CREDO BRANDS MARKETING LIMITED
(fka Credo Brands Marketing Private Limited)
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Tel. No.: +91 22 6141 7200 Email: helpdesk@mufti.in
Website: Corporate: www.credobrands.in
Ecommerce: www.muftijeans.in
CIN : L18101MH1999PLC119669

August 18, 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 August 12, 2026 on unaudited financial results of the Company for the quarter ended June 30, 2026, is enclosed herewith.

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

This is for your information and dissemination on your website.

Thanking you,

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

Sanjay Kumar Mutha
Digitally signed by Sanjay Kumar Mutha
Date: 2026.08.18 16:35:56 +05'30'

Sanjay Kumar Mutha
Company Secretary and Compliance Officer

Encl. As above

"Credo Brands Marketing Limited
Q1 FY27 Earnings Conference Call"
August 12, 2026

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

INVESTOR RELATIONS ADVISORS:
STRATEGIC GROWTH ADVISORS

Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchanges on August 12, 2026 will prevail.

Moderator: Ladies and gentlemen, good day, and welcome to Credo Brands Marketing Limited Q1 FY27 Earnings 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 the star then zero on your touch-tone phone.

Please note that this conference is being recorded. 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, Managing Director. Thank you, and over to you, Mr. Khushlani.

Kamal Khushlani: Thank you, Anushka. Good afternoon, everyone, and thank you for joining us. I have with me Mr. Rasik Mittal, our Chief Financial Officer; and SGA, our Investor Relations Advisors. I hope you all have received the investor deck. If not, it is available on the stock exchanges and our company website. Before we get into the numbers, I would like to briefly talk about where Muti stands today.

FY26 was a year of resilience and focused execution. In Q1 FY27, we continued to advance Mufti 2.0 with a focus on premiumizing the brand, elevating the customer experience across our stores and strengthening Mufti's influence as the aspirations of the Indian consumers continue to evolve. Coming to the operating environment, we saw healthy consumer interest through April and part of May which moderated towards the mid of May.

As indicated earlier, we continue to remain measured about near-term demand. The broader global environment also remains uncertain with geopolitical tensions likely to keep consumers cautious and selective in their discretionary spending. At the same time, we remain confident about the long-term opportunity.

India's growing aspirations and the evolution of casual lifestyle segment provides significant headroom, and we believe Mufti is well positioned to participate meaningfully in this opportunity. Coming to our performance, Q1 FY27 revenue grew by 5% year-on-year to approximately INR125 crores, reflecting steady performance despite continued softness in discretionary spending.

As part of our retail transformation strategy, we opened 5 new stores across leading malls and high streets while closing 7 underperforming stores, taking our total store count to 427. Our focus is on improving the quality and productivity of our network by progressively replacing lower productivity locations with stronger experience-led stores, thereby improving output per store while enhancing customer experience and brand salience.

Gross profit grew 5% year-on-year to INR77 crores with gross margin at 62%. EBITDA stood at INR27 crores approximately compared to about INR31 crores in the same period last year, primarily due to higher investments in advertising, brand building and retail transformation.

Marketing investment during the quarter was approximately 8.5% of revenue, which is in line with our full year guidance of 8% to 10% through FY27.

We see this as an important investment in building Mufti's long-term salience and aspiration. A growing proportion is being directed towards digital platforms such as Google and Meta to strengthen visibility, understand consumer behaviour and support engagement across online and offline channels, particularly among new consumers.

Alongside this, we continue to build our D2C business, bringing us closer to our consumers and their evolving preferences. Our long-term Mufti 2.0 transformation remains firmly on track. We will continue to elevate our retail experience, strengthen our merchandise offering and invest behind the brand.

These initiatives are aimed at deepening consumer engagement, improving footfalls and conversion and progressively rekindling growth. Our ambition remains clear to build Mufti into one of India's most loved and enduring homegrown menswear brands, growing in a disciplined, profitable and sustainable manner.

While near-term demand visibility may remain uneven, we believe Mufti 2.0 is building a stronger foundation for the brand's next phase of growth. With that, I'll hand over to our CFO, Mr. Rasik Mittal, for the detailed financial performance for the quarter.

Rasik Mittal: Thank you, Kamal. Good afternoon, everyone. I will give you financial highlights for Q1 FY27. Revenue for the quarter stood at INR125.3 crores. Gross profit stood at INR77.2 crores with a GP margin of 61.6% for the quarter. EBITDA stood at INR26.6 crores. Our EBITDA margin stood at 21.2%. Profit after tax for the quarter stood at INR2.3 crores. Our PAT margin stood at 1.8% for the quarter. With this, we will now open the floor for question and answer. Thank you.

Moderator: We will now begin the question-and-answer session. We take the first question from the line of Sakshi Pratap from Pratap Securities. Please proceed.

Sakshi Pratap: Thanks for the question. Are you seeing any early signs of improvement in discretionary consumption? Or is it just the current environment still largely dependent on the festive season was my first question.

Kamal Khushlani: Sakshi, hi. We certainly see some positive signals from the renovated new stores and the new retail identity that we have created in the new stores. But it's a little too early to be able to extrapolate them and put any kind of projections on this. We would refrain from doing that. But as of now, certainly, we are seeing positive signals, and we will continue to make these changes to our stores, renovate our stores and open new stores and shut some of the underperforming stores.

Sakshi Pratap: Understood, sir. Sir, my second question would be what would be the key milestones over the next 12 to 18 months that we can see and say that MUFTI 2.0 is working successfully?

Kamal Khushlani: Like I said, Sakshi, this is going to be a long-drawn process. The environment is changing. The competition is intense. And at this point, we are going through a transformation phase, and it may not immediately translate into visible numbers within the next few quarters. But we've seen these times in the past, people come, people go, but you have to build a sustainable brand, which can grow profitably.

And that is what we are looking to do and to do that, we are making changes in our product. We are making changes in our retail identity. We are making changes in our customer experience and improving that, and we are making changes in our brand communication to the consumers.

And all of these changes will surely impact the brand positively, but it's going to be a longer drawn impact and not something that will be seen in a couple of quarters or 2, 3 quarters like that and difficult to extrapolate it to that. I'd mentioned earlier also that for the next 2-odd years, it's going to be very difficult for us to say what exactly the numbers will pan out.

Sakshi Pratap: Understood, sir. Thank you so much for the detailed answer.

Moderator: We take the next question from the line of Jay Jain from JJ Capital. Please proceed.

Jay Jain: Hi sir. Thanks for the opportunity. Sir, I have 2 questions. First is with around 59% of the store network located in Tier 2 and 3 cities, do you see the premiumization strategy working equally well across this market? Or will premium stores be concentrated more towards Tier 1 high street mall locations?

Kamal Khushlani: Great question, Jay. So premiumization is happening all across India. It's not something that is isolated to the Tier 1 cities. However, premiumization is relative. What we are doing is we are tooth combing through all our stores and looking at each one of them and looking at the competitor environment in each market and accordingly making the changes to stand ahead of the competition proactively.

So the point I'm making is that the store that we renovate on Linking Road or we open on Linking Road would have a certain different level of premiumization and expenditure that we would incur. And a store, for example, if we do in a small town, there the expenditure and the relatability of premiumization would be given to that market and the environment in that market and what we expect it to be in the next few years.

Jay Jain: Thanks for this. Sir, the second question would be, do we believe the current investment is primarily strengthening brand recall among existing customers or helping Mufti acquire a younger new customer base?

Kamal Khushlani: So it's both. We intend to do both. See, as a brand to remain healthy and sustainable through its growth journey, what we need to do is we need to retain our customers and we need to acquire new customers, because there's a certain level of retention that every brand can do in its cycle of year-on-year growth and progress. So it's both ways to improve retention and to increase new footfalls into the stores.

Jay Jain: Thank you, sir, for the detailed answer.

Kamal Khushlani: Welcome.

Moderator: Thank you. We take the next question from the line of Jay Kothari from Kothari Capital. Please go ahead.

Jay Kothari: Yes. Good afternoon, sir. So my question was, the presentation indicates average annual revenue per EBO of around INR75 lakhs in FY26. So what level of revenue do you believe the new premium format stores can achieve once they mature?

Kamal Khushlani: Okay. The average annual revenue per EBO is reflected as INR75 lakhs. And see what we're looking to do this year, we are looking to increase the same-store revenue in the mid-single-digit numbers. That's what we are aiming to do for this year.

Jay Kothari: Okay. Understood, sir. And sir, my follow-up question was, does the premiumization strategy require carrying a larger or more diverse inventory? And could this put additional pressure on working capital?

Kamal Khushlani: No. That's not something that we're looking to do. In fact, we are looking to sharpen our inventory, and it will not be a larger inventory base. It's just going to be a change in the merchandise mix. That's what we are looking to do.

Jay Kothari: Okay. Understood. Thank you for the detailed answer. Wish you all the best.

Kamal Khushlani: Thank you.

Moderator: Thank you. We take the next question from the line of Rishabh, an Individual Investor. Please proceed.

Rishabh: Hi, sir, good afternoon. Am I audible?

Kamal Khushlani: Yes.

Rishabh: Sir, actually, let me give you some context. I'm a business analyst in a pharma retailing company as well. So, I do have some business insights in what we do. And I have tried to suggest you some modifications over the past year as well I have joined the con-call and try to give you some insights and obviously, you have tried to work on those as well. Kamal sir, just small feedback. I have gone through your Instagram advertisement as well. You are doing a good job in that. I would like to provide small feedback which would be - to use some Hindi advertisements as well because English is not the primary language for connecting with people.

All the primary advertisement which you do, the collaborations which you do with the people around, I think Hindi would be a proper way to communicate for the audience connection plus interaction. I think that whatever the advertisement over the past 6 months you have done, are primarily your interaction with the users, but users interaction with the brand is missing. So that is another suggestion that you could work on. And third thing would be just a strategic move to bring some people for the strategy for that expansion.

Rishabh: Sir, I was referring to the retail expansion that you do for the stores every year, which has remained relatively flat for the last few years. I also understand that recently, you are trying to relocate the old stores or underperforming ones, into some of the high street locations as well, where they will get a good traction. But I believe some sort of new markets or, locations where you currently don't have a presence, you can try to expand out there as well. So, you can generate additional revenue. That was the suggestion from my side.

Kamal Khushlani: Thank you for your suggestion, Rishabh. All the time, we are looking at the newer markets wherever we are not present and in the way in which the market emerges, we proactively do end up opening stores here. However, at this time, we are going through a transformation of the brand and we are consolidating the brand. So, at this time, we are not only in favour of increasing our store count, we are in favour of improving the performance and improving the brand resilience.

Rishabh: Sure, sir. Sir, I had a suggestion regarding your product expansion strategy. Now that you have entered the footwear category, what other categories you are trying to expand into? I ask this because some of the few competitors which I compare your brand with, such as Cantabil and other brands have diverse multiple product categories.

So, they do have a women's section as well, which helps diversify their business and provides a hedge against weakness in any single category, so people would obviously buy products for women as well. I know, over the past few quarters, you have stated that you do not plan to enter women’s category, but I believe that is a diversification strategy plus an additional revenue stream, which would involve some incremental costs, but the potential revenue opportunity could outweigh those costs.

Kamal Khushlani: Okay. Thank you, Rishabh. We will keep it in mind.

Rishabh: Sir, I was asking about, what other categories you are planning to explore in the future., Now that you have launched footwear, are there any additional categories that you are considering as part of your growth strategy?

Kamal Khushlani: Now, we are focusing on improving and transforming this brand.

Rishabh: Sure, sir. Thank you, sir.

Moderator: Thank you. We take the next question from the line of Nilesh Doshi from Prospero Tree AMC. Please proceed.

Nilesh Doshi: Thank you. Thanks for the opportunity. Sir, there was a INR5 crores increase in the revenue on a Y-o-Y basis. And at the same time, there was a INR5 crores extra marketing spend. Generally, the ratio of revenue growth must be higher than the marketing spend, but it is equal. So, in that context, I would like to ask, is the management sure about by spending the higher amount on advertisement and marketing spend, we will achieve our target of higher revenue growth.

Kamal Khushlani: See, Nilesh, I agree with you that, that is what it has to eventually translate to. But as on date, remaining status quo and not doing anything about it is not what is right for the brand. For the long-term interest and sustainable profitable growth of the brand, looking at the changing environment and changing aspirations of India, we have transformed the brand. Now that we have transformed this brand, it's also important to communicate to existing customers because we have been existent for more than 28 years now.

It's important that people realize and their perception about the brand changes, and we drive new footfalls into the stores. The competition, etcetera, is very intense at this time. And in fact, some of them even spend more than 8% to 10% in terms of advertising.

They spend close to 15% and even higher. We are spending roughly 8% to 10%, and we intend to continue doing that. And this is for the longer-term growth and sustainability of the brand and to arouse the salience of the brand. We are not just doing performance marketing, which is, you know, driving immediate sales today.

Nilesh Doshi: So, within 1 year, can we expect that there will be some revenue growth, which is higher than our ad spend?

Kamal Khushlani: No. I'm unable to say that today, Nilesh.

Nilesh Doshi: So, can we consider we are in a surviving mode rather than the growth mode? Because of the higher competition of the other brands, say, Zara or anyone, any Indian or foreign brands.

Kamal Khushlani: Every brand in its, you know, point in time in its life cycle is at a different stage. We are at a stage where we are transforming the brand to stay influential and relevant in the future. Now you can look at it the way we want, but this is what we believe very strongly that we are well positioned to be able to look at the opportunity that lies ahead in terms of the aspirations of the Indian consumer.

And we are sure we'll be able to stay relevant and influential even in the future. So, these are investments we are doing, keeping that in mind. How you want to call it survival mode or whatever you want to call it, I really don't know.

Nilesh Doshi: No, no, no. That was not the meaning because I understand that, sir, our GP margin is very good. Can we reduce a little bit on the GP side and increase our revenue growth at the same time, we are increasing our ad spend. So, there was two engines, we are reducing the little bit margin at the GP level and increase the awareness of our brand and creating our brand presence. can we do it like that?

Kamal Khushlani: These are things that we constantly keep evaluating, Nilesh. And these are always things that we look at every season, every inflationary cycle. At every point in time, we look at our GP accordingly and accordingly price our products. We've always been at a certain mid-premium segment in the market, and we will continue to remain there.

Nilesh Doshi: Is the demand is lower or the competition is very high. What is the market condition?

Kamal Khushlani: It's both. See, the demand condition is also muted. The discretionary spend is soft in consumer segment. But at the same time, the competition also is intense.

Nilesh Doshi: So, when we will achieve our previous growth glory two, three years back because when the IPO has come, it was a very nice picture. So, no doubt there was some dullness in the market, but you are taking the enough steps. Can we expect within one, two years, we will achieve our growth trajectory?

Kamal Khushlani: We will certainly and we plan to do that. But however, for the next couple of years, I'm unable to extrapolate and give any numbers as to what is the growth numbers that we will achieve. We are evaluating. We are seeing positive signals from the changes that we are making in the brand, and we are certain about it that we will be able to get back on track.

Nilesh Doshi: Okay. And lastly, sir, our new stores are opening at an optimum level? Or is it not still generating the enough revenue?

Kamal Khushlani: No, no. All the new stores we have opened are generating good revenue.

Nilesh Doshi: Thank you and all the best sir for the future. Thank you, sir.

Kamal Khushlani: Thank you Nilesh.

Moderator: Thank you. We take the next question from the line of Jay Jain from JJ Capital.

Jay Jain: Hi sir, thanks for taking my follow up. I have a question on inventory. Sir, our inventory days stood at 74 in the quarter. Do you believe to hold it steady in the coming quarters or a reduction is anticipated?

Rasik Mittal: So Jay, there should be some reduction in the inventory days. That is always the endeavour to.

Kamal Khushlani: This is cyclical, Jay, that's the way we operate the business model. One season, it could be a little higher, one season, it could be a little lower. But at the end of it, whatever we have made, as long as we can sell everything at a profit and not make a loss, we are good.

So, our company needs to evaluate more on those lines. Whatever we create we produce, we're able to sell that. We have not had any write-off in the history of our company on account of inventory.

Jay Jain: Thank you, sir. Thank you for the details, all the best.

Moderator: Thank you. As there are no further questions from the participants, I would now like to hand the conference over to the management for their closing comments.

Kamal Khushlani: Thank you, Anushka. I'd like to thank everyone for being a 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 advisers. Thank you, and have a good day, everyone.

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