

Analyst Day December 2025

From Reset to Growth Runway

Engineering premium profitability through a redesigned portfolio & balance sheet



Retail operator + manufacturing owner; building an execution-led textile platform

Mr. Jaimin Kailash Gupta
(Chairman & Managing Director)

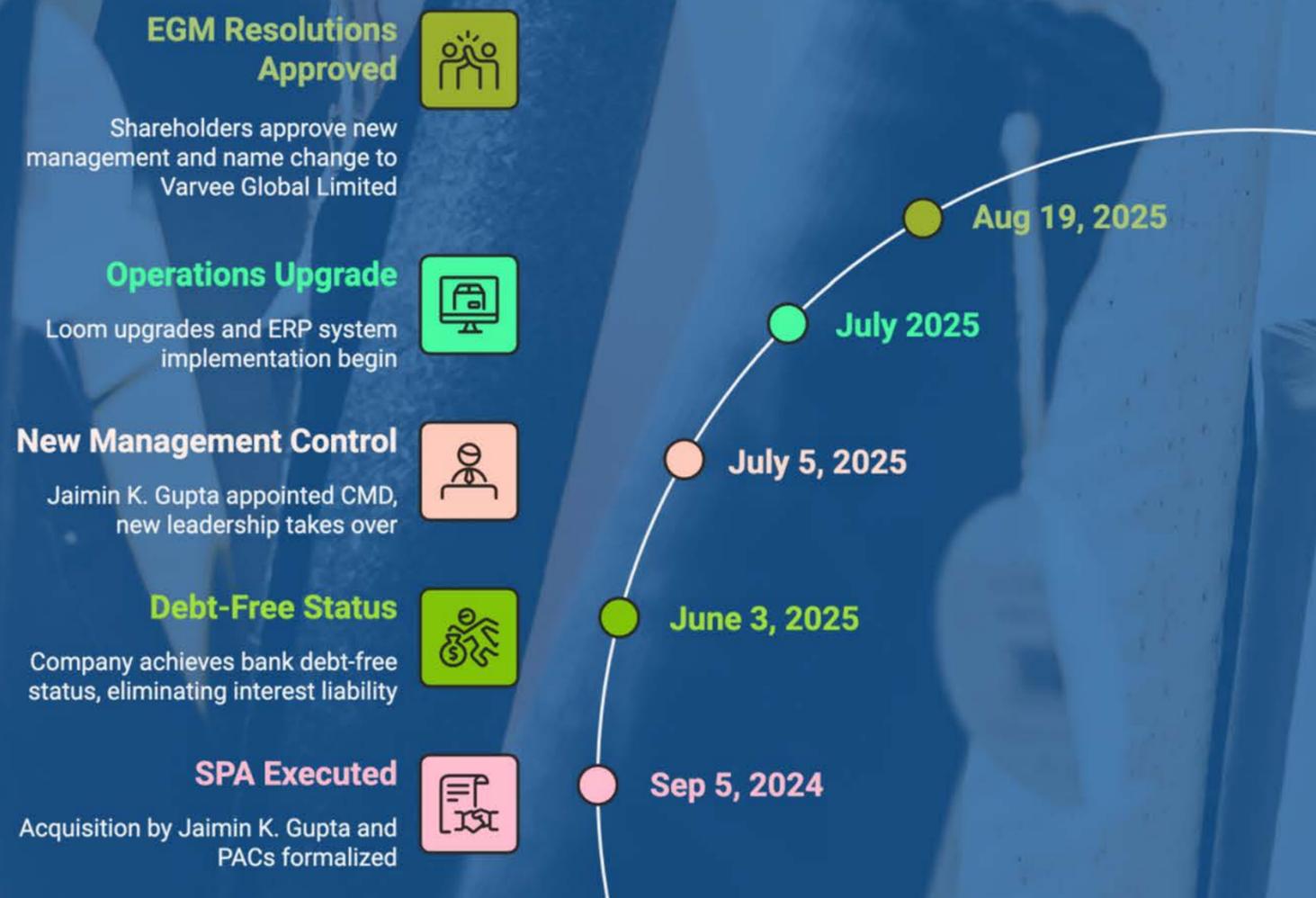
· In the first full quarter under the new management team, the Company delivered a 79.8% YoY rise in Revenue from Operations, a swing to positive EBITDA of ₹138.46 million with 49.75% margin, and near-zero finance cost, reflecting sharper execution and balance-sheet repair.

- 2015: Founded Barcelona
- FY23: ₹180 Cr revenue; 125+ stores
- 2022: Launched B2B app
- Sep 2024: Acquired Aarvee Denims & Exports Ltd.



TIMELINE & KEY INFLECTION POINTS

Key Milestones in Aarvee Denims Turnaround (FY25–FY26)



Rapid Execution of Turnaround Strategy (Q4 FY25 – Q1 FY26).

	Milestone / Event	Significance
Sep 5, 2024	Share Purchase Agreement (SPA) Executed	Formalizes acquisition by Mr. Jaimin Kailash Gupta and PACs.
3 Jun 2025	Achieved Bank Debt-Free Status	Clean slate established, removing interest liability.
5 Jul 2025	New Management Took Control	Mr. Jaimin K. Gupta appointed CMD; change of management becomes effective.
Jul 2025	Strategic Operations Upgrade Initiated	Loom upgrades and introduction of a new ERP system commenced.
19 Aug 2025	EGM Resolutions Approved	Shareholders approved new management roles and the proposed name change to Varvee Global Limited.
Q1 FY26 (June 30)	Financial Results Declared	Initial snapshot showing turnaround in PAT due to tax adjustments.

Runway: Non-denim Capacity Conversion

Denim Product Differentiation

The company offers a detailed denim portfolio, including:

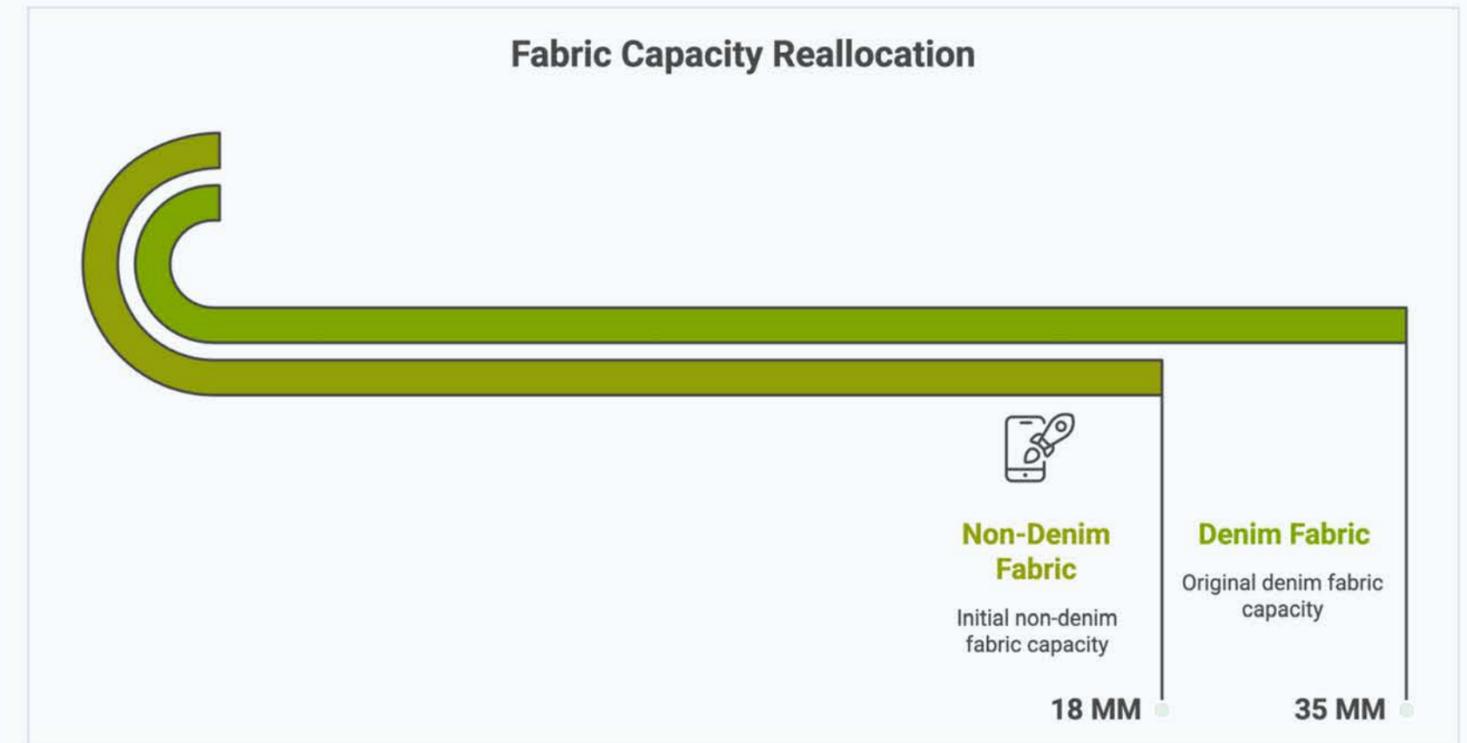
- Satin Denims
- High Fashion Denims
- Flat Finish Denims
- Denims incorporating LYCRA dualFX Technology

Non-Denim Product Specifics

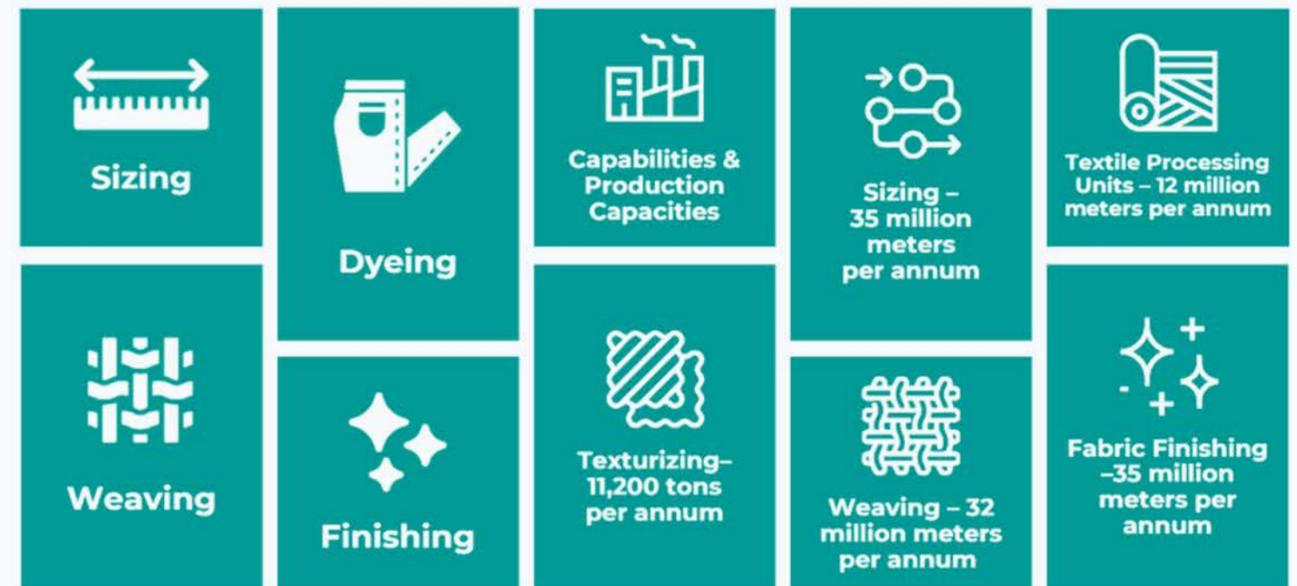
The non-denim range includes Poplin Fabrics and Suiting Fabrics. The focus is on diversifying into value-added fabrics beyond traditional denim.

Centralized Physical Footprint (The Narol Unit)

- **Sole Manufacturing Hub:** Varvee now operates primarily from its Narol facility in Ahmedabad, Gujarat. This unit remains with the company and is intended for utilization by the new management, ensuring the company continues as a going concern despite the sale of certain other assets.
- **Location and Scale:** The Narol facility is headquartered in Ahmedabad, Gujarat, with its registered office located at 188/2, Ranipur Village, Narol, Ahmedabad – 382 405. This high-capability Narol unit is spread across 52,000 Sq. Yards.
- **Strategic Advantage:** The location in Gujarat places the facility within India’s prominent textile hub, leveraging strong infrastructure connectivity and the region's position as a major producer of cotton.



Capacity in million meters (MM).



Capital Reallocation Strategy

<i>Fabric Type</i>	<i>Historical Annual Capacity</i>	<i>Utilization / New Focus</i>	<i>Target Capacity Goal</i>
<i>Denim Fabric</i>	<i>35 Million Meters (MM)</i>	<i>Capacity being diverted to non-denim production</i>	<i>Reduced reliance on core denim</i>
<i>Non-Denim Fabric</i>	<i>18 Million Meters (MM)</i>	<i>Currently operating at ~90% utilization (High Operating Leverage)</i>	<i>Targeted expansion to 50 MM (via diversion of denim capacity)</i>

Deliberate mix shift toward shirting & suiting (beyond core denim) to widen the addressable market, smooth seasonality, and lift blended margins. This is achieved by diversifying into value-added fabrics.

The new strategy involves maximizing returns by pivoting capacity away from traditional denim dependency toward higher-margin non-denim fabrics.



Capturing Market Growth through Diversification and Free Trade Access

India's textile opportunity continues to expand across both domestic consumption and export momentum, with structured policy and trade catalysts reinforcing competitiveness.



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Metric	Value / Forecast	Period / CAGR
Indian Textile Market Size (2024)	USD 146.55 billion (IMARC / GrandViewResearch range: USD 146–222 billion)	2024
Indian Textile Market Projection	USD 213.5 billion (Conservative) → up to USD 646.9 billion (High estimate, CAGR 11.9% FY25–FY33)	By 2033
Indian Textile Export Target	USD 100 billion	By FY2031
Denim Market (Installed Capacity)	1,700 million meters (Production ~1,000 MM)	FY2024
Denim Apparel Market Projection	USD 1.83 billion (Conservative) → USD 9.15 billion (Aggressive)	By 2033 (5.04% CAGR) / By 2026 (14% CAGR)

Q2 & H1 FY26 Snapshot

The reset is showing up in the numbers (Rs. mn; standalone).

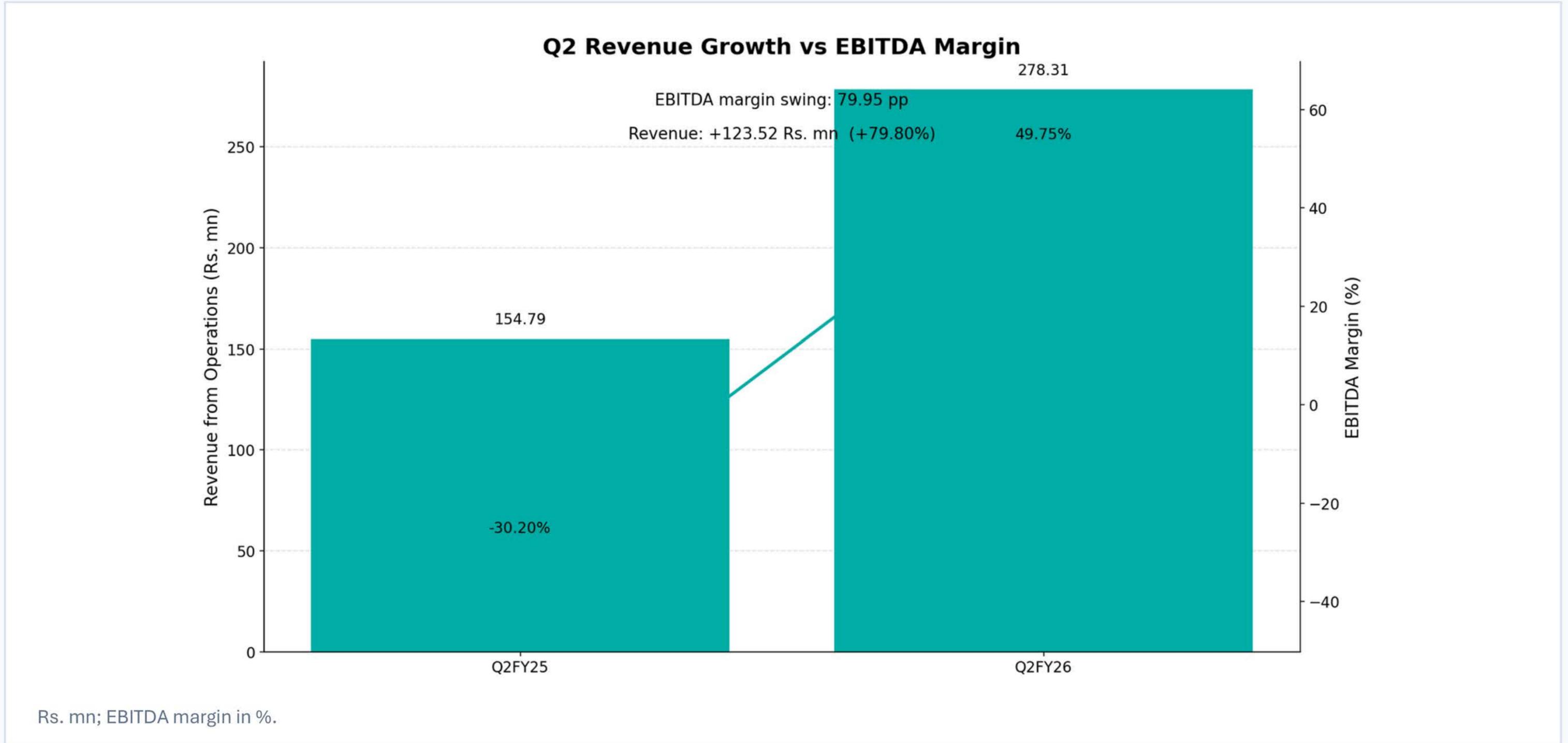


Metric	Q2FY25	Q2FY26	H1FY25	H1FY26
Revenue	154.79	278.31	290.10	272.79
Gross Margin (%)	17.42	55.78	5.22	66.20
EBITDA	-46.75	138.46	-156.01	127.29
EBITDA Margin (%)	-30.20	49.75	-53.78	46.66
Finance cost	38.08	0.00	91.37	14.27
PAT	82.66	102.11	308.51	356.92
EPS (Rs.)	3.52	3.96	13.15	14.17

Key callouts: Q2 Revenue +79.80% YoY | Q2 EBITDA margin -30.20% → 49.75% | Q2 finance cost ~0

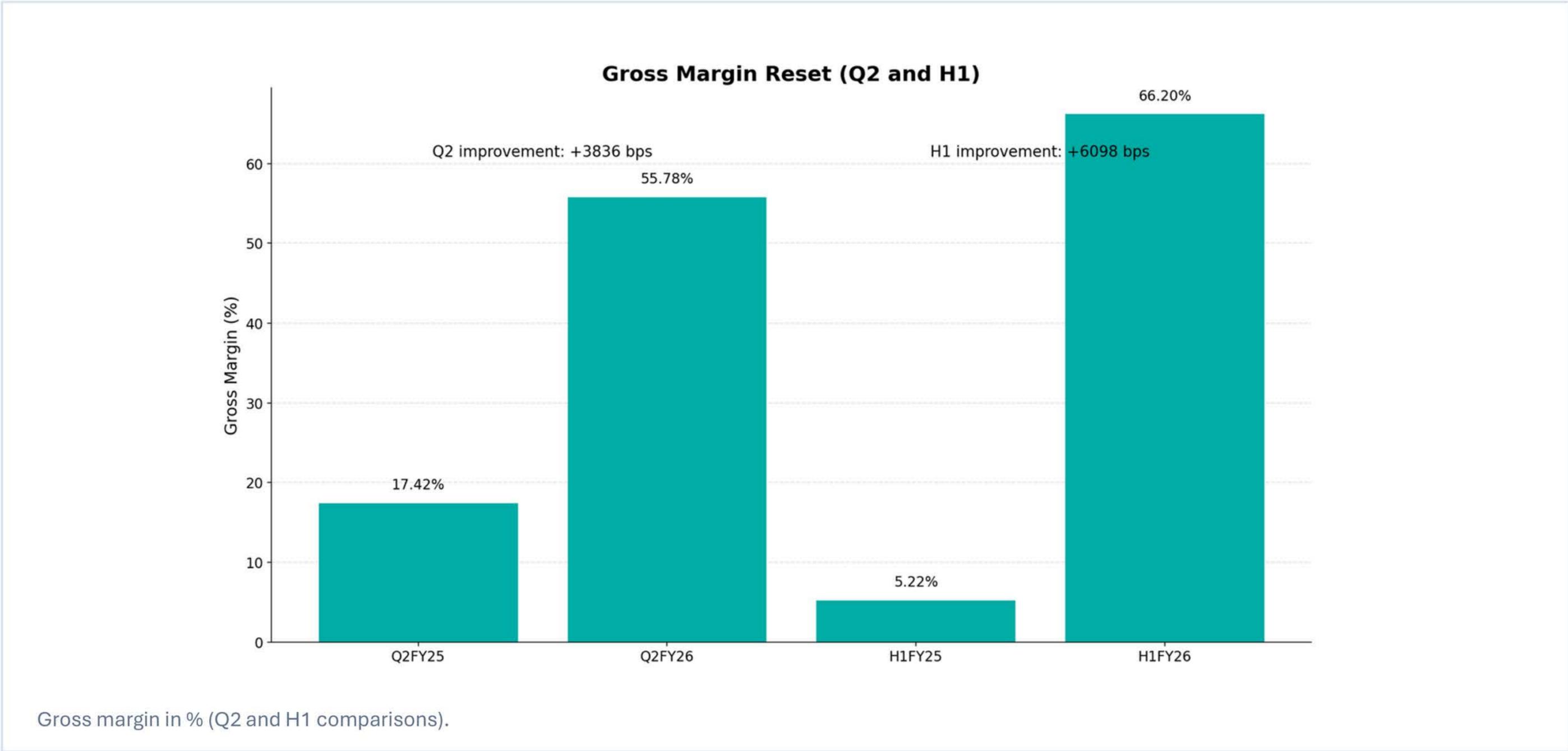
Revenue Growth vs EBITDA Margin (Q2)

Quality of growth: margin and scale together.



Gross Margin Reset

Evidence of mix/pricing discipline reflected in reported margins.



Bank borrowings repaid

As of 3 June 2025, bank borrowings were fully repaid.

Implication: finance-cost drag reduces materially, improving earnings quality and self-funded growth capacity.

Q2 finance cost ~0

Q2 EBITDA margin 49.75%

Q2 PAT Rs. 102.11 mn

H2 Execution Priorities

Protect the reset; compound the runway.

- **Diversification Beyond Denim:** Strategic capacity shift toward shirting & suiting to capture incremental demand and reduce seasonal volatility.
- **Integrated Manufacturing Base:** Narol unit's flexibility supports blended runs across denim and non-denim, aligning production to global demand cycles.
- **Debt-Free Growth:** Strong balance sheet and modernised operations enable scaling without financial strain.
- **Building the Varvee Global Ltd platform:** Growing the VGL enterprise with business verticals aligned with India's high growth sectors.

+79.80%

REVENUE FROM
OPERATIONS GROWTH
FOR Q2FY26

+6098 BPS

GROSS MARGIN
CHANGE FOR H1 FY26

Denim-Focused Production

Limited product and market reach

Diversify Product Portfolio

Expand into shirting and suiting

Leverage Export Advantages

Capitalize on tariff-free access

Integrate Manufacturing

Blend denim and non-denim production

Global Textile Leader

Diversified, export-ready, integrated, debt-free



Q&A SESSION

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VARVEE
GLOBAL LIMITED

DICKENSON

All figures are standalone unless stated otherwise.