

Date: 27.05.2026

To,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No: C/1, G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051.
Scrip Symbol: VGL

To,
BSE Limited
Phiroze Jeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 514274

Subject: Press Release as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to second proviso of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Press Release for Audited Financial Results for the fourth quarter and year ended March 31, 2026.

This Media Release will also be available on the Company's website www.varveeglobal.com.

Kindly take the same on record.

Thanking You,

Yours Faithfully,
For, Varvee Global Limited
(Formerly known as Aarvee Denims and Exports Limited)

Abira Mansuri
Company Secretary & Compliance Officer

Varvee Global Limited Reports Strong FY26 Revenue Growth and Full-Year EBITDA Turnaround

Revenue from Operations up 47.9% YoY; FY26 Gross Margin improves by 168.4 ppts to 65.1%; Borrowings reduced by ~97% YoY

Ahmedabad, India - May 27, 2026: Varvee Global Limited (“VGL” or the “Company”) has announced its financial results for the quarter and financial year ended March 31, 2026. FY26 marked an important year in the Company’s transition, as VGL moved from a restructuring-led recovery towards a more operationally stable platform, supported by revenue scale-up, stronger gross margins, full-year EBITDA profitability and a substantially de-risked balance sheet.

The Company delivered **47.9% YoY growth in FY26 Revenue from Operations to ₹6,279.95 lakh**, supported by its deliberate shift towards value-added non-denim shirtings and suitings. Gross Profit improved by **₹8,475.38 lakh YoY to ₹4,089.10 lakh**, with Gross Margin expanding by **168.4 percentage points to 65.1%**. FY26 EBITDA improved by **₹9,526.62 lakh YoY to ₹536.57 lakh**, while Profit Before Tax remained positive at **₹1,840.33 lakh**, reflecting the operating benefits of product mix improvement, cost rationalisation and a more disciplined business model.

Key Financial Highlights (Standalone, ₹ in Lakhs)

Particulars	Q4 FY25	Q4 FY26	YoY Δ	FY25	FY26	YoY Δ
Revenue from Operations	750.29	2,338.43	+211.7%	4,245.29	6,279.95	+47.9%
Gross Profit	(3,481.31)	759.07	+₹4,240.38 lakh	(4,386.28)	4,089.10	+₹8,475.38 lakh
Gross Margin %	(464.0%)	32.5%	+496.5 ppts	(103.3%)	65.1%	+168.4 ppts
EBITDA	(5,169.81)	(588.92)	Loss narrowed by ₹4,580.89 lakh / 88.6%	(8,990.05)	536.57	+₹9,526.62 lakh
EBITDA Margin %	(689.0%)	(25.2%)	+663.9 ppts	(211.8%)	8.5%	+220.3 ppts
Profit Before Tax	(1,612.51)	(2,263.78)	Loss widened by ₹651.27 lakh / 40.4%	3,281.01	1,840.33	-43.9%
PBT Margin %	(214.9%)	(96.8%)	+118.1 ppts	77.3%	29.3%	-48.0 ppts
Profit After Tax	(887.09)	(2,859.19)	Loss widened by ₹1,972.10 lakh / 222.3%	1,854.39	1,244.92	-32.9%

Q4 & FY26 Key Takeaways:

- FY26 validates the operating recovery with revenue scale-up and EBITDA profitability.**
Revenue from Operations increased by **47.9% YoY to ₹6,279.95 lakh**, while **EBITDA improved by ₹9,526.62 lakh YoY to ₹536.57 lakh**. This reflects a meaningful improvement in the Company’s underlying operating engine after the restructuring and product portfolio reset.
- Gross margin improvement reflects a sharper product mix and cost discipline.**
Gross Profit improved by **₹8,475.38 lakh YoY to ₹4,089.10 lakh** in FY26. Gross Margin expanded by **168.4 percentage points to 65.1%**, supported by the Company’s increasing focus on higher-value non-denim shirtings and suitings, lower dependence on legacy low-yield product lines and a more efficient cost structure.
- Q4 revenue momentum was strong, with operating losses narrowing substantially.**
Q4 FY26 Revenue from Operations grew **211.7% YoY to ₹2,338.43 lakh**. EBITDA loss narrowed by **₹4,580.89 lakh / 88.6% YoY**, and EBITDA Margin improved by **663.9 percentage points**, reflecting the benefit of scale and operating improvement despite continued below-EBITDA volatility.
- PBT remained positive for FY26, while Q4 reflected below-EBITDA and non-operating volatility.**
FY26 Profit Before Tax stood at **₹1,840.33 lakh**, compared to ₹3,281.01 lakh in FY25. In Q4 FY26,

VGL PRESS RELEASE Q4&FY26

PBT loss widened by **₹651.27 lakh / 40.4% YoY**; however, PBT Margin improved by **118.1 percentage points**, from **(214.9%) to (96.8%)**, indicating the benefit of a larger revenue base even as other income and below-EBITDA items impacted reported profitability.

- **FY26 PAT remained positive despite a high base and normalisation of non-operating income.**
Full-year PAT stood at **₹1,244.92 lakh**, compared to ₹1,854.39 lakh in FY25. The YoY decline in reported PAT should be read alongside the sharp improvement in recurring operating profitability and the shift from legacy balance-sheet clean-up effects towards business-led earnings.
- **Balance sheet de-risking remains a central part of the investment case.**
Total borrowings reduced to approximately **₹287.67 lakh in FY26**, compared to ₹9,425.93 lakh in FY25, representing a reduction of approximately **97.0%**. Total Equity increased to **₹7,701.14 lakh**, strengthening the Company's capital base and improving financial flexibility.
- **Operating cash flow remained positive despite working capital investment.**
Net cash from operating activities stood at **₹504.46 lakh in FY26**. As the business scales, working capital absorption through higher inventory and receivables remains a key monitorable; however, positive operating cash generation provides comfort on the quality of the turnaround.

Institutional Milestones: Credit Rating & Capacity Scaling

- During the year, the Company continued to strengthen its institutional profile following the assignment of an **'IND BB/Positive' issuer rating by India Ratings and Research** in Q3 FY26 release. Q3 of FY26 also highlighted the withdrawal of the legacy default rating following lender no-dues and the Company's strengthened liquidity position.
- VGL's production capacity expansion from **12 lakh meters to 18 lakh meters per month** for non-denim fabrics remains an important operating lever. This capacity increase is expected to support the Company's medium-term aspiration of scaling towards **50 lakh meters per month**, subject to market demand, utilisation and execution discipline.
- In line with its objective of improving shareholder accessibility, the Company has undertaken a **sub-division of equity shares from face value of ₹10 each into two equity shares of face value ₹5 each**. The sub-division is aimed at enhancing liquidity in the Company's equity shares and encouraging wider participation from retail investors by making the shares more affordable and accessible.

Management Outlook

"FY26 has been an important year in Varvee Global's transition. We delivered strong revenue growth, improved Gross Profit by ₹8,475.38 lakh, turned EBITDA positive for the full year and materially strengthened the balance sheet. The improvement in Gross Margin to 65.1% reflects our strategic shift towards higher-value non-denim shirtings and suitings, while the reduction in borrowings gives us a stronger foundation to scale with discipline.

Q4 demonstrates that the operating business is gaining momentum, with Revenue from Operations growing 211.7% YoY and EBITDA losses narrowing significantly. At the same time, reported profitability was affected by below-EBITDA and non-operating movements, which we believe should be assessed separately from the underlying improvement in the business model.

As we enter FY27, our focus will remain on profitable growth, better capacity utilisation, working-capital discipline and strengthening our position in value-added fabrics. We are building VGL as a more resilient, institutionally credible and operationally focused textile platform, with a clear emphasis on sustainable

VGL PRESS RELEASE Q4&FY26

value creation. The sub-division of shares is also a step towards improving liquidity and broadening shareholder participation as we continue this journey.”

- Mr. Jaimin Gupta, Chairman & Managing Director

About VARVEE Global Limited & TAM:

Headquartered in Ahmedabad, Varvee Global Limited (previously known as Aarve Denims & Exports Ltd.) is a leading integrated textile manufacturer offering a comprehensive range of denim, non-denim, shirting, and suiting fabrics. Operating primarily from its Narol facility, Varvee Global Limited delivers end-to-end in-house capabilities, from yarn production to finishing, ensuring consistency in quality and flexibility in supply. Over three decades, Varvee Global Limited has built a vertically integrated platform serving domestic and international markets. Following a strategic restructuring and leadership transition in 2025, Varvee Global Limited now operates from its high-capability Narol unit, with a renewed focus on operational efficiency, cost optimisation, and technology-led supply chain enhancements.

The Company achieved a debt-free status in June 2025, providing a stronger capital foundation to execute its revival plan. The Indian textile market, valued at USD 146.55 billion in 2024, is projected to reach USD 213.51 billion by 2033, with domestic demand and exports expected to hit USD 250 billion and USD 100 billion, respectively, by 2030–31. Within this, India’s denim industry has an installed capacity of 1,700 lakh meters, producing around 1,000 lakh meters annually (60–70% utilization), and the denim apparel market is forecast to grow from USD 1.14 billion in 2024 to USD 1.83 billion by 2033 at a 5.04% CAGR, with other estimates projecting USD 9.15 billion by 2026 at a 14% CAGR. Varvee Global Limited’s strategy is centred on expanding into emerging markets, diversifying into value-added fabrics, and aligning with global sourcing trends to capture new opportunities in both fashion and industrial textile segments.

With a heritage of manufacturing excellence, a restructured balance sheet, and a future-ready operational model, Varvee Global Limited is positioning itself for sustainable value creation in the textile industry.

(Sources: Wazir Advisors, IMARC Group, MarkWide Research, IJIRT, PIB, and Henry Textile).

Contact: VARVEE GLOBAL LIMITED

E-Mail: cs@varveeglobal.com

Phone: 079-30417000

Website: <https://www.varveeglobal.com/>

Investor Relations:

Dickenson World

Ms. Shankhini Saha

Director- IR

Phone: +91 7304481351

enquiry@dickensonworld.com