



VIP CLOTHING LIMITED

36TH ANNUAL GENERAL CHAIRMAN SPEECH

Monday, 28th September, 2026 at 12:00 Noon

Respected Members of the Board,

Our Valued Shareholders across the world,

Customers, Business Partners,

Our Employees across the country,

Ladies and Gentlemen,

Good afternoon.

It gives me great pleasure to welcome you to the 36th Annual General Meeting of VIP Clothing Limited.

An Annual General Meeting is, of course, an important statutory occasion. But I believe it should be much more than that. It is a moment for us to pause, look at where the company stands, reflect honestly on what we have achieved, understand the challenges before us — and most importantly, discuss the future we are building together.

Today, I would like to do exactly that.

A Company with a Legacy — and a Responsibility

VIP Clothing is not a company that was created yesterday. For decades, our brands have been part of the lives of millions of Indian consumers. The VIP name itself carries enormous recognition. Alongside VIP, we have built a portfolio of brands that includes Frenchie, Feelings, Leader, Brat and Rivolta, each addressing different consumer segments and evolving lifestyles. This is something we value deeply.

But I want to make one point very clear. Legacy is not a reason to be satisfied. Legacy creates responsibility.

The responsibility to protect the trust that consumers have placed in us. The responsibility to continuously improve our products. The responsibility to build stronger brands. The responsibility to create sustainable value for our shareholders. And the responsibility to leave the organisation stronger than we found it.

That is the philosophy with which we are approaching the next chapter of VIP Clothing.

Our Financial Performance

Let me now turn to our financial performance. The year under review was a year of significant improvement for the company.

Our revenue from operations increased to ₹253.83 crore, compared with ₹236.89 crore in the previous financial year. This represents a growth of a 7.15 %.

More importantly, we saw a meaningful turnaround in profitability. The EBITDA was up from ₹18.01 crore in FY 2024-25 to ₹23.93 Crore in FY 2025-26. This represents a growth of 32.9%. Our Profit After Tax stood at ₹9.81 crore, compared with a loss of ₹5.46 crore in the previous year. A Positive Turned around.

Financial Snapshot — FY 2025-26 vs FY 2024-25

Metric	FY 2025-26	FY 2024-25	Change
Revenue from Operations	₹253.83 crore	₹236.89 crore	▲ 7.15%
EBITDA	₹23.93 crore	₹18.01 crore	▲ 32.9%
Profit After Tax (PAT)	₹9.81 crore	₹5.46 crore	Turned positive

These results show a marked improvement in the business and mark the Company's return to profitability.

This is not merely a change in one financial number. For me, it represents something much more important: the business has been moving in the right direction.

We have improved our operating discipline. We have focused more sharply on costs. We have worked on product mix. We have strengthened our brands. And we have continued to focus on profitable growth rather than growth at any cost.

I would like to emphasise, however, that we should not become complacent because of one year's improvement. A turnaround is not complete when the numbers improve for one year. A turnaround is complete when the improvement becomes structural, repeatable and sustainable. That is the standard we have set for ourselves.

What These Numbers Really Mean

Financial numbers tell us what happened. But a Chairman must also ask why it happened.

Our performance reflects the work being done across the organisation to improve the fundamentals of the business. We have been working on strengthening our product portfolio, improving our distribution, becoming more selective about where we invest, focusing on inventory discipline, working towards better productivity, and building a stronger culture of accountability.

These may not always make headlines. But these are the foundations on which enduring companies are built.

Good companies chase growth. Great companies build systems that can deliver growth repeatedly.

That is the transition we are working towards at VIP Clothing.

The Consumer Is Changing

The Indian consumer is changing faster than ever before. Innerwear is no longer viewed purely as a basic necessity. Consumers are increasingly looking for comfort, fit, fabric, design, performance, fashion and value.

The younger consumer, particularly, thinks very differently. They discover brands digitally. They compare products. They expect innovation. They are willing to experiment. And increasingly, they want a brand that reflects their lifestyle.

This creates a tremendous opportunity for an Indian company with a strong heritage in innerwear. And that opportunity is VIP Clothing looking to grab it.

Building Brands, Not Just Selling Products

Our future will be determined by the strength of our brands. Our objective is therefore not simply to put more products into the market — our objective is to create stronger consumer franchises. VIP must continue to stand for trust, comfort and quality. Frenchie must continue to connect with the younger consumer. Feelings has the opportunity to build a much stronger presence in women's innerwear and lifestyle. Brat can participate in the growing children's segment. Rivolta gives us an opportunity to participate in the expanding athleisure and performance-led lifestyle market.

Each brand must have a clear identity. Each brand must have a clear consumer. And each brand must earn its place in the consumer's mind.

Shelf space can be bought. Consumer preference has to be earned.

Distribution — Our Great Advantage

One of our greatest strengths is our understanding of Indian distribution. India is not one market — India is thousands of markets. The consumer in Mumbai is different from the consumer in Kochi. The consumer in Delhi is different from the consumer in a Tier-II or Tier-III city.

The opportunity before us is to make our brands available to more consumers, in more markets, through more relevant channels. We are therefore strengthening our presence across General Trade, Wholesale, Modern Trade, E-commerce, Quick Commerce, Institutional business, Exclusive Brand Outlets, and international markets.

Our approach is not simply to increase the number of outlets — it is to increase productive outlets. The quality of distribution matters as much as the quantity. We want the right product, at the right outlet, at the right price, with the right inventory, and with the right consumer proposition. That is how sustainable distribution is built.

The Next India Is Not Only Metro India

The next major growth story in India will not be restricted to the largest cities. It will increasingly come from Bharat — Tier-II cities, Tier-III cities, smaller towns, and markets where aspiration is rising rapidly.

The consumer in these markets today has access to the same information, the same digital platforms and increasingly the same aspirations as the consumer in a metropolitan city. This is a tremendous opportunity for Indian brands, and we intend to participate in that opportunity aggressively — but responsibly.

Technology and Data

Another transformation taking place inside VIP Clothing is the increasing use of technology and data. The old way of running a business was often based on experience and intuition. Experience will always matter — but experience combined with data is far more powerful.

We want our organisation to increasingly know what is selling, where it is selling, why it is selling, what is not selling, where inventory is accumulating, which customers are growing, which products are generating better margins, and where our capital is being employed.

Technology should not merely automate existing processes. Technology should improve the quality and speed of decision-making. That is the culture we are building.

The World Around Us

We must also recognise the environment in which we are operating. The world has become more uncertain. Geopolitical conflicts, trade tensions, changing tariff structures, currency volatility, energy prices and disruptions to global logistics are creating a much more complex operating environment. The conflict and tensions in the Middle East have demonstrated how quickly a geopolitical event can affect global supply chains. Air cargo and shipping routes through the region have faced disruptions, affecting apparel supply chains across India and South Asia. At the same time, the conflict has also created volatility in petrochemical raw materials, including polyester-related inputs that are important to the textile industry.

These developments remind us of a very important lesson.

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A company's resilience is no longer determined only by its own factory or office — it is determined by the resilience of the entire ecosystem around it.

We therefore have to be prepared. We must diversify where appropriate. We must remain alert to raw-material movements. We must manage inventory intelligently. We must continuously evaluate our sourcing. And we must remain financially disciplined.

Global Trade — Challenge and Opportunity

Global trade is also undergoing a structural change. Tariffs and trade agreements are changing the competitive landscape for textile and apparel companies. For Indian companies, this creates challenges. But I also believe it creates opportunities.

Global companies are increasingly looking for diversified and resilient supply chains. India has the scale. India has the workforce. India has the entrepreneurial ecosystem. India has a large domestic consumer market. And India has the opportunity to become an even more important part of global manufacturing and consumption.

Our job as Indian companies is to be ready when that opportunity arrives. We cannot control international trade policy. We cannot control geopolitics. We cannot control oil prices. But we can control our response.

We can control our costs. We can control our productivity. We can control our brands. We can control our distribution. We can control our balance-sheet discipline. And we can control the quality of our execution.

That is where our focus will remain.

Profitability Will Remain Non-Negotiable

I would also like to make our philosophy on profitability very clear. Revenue growth alone is not success. Market share alone is not success. Profitability without cash generation is not enough. And growth without return on capital is not sustainable.

Therefore, every business leader at VIP must ask four questions: Are we growing? Are we growing profitably? Are we generating cash? And are we creating long-term value?

These questions will increasingly become part of the DNA of our organisation. We want to become a company where financial discipline is not the responsibility of the Finance Department alone — it must be the responsibility of every leader.

Our People

No transformation is possible without people. Machines can improve productivity. Technology can improve information. Capital can create capacity. But ultimately, people build organisations.

We are therefore working towards creating a culture where ownership is encouraged, performance is recognised and accountability is clear. I want our young managers to think like entrepreneurs. I want our sales teams to think like business owners. I want our product teams to think like consumers.

And I want every employee to understand one fundamental principle: the reputation of VIP is created by what each one of us does every day.

Governance and Trust

As a listed company, our responsibility extends beyond our customers and employees. We have a responsibility to our shareholders, our regulators, the market, and to conduct ourselves with the highest standards of governance and integrity.

Trust takes years to build. It can be lost in a moment. Therefore, transparency, accountability and responsible governance will remain central to the way we conduct our business. Our shareholders have entrusted their capital to us. We must earn that trust every single day.

Our Shareholders

I would like to take this opportunity to thank all our shareholders for their continued faith in VIP Clothing. You have supported the company through challenging periods as well as periods of improvement.

We recognise that shareholder value is not created through short-term announcements. It is created through strong brands, consistent growth, healthy margins, strong cash flows, disciplined capital allocation, and institutional governance. That is the kind of value creation we are committed to.

Looking Ahead

I want to be ambitious about VIP Clothing. But I also want to be responsible. We will not announce numbers simply because they sound impressive. We will not pursue growth merely for the sake of size. And we will not compromise the long-term health of the company for short-term performance. Our objective is to build sustainable scale — stronger brands, wider distribution, better products, higher productivity, more efficient operations, a stronger organisation, and, ultimately, a business that is capable of creating increasing value over many years. That is the journey we have begun.

From a Business to an Institution

When I think about the future of VIP Clothing, I don't want us to think only about the next quarter. I want us to think about the next decade. Because companies are built over years. Institutions are built over generations.

The people who built VIP before us created something valuable. Our responsibility is to take that foundation and make it stronger — to modernise it, to make it more competitive, to make it more consumer-centric, and to build an organisation that can prosper long after the current leadership has moved on. That, in my view, is the real definition of leadership.

The Festive Season Ahead

Before I conclude, I want to draw the House's attention to the festive season that lies immediately ahead of us.

The period from Navratri and Durga Puja through Diwali is traditionally the single most important consumption window for apparel and innerwear in India. Consumer sentiment rises, wardrobes are refreshed, and gifting drives a meaningful spike in volumes across General Trade, Modern Trade and E-commerce alike.

Your company is entering this festive season with a stronger balance sheet, a leaner cost structure and healthier inventory than in recent years. Our distribution network has been readied well in advance, our brands have planned fresh launches and festive collections, and our teams are focused on ensuring that VIP, Frenchie, Feelings, Leader, Brat and Rivolta are visible and available wherever the festive consumer is shopping.

We enter this season with genuine optimism. A strong festive quarter would not only support our numbers for the year but would also validate that the turnaround we have built is durable enough to convert a seasonal opportunity into sustained momentum.

Update on Company's fundraising initiative

I would like to update you on the progress of the Company's fundraising initiative through a preferential issue of convertible warrants to the promoter and promoter group.

At the Extraordinary General Meeting held on 11 June 2026, shareholders approved the issue and allotment of up to 2,12,00,000 warrants at an issue price of ₹22.50 per warrant, each convertible into one fully paid-up equity share of the Company having a face value of ₹2.

The Company received in-principle approvals from both NSE and BSE on 28 August 2026. Following receipt of subscription monies from promoter and non-promoter investors within the prescribed timeline, on 12^{September} 2026 the Company allotted 84,75,000 warrants against the approved issue size. The related corporate actions and compliance formalities are currently in progress.

Upon conversion of the warrants allotted to the promoter and promoter group into equity shares, the shareholding of the promoter and promoter group is expected to increase from 46.55% to 51.07%, reflecting their continued commitment to the Company and confidence in its future.

My Message to the VIP Family

To our employees, I want to say: be hungry, be curious, challenge old ways of working, use technology, listen to the consumer, and take ownership.

To our distributors and retailers: you are an extension of VIP. Our growth is your growth. Our success is your success. And we will continue to build this relationship on mutual trust and mutual value.

To our manufacturing and business partners: we want partnerships that are long-term, transparent and built around quality, innovation and competitiveness.

And to our shareholders: we will remain committed to building a company that deserves your trust.

Conclusion

India is changing. The Indian consumer is changing. The world is changing. And VIP Clothing must change with it.

But there are certain things that must never change:

Our integrity. Our commitment to quality. Our respect for the consumer. Our responsibility towards shareholders. And our determination to build something that lasts.

The next chapter of VIP Clothing will not be about simply becoming bigger. It will be about becoming better, stronger, smarter and more valuable.

We have a proud legacy. We have a strong portfolio of brands. We have a large domestic opportunity. We have an experienced organisation. And we have millions of consumers who already know and trust our name. Now it is our responsibility to convert that heritage into the next generation of growth.

I believe strongly in the opportunity before us. I believe in our people. I believe in the strength of our brands. And I believe that VIP Clothing has a meaningful role to play in India's consumption story.

Let us therefore move forward with confidence — but also with humility. With ambition — but also with discipline. And with speed — but always with responsibility.

The past has given us our foundation. The present is our responsibility. And the future is our opportunity.

On behalf of the Board of Directors and the entire VIP Clothing family, I would like to place on record my sincere gratitude to every stakeholder who has stood by this company. To our shareholders, for your patience and continued faith. To our customers, for choosing our brands every single day. To our distributors and retailers, for carrying VIP into every corner of this country. To our suppliers, bankers and business partners, for your trust and partnership. And to our employees, for the effort that sits behind every number in this report. We have much to accomplish. And I am confident that the best chapters of VIP Clothing are still ahead of us.

Thank you.

Jai Hind.
