



20 November 2025

The Secretary
Corporate Relationship Dept.
The Bombay Stock Exchange
1st Floor, New Trading Ring
Rotunda Building
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

The Secretary
National Stock Exchange of India
Limited
Exchange Plaza
Bandra Kurla Complex
Mumbai – 400 051

Dear Sir,

Sub: Audio Recording and Transcript of Investor call

We herewith enclosed the transcript of investors call for the financial results for the Quarter ending 30 September 2025.

Audio recording of the investor call is available in the following link:

https://youtu.be/RFzUFWpyJ_I

This is for your information and records.

Thanking you,

Yours truly,
For Page Industries Limited

Murugesh C
Company Secretary

Encl: as above



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PAGE INDUSTRIES LIMITED

“Page Industries Limited

Q2 H1 FY '26 Earnings Conference Call”

November 13, 2025



PAGE INDUSTRIES LIMITED



MANAGEMENT: MR. V.S. GANESH – MANAGING DIRECTOR – PAGE INDUSTRIES LIMITED
MR. DEEPANJAN BANDYOPADHYAY – CHIEF FINANCIAL OFFICER – PAGE INDUSTRIES LIMITED
MR. KARTHIK YATHINDRA – CHIEF EXECUTIVE OFFICER – PAGE INDUSTRIES LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to the Page Industries' Q2 H1 FY '26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be no 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 touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Purvangi Jain from Valorem Advisors. Thank you, and over to you, ma'am.

Purvangi Jain: Good evening, everyone, and a very warm welcome to you all. My name is Purvangi Jain from Valorem Advisors. On behalf of the company, I would like to thank you all for participating in the company's earnings call for the second quarter of the financial year 2026.

Before we begin, a quick cautionary statement. Some of the statements made in today's earnings conference call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ from those anticipated. Such statements are based on management's belief as well as assumptions made by and information currently available to the management.

Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decisions. The purpose of today's conference call is purely to educate and bring awareness about the company's fundamental business and financial quarter under review.

Now I would like to introduce you to the management participating with us in today's earnings call and hand it over to them for their opening remarks. We have with us Mr. V.S. Ganesh, Managing Director; Mr. Deepanjan Bandyopadhyay, Chief Financial Officer; and Mr. Karthik Yathindra, Chief Executive Officer.

Without any delay, I request Mr. V.S. Ganesh to begin with his opening remarks. Thank you, and over to you, sir.

V.S. Ganesh: Thank you so much, and good afternoon, ladies and gentlemen. I hope you can hear me well. Is there an echo in the line, Karthik?

Karthik Yathindra: Yes, there seems to be a slight echo.

Moderator: Give me a minute, let me check. Mr. Ganesh, please proceed.

V.S. Ganesh: Yes. Good afternoon, once again, and sorry for that slight glitch. Welcome to the earnings call for the second quarter of FY '26. I'm joined today by our Chief Financial Officer, Mr. Deepanjan; and our Chief Executive Officer, Mr. Karthik. Together, we will take you through the highlights of the quarter.

I'll start with a quick overview of our performance, after which Deepanjan will walk you through the financials in detail. After which, we'll be happy to take your questions. Overall, consumption remained somewhat subdued through most of the quarter. However, we did see a good pickup

in primary sales during the latter half of September, supported by the start of the festive season in early October. The GST rate reduction effective September 22 also had a positive rub-off on consumption sentiment.

And we have passed on the benefits to consumers as applicable. Continuing our focus on innovation, we launched men's innerwear and bras with bonded tech in September. The initial consumer response for these ranges has been very encouraging, which gives us the confidence to expand distribution in the coming months.

Modern retail continued to do very well, led by strong growth in e-commerce and further expansion of our exclusive brand stores, which together outpaced general trade. Our efforts to enhance operational efficiency while keeping product prices stable has helped us in maintaining strong operating margins. Cost optimization, continued innovation and focused marketing initiatives have all contributed to a steady profitability.

For the quarter, we delivered a revenue growth of 3.6%, with profit after tax remaining flat. For the first half of FY '26, revenue grew 3.3%, while the PAT was up by 9.7%. We also continued -- we also continue to strengthen our consumer reach. As of the end of the second quarter, our network stood at 110,636 multi-brand outlets, 1,527 exclusive brand stores and 1,962 large-format points of sale.

We continue to lead across e-commerce platform, recording strong growth in that channel as well. With these initiatives underway across the businesses, we remain confident about the fundamentals and expect a steady growth trajectory in the coming quarters. We thank you once again for your continued trust and support.

I will now hand over to Deepanjan to take you through the financial details.

Deepanjan B.:

Thank you, Mr. Ganesh. Good afternoon, everyone, and welcome to today's earnings call again. I'll now take you through the Q2 FY '26 results. So in Q2, revenue was INR12,909 million, which was a 3.6% growth year-on-year. Sales volume in the quarter was 56.6 million pieces, growing by 2.5% year-on-year.

EBITDA for the period was INR2,795 million, which was a decline of 0.7% year-on-year. EBITDA margin was 21.7%. EBITDA margin remained robust, aided by stable raw material costs, optimum resource utilization and focused marketing initiatives.

Product prices in the quarter remained unchanged. While inventory cost was relatively lower in the current quarter, year-on-year increase in employee benefit expenses due to increments and increase in headcount and higher marketing expenses resulted in slight reduction in EBITDA margin.

Hence, we saw a year-on-year decline in EBITDA. Profit after tax was INR1,948 million, which was a marginal decline of 0.3% year-on-year. Inventory days was 67 days in the end of quarter 2 as against 64 days in the beginning of the year.

Net working capital was 50 days against 54 days at the beginning of the year. For the first half, revenue was INR26,704 million, which is 3.3% growth year-on-year. Sales volume was 115.2 million pieces, which has grown by 2.2% year-on-year.

EBITDA for the period was INR5,742 million, growing by 9.4% year-on-year. EBITDA margin was healthy at 22%, aided by stable raw material costs, optimal manpower deployment and cost optimization measures. Profit after tax was INR3,956 million, which was a growth of 9.7% year-on-year.

We can now take up your queries.

Moderator: Thank you. Ladies and gentlemen, we'll now begin with the question and answer session. The first question is from the line of Sameer Gupta from IIFL Capital.

Sameer Gupta: Firstly, sir, last 6, 7 quarters, what I have noticed is that the volume growth performance has been extremely volatile. There has been a high of 11%, low of 2%. Now in a category in which we operate, demand -- generally end consumer demand is not this up and down.

And also now that we have implemented an auto replenishment system, primary and secondary also should be in line. So what then explains this kind of volatile performance? Are we seeing downstocking at retailer levels in the past 2 quarters?

Karthik Yathindra: Sameer, thank you for the question. You're right. At a stable scenario, we should not be seeing such level of volatility in volumes. However, the last 6 quarters that you have taken reference of, the whole of last year, as you are aware, was a year where we were looking at consciously downstocking inventory at the partner level.

And hence, we saw some level of volatility between quarters. However, if you take the whole year as a reference point, that's probably a better indicator. That is one piece which, in a way, affects jump and drop in volume growth quarter-on-quarter.

The second is organization, what we report in our sales is largely our sales to the distributor and who in turn service retailers both for EBS as well as general trade. And the D2C portion, direct-to-consumer portion of our business is relatively smaller in contribution.

And hence, a lot of the business that we report is also heavily influenced by how the scheme calendar is designed for the whole year and accordingly, how purchase patterns vary between quarters by retailers. And these are the 2 main reasons why you see some level of difference quarter-on-quarter in terms of growth. That's mainly a baseline phenomenon.

But as we stabilize, which we have now, we will see a relatively lesser difference in volume growth based on these factors. However, external factors like market will always have an instance or an impact on how these growth numbers pan out. But all internal factors will remain more or less stable.

And you're right, we've also, in a way, reached the stage where broadly our primary numbers are in line with our secondary numbers because the inventory levels are more or less in place where

we would like it to be. So what primary we report today are in line with our secondary and tertiary performance.

Sameer Gupta: Got it, sir. That's helpful. Second question, sir, I mean, as a company, you would have certain expectations of a particular growth. I'm not asking for a guidance, but given the size and category potential, is there a threshold of growth below which you're not really satisfied in terms of your own performance? And if there is, what would be that number? And how would you reach there from the current level apart from in general demand conditions becoming better?

Karthik Yathindra: Absolutely. So thanks for that question, Sameer. There is certainly internal guidance and targets that are set out as part of annual business plans that we chase, which in the first 2 quarters of this year, our actual performance are below par to what we've targeted. Our intent, I think I mentioned this in the past as well, is to reach a near double-digit growth in terms of performance by the company. Our revenue performance has been subpar in the 2 quarters. Our business plans and initiatives too are intact.

Sameer Gupta: I'm sorry, Karthik your voice is muffling a lot and...

Karthik Yathindra: Is this better now?

Sameer Gupta: There's still an echo.

V.S. Ganesh: Karthik, there is an echo, I think, which is to do with the issues on the other end. Mr. Sameer, can you hear me well?

Sameer Gupta: I can hear you, sir.

V.S. Ganesh: Okay. So just to continue from what Karthik was saying, we do have robust targets and business plans. And the first 2 quarters, because of the market conditions, we couldn't achieve what we were aspiring for. But we are proud of the effort which is put in by the team.

And for us, as far as growth is concerned, it is definitely -- we do assess the TG, the potential which we have, the intensity of competition, and that is how we set targets. We firmly believe that double-digit growth is definitely around the corner, it is possible. It is a question of time. The demand should pick up.

And in the meantime, we are doing all that which is required from our side. to actually dominate the market, be it on the product side of it, be it on the operating side of the business to keep the cost competitiveness and also on the marketing side.

Sameer Gupta: Very well, sir. I'll -- that's all from me, I will come back in the queue for follow-ups.

Moderator: The next question is from the line of Avi Mehta from Macquarie.

Avi Mehta: Sir, you pointed to signs of demand improvement in September. My first question is, has that continued in the last -- in October until date? And how would you see FY '26 given the current demand environment? Because the first 2 quarters has been like 2% odd growth on volume. So I would love to understand how we should look at the pickup and the extent of the pickup?

- V.S. Ganesh:** Yes. Karthik, do you want to take that?
- Karthik Yathindra:** Yes. I just want to make sure that I'm being heard clear.
- V.S. Ganesh:** Yes, yes, it is clear, Karthik.
- Karthik Yathindra:** All right. Thank you. Thank you. So without commenting too much about quarter 3 as yet, the festive season has been slightly better than the initial parts of quarter 2 that we had experienced, and that's built up right through the festive season. So that's to answer the first part of your question.
- With regards to H2, I think the confidence that H2 will be considerably better than H1 is there. Now to what extent is something which is difficult to answer and put a number to it. But given the trajectory of how the business is growing, purely from a growth rate point of view, we should see a better H2 than what we've experienced in the first half.
- Avi Mehta:** Karthik, if I may just, do you think there is potential to see probably reaching double digits towards the end of H2? Is that something that you believe likely given the current demand environment? And just a clarification, the festive, I understood, but post festive, has that strength sustained because some other companies have indicated there has been moderation. So I just wanted to understand for the category, how would it has been?
- Karthik Yathindra:** So we've not experienced moderation. What -- we saw a bit of a lull pre-fest. But since the start of the festive, it's been more or less consistent. It's not gone down to a null after festive. On the first part of the question, I think our endeavor is still to target for that number, and we believe it is doable and all efforts will be towards that.
- Avi Mehta:** Perfect. Perfect. Just the second bit was on JKY and the fashion segment, any update over there? How is that progressing? And last is a bookkeeping question. If you could share what is the capex plan that you would have for the year to the company?
- Karthik Yathindra:** Sure. I'll take the -- I take your question is on JKY Groove. I'll take that piece and then have Deepanjan come in to clarify on the capex outlook. With regards to Groove, we had planned 2 seasons for this financial year. The spring/summer season was an extreme success, much better than what we anticipated it to be.
- Of course, our plans were quite muted in terms of scale because it was more like a pilot which we had introduced the range sometime in mid of quarter 1 with select distribution across about 50 stores and Jockey got it in alone. So as a follow-up to that, based on the success of the first season, we're going to be launching the second season in about 2 weeks' time.
- So you will see the winter line of JKY Groove being launched very soon, backed with a campaign around it. Again, we are scaling, but not going the all hog. We would be operating anywhere between 150 to 200 EBOs with this line as well as e-commerce to get a better reading and learn from this before we scale further. Deepanjan, do you want to comment for the capex outlook?

- Deepanjan B.:** We plan to spend around INR140 crores in FY '26, out of which in H1, we have spent around INR57 crores. So capex is largely towards completing the Odisha project and the K.R. Pet Part 2, that's what we call it. Odisha is largely done, but there are certain -- some capex is left out, which we'll be closing by the year-end. So that's the overall plan.
- Avi Mehta:** Sorry, Deepanjan, just on that capex, the reason why I asked is also to understand the incentives because you said you will be able to get some color over there. Do you think it's -- do we have the ability to give some color on the tax incentive or...?
- Deepanjan B.:** Yes. The way the incentive is structured, we will be eligible for incentive, especially in the wages and certain capital-related incentives that we'll be eligible for this year. But the realization will happen only next year. That's how the scheme of things are.
- Avi Mehta:** And sir, any quantum on that?
- Deepanjan B.:** Sorry?
- Avi Mehta:** Any any quantum or range for that possibly if you can.
- Deepanjan B.:** For the capex incentives, it will be around INR50 crores over a year or so. Wages will be very small this year because we hardly have got 600 to 700 workers right now. It will grow from next year onwards.
- Avi Mehta:** And INR50 crores will come next year onwards, right, sir?
- Deepanjan B.:** It will all come next year. So this year, except certain stamp duty reimbursement, we are not going to get any realization of the subsidies in the current financial year.
- Avi Mehta:** Got it, sir. Got it. That's all from my side.
- Moderator:** The next question is from the line of Devanshu Bansal from Emkay Global.
- Devanshu Bansal:** Sir, you must be monitoring a lot of data points. So I wanted to check which are the key indicators that help you to conclude that the lower growth is a result of weak demand and not because of market share loss? So can you help us better understand?
- Karthik Yathindra:** Both the things that we are talking about. One is in terms of the shelf share that we have in the general trade business from a competitive context. That is one. The second is the market share information that we have largely from e-commerce marketplaces as well as large format stores are indicating that the brand continues to be strong.
- In fact, have grown stronger in a relative sense. So that's one indicator to say that share is in a way protected. In terms of indication of market, there are data points in terms of -- while we are not direct B2C from a business point of view, but we have direct-to-consumer information in terms of purchase, in terms of behavior, in terms of patterns, both through jockey.in and as well as through the EBS part of our business, which is indicative of how the market is in a way performing.

- Devanshu Bansal:** Understood. And following up on this, so you also mentioned that there is encouraging response for bonded tech -- technology, right? So based on your historical understanding, which parameters sort of suggests that whether the new product has been received well and is now sort of well shaped for distribution expansion? So just some light there?
- Karthik Yathindra:** So any product that we launch, whether it is a single style or going down to, let's say, category extensions, sell-through is the key metric that we look at, which is essentially sell-out divided by sell-in to see what level has the sell-through happened at the consumer level. The higher the sell-through, the better is the consumer acceptance of that particular product. So for the entire bonded tech selection, which men's innerwear as well as bras, the sell-throughs have been extremely encouraging, even at higher price points.
- Now these are price points which are much higher than what Jockey typically operates in. at these price points to witness this kind of sell-throughs in EBS as well as jockey.in are very, very encouraging signs that consumers are liking these products and they have accepted this product. So that's what's leading us to conclude that these collections are in a way, successful and are here to stay, and we can now expand and take it to a larger number of stores.
- Devanshu Bansal:** So what's the plan here for bonded tech as in do you plan to take it to the entire network, entire channels? Or how should we see that?
- Karthik Yathindra:** Yes. So that's the plan. The plan is to take it to the entire network. Obviously, subject to stores being able or having the potential to sell these price points. I would foresee that all of our EBOs will certainly carry this product. With regards to general trade, we will classify our outlets into ABC and look at outlets that can carry products of these price points and make it available there. But the intent is to maximize distribution to all touch points that can retail products of this kind in these price points.
- Devanshu Bansal:** Sure. And this product is indicating key outcome as seamless, right? So how differentiated is this technology, whether this can be replicated or it will take some time for competition to sort of get such products. So any thoughts there? This is my last question.
- Karthik Yathindra:** So there is technology which is available. It's about competition wanting to embrace it. Should they choose to embrace it and make it successful, there is a possibility. However, we've been very attentive to the kind of fits that we have adopted for these particular products, the kind of designs that have gone into this product making. So bonded is just a technology of making it, but there is more to the product in terms of the fabrics we've used in terms of the fits we've...
- Devanshu Bansal:** Sorry, I lost you.
- Moderator:** Sir, we are not able to hear you. Mr. Bansal.
- Devanshu Bansal:** Yes, sir. Yes, ma'am, I'm not able to hear Karthik.
- Moderator:** Just give me a minute.
- Devanshu Bansal:** Yes.

Moderator: Karthik, sir, are you able to hear me?

V.S. Ganesh: I think we lost, Karthik.

Moderator: Give me a minute, I'll disconnect this line and reconnect it, sir.

V.S. Ganesh: Mr. Bansal, just to reply that question on behalf of Karthik. The technology is definitely very much there. But as Karthik rightly said, we had -- it is not just the bonded tech alone. It's also the design aspects to it and the fit element to it, which actually has helped us in getting a great acceptability of the product. It is definitely replicable.

But I also feel from a supply chain point of view, there are very few factories in India with this kind of capability to give volumes and have consistent qualities. Even we have been importing this from some world-class suppliers. So we have a robust supply chain, and that is something which is going to help us in reaching the market and scaling things up much quickly.

Moderator: The next question is from the line of Gaurav Jogani from JM Financial.

Gaurav Jogani: I have 2 set of questions, both on the margin front. So one is on the gross margin. We have seen handsome gross margin expansion continuously sustaining. And this is despite the fact that in the RMs remaining stable and even you have not taken any price hikes. So in the past, if you look at it, we have not seen such kind of gross margins being attained. So how should one look at the gross margins from the current levels?

V.S. Ganesh: Well, I should say there are a couple of things as far as seeing a robust gross margin is concerned despite not increasing the price. The first thing is the stability in raw material. This has really helped us. It has not gone up. And we also took some good calls as far as building up inventories are concerned. So it also helped us to mitigate some of the pressures which might have come in because of the raw material price fluctuations.

The second thing which we have done and which has helped us is on the operational efficiency point of view. In fact, with -- there's a 16% increase in output with 10% less people. So with -- ideally, if I go by the old manpower and the productivity, we should have employed 2,000-plus more people to get the kind of outputs, which we are getting now.

So that overall efficiency improvement, it is not just a sowing efficiency, but then the cutting, packing, finishing, sowing, all those efficiencies has improved. So the back-end team has done a tremendously good job, and they are continuing to work on it, and we find more opportunities.

This is also made partly possible with the modernization efforts, which we have had. So even in the past, we have made sure the expenses are controlled, but the investments wherever required are being done. From an overheads point of view also, we have been able to do a good job by all the IT interventions which we have had in the recent past.

It is actually now helping the business wherein we are, as an organization, become a wiser and more intelligent organization, and we are able to do more with less people. And thereby, we are

able to contain or manage those overheads very, very effectively. So -- and we find much more opportunities as we go forward.

And therefore, if there is no much volatility in the market as far as RM pricing or big changes in minimum wage and other aspects are concerned, if that is not there, we should be able to maintain a fairly good margin. And as we keep telling, we are very happy with the 19% to 21% EBITDA. And we are very confident we can be in that range.

Gaurav Jogani: Just a follow-up to this on the EBITDA front as well. While we have seen that the gross margins have been better, on the employee expense side, actually, this has been a sharp increase. And on the other expenses also, is there an element of front-loading of the marketing spend ahead of the festive season here?

V.S. Ganesh: Well, on the employee expense side, yes, what is happening is there is some capacity expansion, which we are doing, and we are building up some inventory because as Karthik told, we are seeing a better -- H2 is looking like much better than H1. And therefore, we are not wanting to lose any opportunity which will come, and we are building up on the inventory.

And therefore, there is some capacity expansion happening and therefore, some recruitments are happening. And of course, we do have the increment coming in for the -- both the operators and the management, and that's where you see that increase in cost. And as regards to marketing expenses, for the year, we generally maintain a 4%, 4.5% budget.

And we are well within that. Of course, last year, Q1, we had an abnormally high spend for the marketing because of the World Cup. World Cup. But overall, if you look at it, we maintain a 4% to 4.5%.

Gaurav Jogani: And sir, just a clarification. For the incentive of INR50 crores that is to be received on the capex, that will be booked in the P&L next year, right?

Deepanjan B.: Yes. We expect it to be realized next year. So based on that, it will be booked next year.

Gaurav Jogani: Yes. But it will be in the P&L, right? It will not be in the balance sheet set up?

Deepanjan B.: Yes. Yes, it will be in the P&L as subsidiaries.

Gaurav Jogani: Okay. Okay, sir.

Moderator: The next question is from the line of Nihal Jham from HSBC.

Nihal Jham: I had 3 questions. The first one was this increase in employee expenses. Is it a step-up in manufacturing or we've added manpower to drive our sales? Just wanted to understand the nature of the increase?

V.S. Ganesh: Nihal, it is both. We have been expanding our retail footprint as well. So there has been increase as far as the sales team is concerned. And there has been also some increase on the manufacturing side of the business. And we also made some investments in the strategy side of the business. We have strengthened our product management team.

And we have made good investments in the product development. All this is because, Nihal, you should understand there can be temporary blips in the business or some short-term pressures in the market. But we firmly believe in the India's growth story, and we are in a very sweet spot. And if we look at the long-term prospects, we are very, very optimistic. And that's where, as I told you before, we will continue to invest in the business while controlling expenses.

Nihal Jham: Understood.

Deepanjan B.: Also, Nihal, to add, the major increase in employee expenses on a year-on-year basis is because of increments. There are also additions to headcounts.

Nihal Jham: Got that, Deepanjan. The second question was, for us, the GST benefit would primarily be from the input cost side. I'm guessing 10% of the portfolio, you would have seen a reduction in rate. So what has been the average reduction in the cost because of the change in GST rates?

Deepanjan B.: No, we don't have much benefit in cost per se because even earlier, the cost that we book is net of GST. The benefit that we get in terms of GST, wherever it is applicable, it will be more into balance sheet items. It will in working capital, not into costs.

Nihal Jham: Understood. Final question is that we've historically mentioned that the penetration of Jockey's product, at least on the men's innerwear side is still only around 20%, 25%. Now if you look at the last 3, 4 years, the problem channel, I think, more or less has been you're doing well in modern trade and e-commerce.

And I'm guessing you've historically also mentioned that the premium ranges are doing well, and that's where a lot of these innovation like bonded technology are happening. I'm guessing you have the data for how Modern Classic and the value ranges are performing. So is it a case that the customer recruitment has not been that strong for the Jockey brand over the last 3, 4 years? And if you have a current penetration number, that would be helpful?

Karthik Yathindra: So our latest penetration estimate for men's innerwear stands between 17.5% to 18% -- we've actually never bridged the 20% mark. We've never reached a 25%. That's the goal though. We've always hovered around 19% to 20%. We believe that our best estimate right now, it should be between 17.5% to 18%. You're right, between the different ranges that we operate with, the premium ranges outperform the entry-level ranges.

And this is across categories, not necessarily in men's innerwear, which in a way, indicates that there is pressure for spend which is harder at the entry level or at the bottom of the pyramid. This is the same that we are experiencing as well. Yes, one of the conclusions could be that recruitment into the brand from the bottom of the pyramid might be slower than what we want it to be. And hence, efforts towards fueling that in terms of our marketing initiatives is what we are looking at.

Nihal Jham: If I can just have one quick follow-up that that's the thing that if it's been, say, static over the last 4 years, where has been the issue, is it from our side, we've not focused more on the value side or you're primarily believing that the customers' pocket has been impacted and hence, the recruitment has stopped?

Karthik Yathindra: So it's been about 3.5 years since we've touched product prices for the brand, which means that with all the inflation in the market, the product has actually become that much more accessible than what it was a few years ago. So technically, access-wise, we are there and we're back to where we were 2 years ago or 3 years ago.

That is leading us to indicate that the pockets are stretched for sure. But I think all the efforts that the government has taken, including GST, which I know it does not directly impact this portion of purchases, but the general sentiment looking up because of these changes should certainly help in us getting back on track in terms of serving that portion of the consumer.

Nihal Jham: Sure. Karthik and team, wish you all the best.

Moderator: The next question is from the line of Ashutosh from ICICI Securities.

Ashutosh: My question is related to this positive rub-off in demand, which you talked about because of the GST rate reduction. So just want to understand more on this. So what exactly is driving the sentiment? So has there been like the price cuts that has happened in other discretionary categories, which is actually -- which has increased the disposable income that will drive the growth or your portfolio has gone down and that has actually decreased the differential between other regional players. So what exactly is driving this positive sentiment?

Karthik Yathindra: Ashutosh, just to clarify, the GST rate cuts have not affected our product offering and pricing to a large extent to the consumer because majority of our product offering was anyway at the 5% GST mark even prior to September. So our products -- a very, very small portion of our products which were operating at a higher price point have now become sweeter to the consumer.

But overall, when we put everything together, there has not been a major impact -- our consumer pricing. And it's one thing to say that GST is what is impacting the better mix. It also shows as far as the timing is with the festive, so we don't know really what is impacting it. I'm sure GST has a role to play in it in terms of making goods and services clearer to the consumer. It's also coinciding with the festive period. That's why we've seen some level of uplift in terms of consumer sentiment.

Ashutosh: Okay. So do you see any longer term, like medium- to long-term benefit coming in from this reduction? Or it's just like a near-term benefit which you see?

Karthik Yathindra: No, that only time will tell. Like I said, there is no tangible benefit in terms of what we accrue. It's only indirectly, if that leads to better consumer spending, more consumers in the market, that's the gains that we would, in a way, experience as a brand. So that is something that we'll have to wait and watch and see whether that's going to sustain.

Ashutosh: Okay. So just wanted to take your view on this that will the brand benefit if the consumers have like slightly better disposable income. So like the answer which you made to the earlier participant, the recruitment has been very slow from the bottom of the pyramid to your brand. So will it like somehow aid this switching.

Karthik Yathindra: Absolutely.

- Ashutosh:** Okay. Okay.
- Karthik Yathindra:** Absolutely, it will. If there is more disposable income and there is more spending in categories in apparel, in retail in general, the brand stands to gain for sure.
- Ashutosh:** Understood. Understood, sir.
- Moderator:** The next question is from the line of Sheela Rathi from Morgan Stanley.
- Sheela Rathi:** Just following up on the past few questions. Is there a case for us to fill any kind of distribution gap in any of our categories, of course, in the men's innerwear we have the largest distribution reach. But is there a case to differently distribute going ahead in men's as well as women's category? Just to further expand into how demand conditions for us improve faster than just depending on the macro conditions?
- Karthik Yathindra:** Thank you, Sheela, for the question. We today, as a brand, operate with direct distribution as a model, where we have complete control over where the product is distributed right up to the last retailer which is something that we believe in because that's grown the brand responsibly and in a sustainable manner.
- So that is something that we are committed to. I don't believe we will, in the near term, move into a wholesale model of -- or an alternative channel of distribution model. But in areas in which we are able to make conscious effort to reach the product to the end retailer, that's why we are focusing on.
- Here, there is opportunity and headroom, like you rightly indicated, our level of distribution for, let's say, men's innerwear is a lot higher than what it can be for the other categories. So that in a way becomes benchmarks for other categories. We've also, in the past, been responsible for many of our men's innerwear outlets, so to speak, to transform them to also occupy space with outerwear, which has helped the retailer, it's helped the brand.
- We reach as many consumers as we reach today because of that. That effort continues. So there are several outlets today that stock, let's say, underwear for Jockey, but not necessarily outerwear. It's a process of transformation where we are trying to transform those stores to also become stores that are capable of retailing apparel and outerwear.
- So that journey continues. That having said, any new age channel to reach the consumer is something that we are embracing as well. Quick commerce is a good example, which has come up in the last couple of years, where we've been extremely aggressive in terms of putting ourselves out there, building infrastructure to serve that market.
- And today, within the underwear category, we'll be number 1 in all the key quick commerce players as well. So any opportunity to make ourselves available to our target audience in terms of consumers, all efforts towards that in terms of increasing distribution.
- Sheela Rathi:** Understood. Just a follow-up here, Karthik. What would be the distribution gap between men's innerwear and women's innerwear today versus, say, what it was, say, 2 years ago?

Karthik Yathindra: Without giving away too much on the numbers, I would say that women's innerwear has really gained both in terms of business as well as in terms of -- and that's as a result of gaining in terms of reach. So the gap has been brought down considerably because of conscious efforts. You would recall that about 3 years ago or 4 years ago is when we actually initiated a separate sales team to concentrate only on the women's business.

That has obviously paid rich dividends in terms of increasing the reach of our presence for the women's category in general trade. Today, the way we have structured the top down right from the national sales head up to the last mile, we have an independent team dedicatedly to looking at the women's innerwear business, including distributors who are dedicated for this business.

So that helps us take the brand forward to more number of stores and cater. So yes, I know I'm not giving you the exact number, but we've gained a lot of ground as far as women's innerwear is concerned, both from a business point of view as well as from a number of touch points point of view.

Sheela Rathi: Just again, a follow-up here, Karthik, but is this category doing differently in -- versus men's innerwear from a distribution standpoint? I mean, is online a better way of playing this game? Or is it going to be the same way like we have played the off-line game for men's innerwear?

Karthik Yathindra: No, we've not seen a significant difference. In fact, the women consumer happens to be a lot more discerning a consumer and hence, touch and feel of her lingerie needs, fits having to try products at the store and sometimes assisted sales in terms of counter salespeople, women getting them to try products to make sure that the fit and size is perfect is very, very important. So my sense is that for women's offline retail experience is probably that much more effective than it is for men's innerwear.

Sheela Rathi: And when should we start seeing that in numbers? Because obviously, like you said that women's -- women consumers are very different from men's. So -- and obviously, the category is much more higher average order value. Do we -- do you think it has started showing up in the numbers? Or we are still some time away for that to get reflected?

Karthik Yathindra: No. I know we don't share category-wise, but yes, it has already started showing in numbers. Our performance for women's innerwear consistently has been ahead of men's for the last few years. And that's a reflection of, a, the potential out there as well as the maturity of the category for the brand today and hence, the gap that we are trying to fill through several means.

Our portfolio has gotten stronger. Our investments in marketing has gotten higher as well as our reach in terms of number of outlets has gone up over the last 3 years, and that's showing in numbers for sure.

Sheela Rathi: And my final question is with...

Moderator: Sorry to interrupt Ms. Rathi, may we request that you return to the question queue.

Sheela Rathi: Yes.

- Moderator:** The next question is from the line of Ashish Kanodia from Citi.
- Ashish Kanodia:** The first question is again on the demand side. If you look at start of the year, what happened was festive season moved from 1Q to 4Q of last year, and that is where we saw 4Q '25 had an uptick in volume growth, but then 1Q got impacted. Now when we look at this quarter, 2Q again had an early festive season.
- And to that extent, do you see a risk that next quarter could have some of this impact because some of the prebuying or even primary sales would have got preponed in the current quarter? And just a related question on the demand side is on the price cuts wide, I just wanted to check what was the extent of price cut? And to what percentage of the portfolio has seen? Because while in athleisure, where you'd would still have a decent chunk of product priced above INR1,000. So if you can share this too?
- Karthik Yathindra:** So thanks, Ashish, for the question. And good observation on the festive shift, both in quarter 1 and quarter 2. But you would realize that in spite of that, quarter 2's performance has been just a little better than quarter 1 in terms of revenue growth, not a marked difference. That's largely because the early parts of the quarter did not perform well.
- And then there was a pickup towards the end of the quarter. So that being said, I think we'd like to maintain that we are looking at H2 being better than H1, which means right from quarter 3 as well as quarter 4, we should be delivering better performance. Your second question was on -- sorry, could you repeat your second question?
- Ashish Kanodia:** Yes, sure. On the GST cut because on apparel above INR1,000. Yes.
- Karthik Yathindra:** Yes, yes. Like there's a difference in the density of the portfolio and the actual business that we generate. Yes, we have -- from a density of the portfolio point of view, there's a large product offering in the above INR1,000 bracket. However, in terms of contribution to business, the sub INR1,000 is majority, almost 90%. So the impact on the GST cut on the overall business side, like I mentioned earlier, is not significant.
- Ashish Kanodia:** Sure. And just the second question was on -- you talked about the penetration rate of the market share moving from, say, 19%, 20%, I remember that used to be 19%, 20% moving to 17.5% to 18%. Have you -- like any understanding in terms of whether it's on the top end of the product portfolio? Or is it at the bottom end of the portfolio where you would have seen that deterioration from 19%, 20% to 17.5% to 18%.
- And the other question is for Deepanjan on the other expenses side, while I understand the employee cost part. Can you throw some light on other expenses that what led to this 14% growth in other expenses? Because I think during the call, someone alluded that marketing cost was at least in line with the full year guidance. So anything on the other expenses side?
- Karthik Yathindra:** Deepanjan, do you want to go first, and I can take the question.
- Deepanjan B.:** Yes. Yes, I hope I'm audible.

Ashish Kanodia: Yes, sir.

Karthik Yathindra: Yes, Deepanjan, you are. Thank you.

Deepanjan B.: Okay. So other expenses includes selling expenses and marketing expenses. On a year-on-year basis, yes, marketing expenses have been higher. Sequentially, it has been more or less similar, I mean, quarter 1 to quarter 2. But year-on-year basis, marketing expenses were higher. That's been the predominant reason for the increase in other expenses. Other expense also includes factory overheads and certain expenses related to our sampling costs. So all taken together, that's what has resulted in a higher expenses year-on-year we see.

Karthik Yathindra: With regards to the brand penetration, while we do not track this actually at a price point level. But as I mentioned earlier, the premium portion of the business is performing better than the entry level in terms of growth rates. And hence, that observation might be right that if at all, the erosion might have happened either at the belly or at the tail end of the pyramid, not at the top.

Ashish Kanodia: Sure.

Moderator: The next question is from the line of Prerna Jhunjhunwala from Elara Securities.

Prerna Jhunjhunwala: Just wanted to understand the athleisure piece. You've been -- you've launched new products in athleisure segment. I wanted to understand what is the reach of the new products? How much of your network it has already reached?

And is there any penetration benefit that we can see in the second half of this year on the new launches? And also in the inventory levels of athleisure, whether the gap has been filled in the supply chain, and we are ready for primary growth? That is the first question?

Karthik Yathindra: Thank you, Prerna. On the new products, I mean, there are 2 portions to the new products this year. One was the regular launches that we do as part of our athleisure portfolio. That, in a way, goes into a large portion of our outlets where we are penetrated today. More or less in about 2 to 3 months' time, we are able to hit our potential outlets.

Whereas Groove, like I had earlier mentioned, is the second set, which is, in a way, a completely new collection, which by design was meant to be limited penetration. So we have not taken it across. The first launch was only across about 50 EBOs and jockey.in. So that is something that we achieved, and we've experienced good sell-throughs.

And hence, the follow-up collection to that, which is Groove 2, is expected to go a slightly wider to about 150 to 200 EBOs as well as jockey.in. The new products that are going to go in for winter is something that is now setting in as winter is setting in. And over the next 2 weeks to 4 weeks, we should see a good level of reach being established with those new products for this season, which is the autumn/winter season.

That's as far as the new product penetration is concerned. With regards to inventory, like I had earlier mentioned, we are largely in place in terms of inventory levels in the channel. So hence,

going forward, our primary performance should be a reflection of our secondary performance even for athleisure.

Prerna Jhunjhunwala: Understood. My second question is on category-wise growth. I understand that you don't give numbers, but it would be great if you could help us understand what is dragging the performance to low single-digit growth? And where can we see uptick going forward? What -- which segments should start showing you strong performance can drive growth going forward?

Karthik Yathindra: See, interestingly enough, at a consumer level, which is tertiary sales level, let's say, if you take EBS tertiary as a metric, we are not seeing a significant difference between categories in terms of performance, which is also, in a way, alluding us to say that this could be a market phenomena because it's not like one category is outperforming the other significantly at a tertiary level.

However, at a primary level, there will be difference. That's because our penetration levels, as you know, vary across categories. I just mentioned that women's has gained more traction than men's. That's largely because of efforts in terms of increasing our penetration.

Also, inventory levels at distributors and our partners in a way reflect in our primary performance. So in primary, there might be differences between the different categories of products that we operate with. But interestingly enough, for EBO tertiaries, it has been consistent across categories.

Prerna Jhunjhunwala: I -- a follow-up to this answer...

Moderator: Sorry to interrupt. Ms. Jhunjhunwala, may we request that you return to the question queue, there are participants waiting for their turn. The next question is from the line of Tejas Shah from Avendus Spark Institutional Equities.

Tejas Shah: Just a question on the growth issue that -- if you have to call it an issue, we have been kind of fighting with. Just wanted to know, when you look at from the lens of consumer and then at least on EBO, we can perhaps gather some data.

And if you have -- if you can help us, has our customer age profile changed in the last 10 years, let's say, the consumer that we were -- we had 10 years back, they are still continuing, but we are not able to attract new generation? Or it is actually just that -- in that cohort, we are still doing well, but somehow the throughput is not increasing per customer?

Karthik Yathindra: Thanks, Tejas. I would also, in a way, bracket it as an issue because like I said earlier -- we are not happy with the growth performance as of now. So hence, growth is an issue. But to answer your question in terms of consumer profile, see, across our EBOs, we today don't have or don't map age profile as yet. It's something that we've started recently.

And over the next few years, we should be building our consumer data platform in which we'll be able to give a better indication of this. But what I do have is from jockey.in as a size set where we do measure this, where we don't see that -- and this could be mainly because it's e-commerce, not necessarily offline, but the age of consumers is actually younger year after year as we

progress, which means we are seeing that we -- the brand is still relevant and thriving with the younger audience.

I think it's also to do with how we are positioning the brand with our communication, the kind of product designs we're bringing out. And then, of course, collections like Groove, etc., which is specifically targeted at this audience is also helping. But yes, I think a large portion of our efforts is also to make sure that the brand continues to remain relevant to the new consumers that could hopefully enter the brand and continue with the sales journey that we've had.

Tejas Shah: Yes. And second, if we have to look at it and now since we have also agreed this issue from the lens of regional perspective, are there any states or regions where our market share is actually much under-indexed versus our national average where we can put in some more effort? Or it could be from a channel perspective also, which could be slightly easier to solve and trackable for us also. So any insights there?

Karthik Yathindra: Yes. So the penetration data that we have is something that we innovate, try and dissect in the geographies as well as tiers. Obviously, our penetration levels can be a lot better in Tier 2, Tier 3 kind of markets. But again, interestingly, that's where our growth rates are better, which means my guess is we are reaching more consumers there than we did before from a penetration standpoint.

Geographically, though, there is no significant difference between the different regions. We break up the country internally into 8 parts when we look at it. And there, contributions might vary, but penetration levels is more or less similar, which means that from an addressable market point of view, we just need to go a lot more aggressive at a pan-India level in terms of making the brand that much more relevant to everyone.

Tejas Shah: So just one clarification. This penetration data is based on which study?

Karthik Yathindra: So this is not a study. This is more an internal reference that is being quoted. So it takes from a PCG study, which was done about a decade ago. And thereafter, from that, it gets validated with the census data.

We essentially try and qualify who our consumer is in terms of potential to buy our brand, both from a wallet point of view as well as outlet point of view and then make a certain assumption to the consumption that they should be exhibiting within a financial year and then map that with the volume that we sell to arrive at the consumption or the penetration.

Since there is no syndicated study here at a brand level, this is what we use as an internal metric, and that's something that's been guiding us for over a decade now.

Tejas Shah: Yes. So is this still relevant because many things have changed...

Moderator: Sorry to interrupt Mr. Shah.

Tejas Shah: Yes, sure.

- Moderator:** May we request that you return -- the next question is from the line of Saurabh Kundan from Goldman Sachs.
- Saurabh Kundan:** Karthik, my question refers to an earlier discussion on the recruitment of new customers at the lower end...
- Moderator:** Sorry to interrupt Mr. Kundan, sir, your audio is sounding very soft. Can you speak a bit louder?
- Saurabh Kundan:** Yes, sure. So can you hear me now?
- Moderator:** A little better, please proceed.
- Saurabh Kundan:** Okay. So yes, yes. So I was saying this is with reference to an earlier discussion on recruitment at the lower end in men's innerwear, which is mainly modern classic. I just wanted to ask you, are there any further measures that you will take at that end because you also said during the call that probably you're losing market share on that side.
- Recruitment isn't probably happening at the rate it used to a few years back. So does it make sense to spend disproportionately in either marketing or even channel incentives at that end? And I ask this because the company has a very healthy ROCE. So would you try and make a trade-off between ROCEs and growth?
- I mean, even slightly lower ROCE if it leads to perhaps high single-digit volume growth or something like that if you increase sort of channel incentives at the lower end, would that be something that can be done? Or you think you're just going to wait out the macro and you've done everything you could from your end?
- Karthik Yathindra:** No, very valid point, Kundan. We recognize this. The profitability for the organization, the ROCE is as healthy as it's ever been. And can that be, in a way, digged in -- dug into in order to further fuel demand is a valid point. What we are, in principle, looking to do is activate it at a consumer level rather than looking at it as a push with incentives to retailers because that is going to be short-lived unless we are actually able to activate consumer and push traffic into these stores for the Jockey brand.
- Like I mentioned earlier, we've not witnessed a loss in shelf share or position within stores in which we operate in. And hence, our understanding is indeed is to drive more consumers in rather than push product back into trade. So that's the effort that we are planning to do. But yes, in principle, I agree. I think given our profitability, if we had to go a lot more aggressive in terms of consumer activation so that we can fuel demand, that's what we will be doing, and that's our intent.
- Saurabh Kundan:** Sure. That's all from my end.
- Moderator:** Ladies and gentlemen, we take that as the last question. I now hand the conference over to the management for their closing comments.
- Karthik Yathindra:** Yes. So thanks again, everyone, for your warm participation and insightful queries. We look forward to further interaction with all of you. Thank you.

Moderator: Thank you, members of the management team. Ladies and gentlemen, on behalf of Page Industries Limited, that concludes this conference call. We thank you for joining us, and you may now disconnect your lines. Thank you.