory?

Rasik Mittal: That inventory also is included in this INR130 crores. It is part of the inventory.

Nilesh Doshi: And how frequently we evaluate this inventory to know the slow-moving product or any market value? How frequently we evaluate this inventory?

Kamal Khushlani: This is monitored every day, every week, we monitor this. This is our job. Once the inventory has gone to the stores, then there is a constant monitoring of this, Nilesh.

Nilesh Doshi: Okay. And sir, last question. Sir, our ROE is around 11.9% because we are a debt-free company. That's good. But can we do something to improve this ROE?

Rasik Mittal: So Nilesh, that is always our endeavor. In future, we hope to improve that.

Moderator: Next question is from the line of Diya Jain from Sapphire Capital.

Diya Jain: Just a few questions from my side. Can Q2 results be taken as a base for the coming quarters? And how sustainable is our performance?

Kamal Khushlani: Diya, as I mentioned earlier, I'll just nuance it a little. So our sales per square foot per store is improving much better than last year. And we are going on renovating our stores as soon as we

can. We have already got 57 stores of the Mufti 2.0 retail identity, and the response at these stores is very encouraging. And given the scenario, we are hopeful that we should be able to maintain 8% to 10% kind of growth by the end of the year.

Diya Jain: Okay, sir. And what about next year? What kind of revenue growth and margins are we targeting?

Kamal Khushlani: Similar.

Moderator: We'll take our next question from the line of Sakshi Pratap from Pratap Securities.

Sakshi Pratap: Congrats on a good quarter. I have 3 questions. Sir, firstly, what is the SSSG for Q2 and H1? And is this due to increase in volumes or our ASP?

Kamal Khushlani: So the growth in H1 SSSG is 2.81%. (corrected by the management)

Sakshi Pratap: Okay. And for Q2, and the drivers of it, sir, whether volumes or ASP?

Kamal Khushlani: When we look at the revenue generated per square foot, it's INR5,836 for H1 FY 27 versus INR5,407 in the H1 last year. But if you look at SSSG for Q2FY27 in percentage terms, it's 3.0%. (corrected by the management)

Sakshi Pratap: Sir, second question is, in what ways are we doing branding and marketing? So are we planning to have a brand ambassador in the coming months?

Kamal Khushlani: No, no. We don't intend to have a brand ambassador in the coming months. We don't have anything on the cards as of now. We are looking at content-led digital marketing through the Google and Meta platforms and engaging with the customers and expecting discovery online and conversions offline and vice versa, both. We are taking an omnichannel approach.

Sakshi Pratap: Understood, sir. Broadly, sir, if you can give a comparison between the new stores performance versus the current old ones? And if we are planning to change all the 400-plus stores that we have to the new format, and also how much time can this conversion take?

Kamal Khushlani: That's going to take a long time. It's not something which will happen, because there are many factors that come into play, Sakshi. We have to look at the lease term that's remaining for the store, and we have to look at, we only do it during lean periods, typically during Shradh period in September and the period of March, after the end of season sale of autumn/winter.

So we've done 57 stores in the last 1-odd year that we started. These include some new stores also that we have opened. And this year also, we will end up doing about 20-30 stores for sure.

Sakshi Pratap: Okay. And sir, how is the performance of these new stores compared to the current ones?

Kamal Khushlani: It's much better. The growth in these new stores is roughly 8% to 10% after renovation.

Moderator: We'll take our next question from the line of Azhar, an Individual Investor.

Azhar: Congratulations. After a long time, we could see some green shoots, and we take your word for that. So first of all, congratulations for the good set of numbers and under the environment, that is rather more important. So I just wanted to touch upon a few things, me being a retailer myself, having worked with retail organizations all my life. So I want to understand, so our marketing spend for the H1 would be somewhere around -- am I audible?

Kamal Khushlani: Yes, yes, you are.

Azhar: Yes. So our marketing spend being somewhere around INR20 crores to INR22-odd crores for the H1. Now at any, say, retail-facing organization when we develop a plan for marketing or market spend, or for that matter, brand building, our primary reason for that would be that the market spend should be recovered in terms of either EBITDA or at the PAT level basis.

So if I talk about PAT level basis, assuming we have 10%-odd of PAT margin, so having spent roughly around INR20-odd crores in the H1, we needed somewhere around INR100-odd crores of more sales to recover it at EBITDA level. And at PAT level, we needed somewhere around INR200-odd crores, assuming the PAT levels of 11% and 30%-odd at EBITDA level. So that is not justifying at this point in time.

I know it's too early, but we've been doing this spend for like last 6 quarters now. And so the rationale, one would say, a retail manager is whether I'm recovering that money, if not at PAT level, then at EBITDA level.

Kamal Khushlani: So this is a conscious investment that we are making, Azhar. And we are not expecting results to show in the next 1 or 2 quarters. We've said that this is a multiyear program, and it will take us at least a couple of years before we start recovering in the bottom lines, because we need to see the multifold jump in footfalls, etcetera.

And there are other macro factors that are impacting the overall business scenario as well. If all the macro scenario and everything improves and comes up along with that, we will escalate our spends carefully. We will always maintain bottom line as our top priority. But this is a period where we are looking to consolidate the brand and reimagine the brand. And what we have done is something that we have to communicate that to our consumer.

Our consumers need to know what changes the brand has gone through. So, for that, we have to expose our consumers, new as well as existing as well as some consumers who were consumers in the past and are not our consumers anymore, so that they view Mufti in the new avatar, and we're hoping to convert them in the future. So, these are investments we are making. We don't look at them as expenses, and these would certainly impact profitability in the midterm.

Azhar: Yes, Kamal. And let's assume that we haven't exercised this investment, do you see the impact otherwise, on hindsight, we would have had, let's say, so I'm trying to look at positives what this marketing spend and brand building has done. So if you can give any sense on that, like if you are seeing any responses that are not showing in numbers, because financially, we're not able to see those numbers based on marketing spend, but then you'll have better insights, like what are the insights that make you so confident about that?

Let's say, we've been in this exercise for about 4, 5 quarters that you seem necessary for it to continue and you are hopeful for it to give you fruits in, let's say, not in the next 2 quarters, but in next 2 years, at least?

Kamal Khushlani: So good question, Azhar, but I really don't have a tangible answer to this. This is something which is a creative process, and it is something which will bear fruit going forward, right? As you are treading this path, what one does -- hello, can you hear me?

Azhar: Yes, yes, yes.

Kamal Khushlani: What one typically does as a brand manager or as a marketer is that looks at what competition is doing and what you are doing compared to that, and judges basis some tests, etcetera, to how is your content shaping up as compared to what the other competitors are doing. And if your content seems to be shaping up well, then your endeavor is to reach it out to as many consumers as possible. And then we expect them to convert in future.

But it's not something that there is a certain reach that is required. Along with that, there's a certain frequency and repeat that is required before which you come up in the consideration set of customers. So I definitely am confident about the content that we are making. The response is positive.

Overall, we see a good uptick for the brand, but we don't want to be overly optimistic and overspend money. We are going to be cautious about spending money. And we will also ensure that we make profits, albeit even if it's lower for a couple of years, it doesn't matter. But eventually, in a time where there is a huge competitive environment, especially in the digital space, we are very confident. Therefore, we are taking these steps in this direction.

Azhar: Understood, Kamal. Thank you. And if you could also give us a sense like, because of the inflationary pressure as well, but we've seen improvements in like-for-like store, or as we call it LFL in retail format. So what has been our like-for-like sales growth for, say, H1 and in this quarter particularly? And along with that, if we have some percentage numbers in terms of ASP growth for this quarter or for H1 as well? And how do you see...

Kamal Khushlani: So the like-to-like growth for H1 stands at 2.81%. However, last year, Diwali was closer. So it's actually not fair to compare. But yes, we expect...

Azhar: So if we extrapolate it, we can, on a conservative basis, extrapolate it to, say, go up to 4% to 5% for the full year in terms of like-to-like growth?

Kamal Khushlani: Well, given the current scenario, we could say we might be at 4%, 5%. We should be able to hold on to this.

Azhar: Okay. And also one last thing, I'm sorry to take that much of your time. And I like your characteristic of under-promising, because, I mean, the numbers that we're seeing like overdelivered in this quarter. But on the other note that I wanted to shed light on was the Mufti 2.0, like I have visited a couple of stores which have not been renovated and staff or for that

matter, employees in that particular stores were a bit of, not confused, I'd say, but then they would relate identity of Mufti 2.0 with the renovated stores.

So when we would launch something like that or introduce something like that, we would have some sort of merchandise for those stores which are not renovated or traditional, that this is the article list of, let's say, 100 articles or 50 articles that you can push in terms of, say, if any customer walks into your store, which has not been renovated according to the identity of 2.0, that you can push these articles under the identity of Mufti 2.0.

That being the experience at one of the stores, which was traditional and not been renovated. So they rather sort of mentioned it to me that the other store, which is in a mall, has been renovated to 2.0, and that is where 2.0 is. That being one thing.

And the second thing, I felt a bit confused because the store said that they have -- with a store which is doing somewhere around INR10 million a year, that is roughly around INR1 crores a year, they had somewhere around 2 people for omnichannel as well in a different floor, because I couldn't get access to them. But do we need that amount of enforcement for omnichannel?

Kamal Khushlani: Yes, we do need it for omnichannel. We are trying to get as close to the customer as possible.

Azhar: No, so for a store that does, let's say, INR10 million a year, that is INR1 crores, and our omnichannel contribution being somewhere around 12%, if I extrapolate it to 15%, that's only INR15 lakhs a year for that store. Do we need 2 people for omnichannel fulfillment for a store doing INR15 lakhs a year in terms of omnichannel fulfillment?

Kamal Khushlani: These are operational things that we handle. I mean, it depends from store to store, depending on the traffic in the store and the business in the store, Azhar.

Moderator: Azhar, I request you to join back the queue please for follow-up questions. Next question is from the line of Nilesh Doshi from Prospero Tree AMC.

Nilesh Doshi: Sir, FY26 annual report shows the sales commission of INR18 crores. So I would like to know, are we selling the product through commission agent? Why there is? because we have company's own operating EBOs and multi-brand outlets and everything. So are we selling the products through any commission agent?

Rasik Mittal: So Nilesh, we have different formats for our EBOs. Some of the stores are run by franchisees, but the ownership of the goods and the store is with the company. So for those stores, those franchisees get commissioned. Instead of margin, they get paid in the form of commission basically.

Nilesh Doshi: Okay. So they have no profit sharing, only the commission we are paying. Is it correct?

Rasik Mittal: Yes.

Nilesh Doshi: Okay. And sir, related to marketing expense, the quarter 2 marketing expenses, amount-wise, it may be equal to the quarter 1 because in quarter 1, we have spent around 8.5% of the revenue. And in the first half, it is 6.7%. It means the quarter 2 amount-wise may be equal, but the

percentage-wise, it is lower because the revenue is higher in the quarter 2. And management is guiding the 8% marketing expense. Does it mean that the management is thinking the lower revenue in the coming quarters by maintaining the same amount of the marketing expense?

Kamal Khushlani: So spends will be higher probably in the coming quarters.

Nilesh Doshi: Okay. But our revenue will be also higher, not the lower, and that's why the margin will not be higher, but amount as well as the revenue, both are higher?

Rasik Mittal: So Azhar, we have guided for around 8% to 10% growth in the revenue. And against that, around 8% to 10% spend for marketing annually.

Nilesh Doshi: Okay. Because my question is from the quarter 1 to quarter 2, but the quarter 2, specifically marketing expenses is not provided in percentage also. The press release contained the first half marketing expense, that is 6.7%, against the 8.5% in the Q1.

And that's why I'm asking, if the management is guiding 8% to 10% and the current first half is 6.7%, if 8% amount-wise, we maintain the marketing expense, so you are clarifying that the marketing expense as well as the revenue both will be higher in the coming quarter?

Kamal Khushlani: Yes, higher. Marketing spend will be higher in subsequent quarters.

Nilesh Doshi: But revenue will be also higher?

Kamal Khushlani: Revenue also. We guided for 8% to 10% increase in revenue over last year, Nilesh, annually, and we have done 11% in H1. Keeping current scenario in mind, we are going to try for 8% to 10% at the end of the year, for the full year, annually. And out of that, 8% to 10% is the guidance for expenditure. However, that's not cast in stone.

It might be 7%, it might be 8.5%, but that's a rough guidance by which we are going. And these spends are done on a weekly, on a daily basis. This is not done today that I have booked some ads in newspapers and they are done for the next 6 months. It's not like that. These are done on the digital platform, and they are done on the move. You take decision on your feet every single day.

Moderator: Next question is from the line of Jay Jain from Jay Jain Capital

Jay Jain: I have a couple of questions. So firstly, the MBO sales has been great. Will we continue to see such growth in this format?

Kamal Khushlani: So you should not look at the overall 1 year and say this has been great and that kind of growth. These are things, the changes that we are making in the merchandise mix over brand building, over the overall perception of the brand, the way it is changing. I mean the trade has viewed it very positively, and we have seen one jump. We may not be able to maintain the same type of jump, but we definitely look to continue to grow at 10%.

Jay Jain: Okay. Sir, my next question is on the long-term aspiration. Sir, over the next 4, 5 years, where do you see Mufti as a brand? And where do you see these brands going as a promoter?

Kamal Khushlani: Four, five years is too far out, Jay. We are currently making these changes. And for the next couple of years, we are going to watch and see what happens. And hopefully, in the next year, we will know a little more. It's a little too early. we are very hopeful, and we are very confident about continuing to grow the business profitably.

However, I don't want to put it into numbers for the next 4, 5 years. Overall, the brand is being received very positively from the customers, and we intend to continue to grow the business profitably. And we will assess this more strongly over the next year and then probably have more guidance for that.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Kamal Khushlani for closing comments. Over to you, sir.

Kamal Khushlani: Thank you, Yashashri. I'd like to thank everyone for being part of this call. We hope we've answered your questions. If you need more information, please feel free to contact us or SGA, our Investor Relations Advisors. Happy Diwali to all. Thank you, and have a good day.

Moderator: Thank you, sir. On behalf of Credo Brands Marketing Limited, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines.