Executive Summary

1. Indian Apparel Sector presents **large market opportunity** – USD 100 bn + by FY 25

2. ABFRL is a **pioneer in branded apparel industry**, with **30 years** of rich experience

3. Over long period of time, we have **demonstrated success** in
   - Building *portfolio of the largest fashion brands* in the industry
   - Acquiring and *turn around large businesses*
   - Entering *new segments* and create *strong position* in new categories

4. We have expanded our portfolio with entry into **new attractive segments**, in line with evolving consumer trends

5. ABFRL is uniquely positioned in the industry and well poised to deliver **long term growth, profitability, ROCE** and **strong cash flows**
Apparel Market: One of the largest segments in Indian consumer industry

- Projected to grow at a 10% CAGR
- Reach ~$107 Bn by FY25

Rapid shift to Organized Market
- Traditional retail losing share
- Organized Retail (Brick n Mortar & Online) to grow from 33% to 41% in next 5 years

Source: Report on India Fashion Market, June 2020 by Wazir Advisors
Branded Apparel: Large headroom for growth

Apparel Market Concentrated in Top 24 cities > 40% + of branded apparel sales

Tier II, III & IV cities to lead the retail consumer spending in next decade

Source: Report on India Fashion Market, June 2020 by Wazir Advisors

1. Top 2 Cities - Delhi & Mumbai; Next 6 Cities – Bangalore, Chennai, Hyderabad, Ahmedabad, Pune Kolkata; Next 16 Cities – Surat, Jaipur, Lucknow, Nagpur, Patna Indore, Coimbatore, Vadodara, Ludhiana, Bhopal, Kochi, Vishakhapatnam, Madurai, Nashik, Jamshedpur, Guwahati; Next 50 (Indicative): Mostly Tier III Cities such as Kanpur, Kozhikode, Thrissur, Agra, Trivandrum, Varanasi, Rajkot, Meerut, Vijaywada, Amritsar, Jodhpur, Ranchi
**Demographic and Consumption Trends promise Accelerated growth for Organized Fashion Play**

<table>
<thead>
<tr>
<th>Changing Demographics</th>
<th>Consumption Megatrends</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Significant population with Age &lt; 30 years</td>
<td>Increase in Brand Consciousness</td>
</tr>
<tr>
<td>2. Shift from Rural to Urban Areas</td>
<td>Greater participation of Women in Workforce</td>
</tr>
<tr>
<td>3. Rising Affluent Middle Class</td>
<td>Rise of Digitization</td>
</tr>
<tr>
<td>4. Increase in Nuclear Families</td>
<td>Rising influence of Media &amp; Technology</td>
</tr>
<tr>
<td>5. Rapid Development in Rural Areas</td>
<td>Rise in Aspirational Buying</td>
</tr>
</tbody>
</table>
Women’s Ethnic, Men’s Formal and Men’s Casual wear will remain the three largest segments

Men’s Apparel Market (1)

<table>
<thead>
<tr>
<th>Category</th>
<th>2020E (USD Bn)</th>
<th>2025P (USD Bn)</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal</td>
<td>14.3</td>
<td>21.6</td>
<td>8.6%</td>
</tr>
<tr>
<td>Casual</td>
<td>6.8</td>
<td>13.2</td>
<td>14.2%</td>
</tr>
<tr>
<td>Innerwear</td>
<td>1.9</td>
<td>3.1</td>
<td>10.3%</td>
</tr>
<tr>
<td>Activewear</td>
<td>0.9</td>
<td>1.7</td>
<td>13.6%</td>
</tr>
<tr>
<td>Others</td>
<td>3.8</td>
<td>5.7</td>
<td>8.4%</td>
</tr>
</tbody>
</table>

Women’s Apparel Market (2)

<table>
<thead>
<tr>
<th>Category</th>
<th>2020E (USD Bn)</th>
<th>2025P (USD Bn)</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnic</td>
<td>16.9</td>
<td>24.4</td>
<td>7.6%</td>
</tr>
<tr>
<td>Innerwear</td>
<td>4.4</td>
<td>8.5</td>
<td>14.1%</td>
</tr>
<tr>
<td>Formal</td>
<td>1.0</td>
<td>1.8</td>
<td>12.5%</td>
</tr>
<tr>
<td>Casual</td>
<td>0.9</td>
<td>1.9</td>
<td>16.1%</td>
</tr>
<tr>
<td>Others</td>
<td>1.7</td>
<td>2.4</td>
<td>7.1%</td>
</tr>
</tbody>
</table>

Source: Report on India Fashion Market, June 2020 by Wazir Advisors
1. Men’s Categorisation: Formals include Shirts, Trousers, Suits/Coats/Safari Suits; Casuals include T-shirts and Denim; Others include Winterwear, Ethnic etc.
2. Women’s Categorisation: Formals include Top/Shirts, Formal Jackets, Trousers/Skirts; Casuals include T-shirts and Denim; Others include Winterwear, Sleepwear etc
ABFRL Vision

To passionately satisfy Indian consumer needs in **fashion**, **style** and **value**, across **wearing occasions** in **Apparel and Accessories** through **strong brands** and high-quality **consumer experience** with the ultimate purpose of delivering superior value to all our stakeholders

*Our Vision has consistently driven our strategic choices*
ABFRL Journey
Evolution of a Fashion Powerhouse

1999-2006*
Entry Phase
- Established presence in branded apparel and retail space
- Acquisition of Madura Garments by ABG
- Started Apparel Retail

1999 2004

2007-2016*
Expansion & Growth Phase
- Fill gaps in apparel offerings and enter multi-brand retail
- Launch of Luxury & Value formats
- Acquisition of Pantaloons
- Creation of ABFRL: Merger of Madura and Pantaloons

2007 2013 2015-16

2017-2020
Portfolio Diversification
- Investments in white spaces
- Launch of Innerwear
- Youth Fashion & Global Mono Brands
- Digital Transformation
- Foray into branded ethnic wear

2017-20

*Housed under Aditya Birla Nuvo Limited, an Aditya Birla group entity
ABFRL | Consistent Growth Story over the last 15 years

Revenue
(in Rs. Cr.)

<table>
<thead>
<tr>
<th>FY05</th>
<th>FY09</th>
<th>FY13</th>
<th>FY17</th>
<th>FY20 Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>472</td>
<td>1,126</td>
<td>3,802</td>
<td>6,633</td>
<td>8,743</td>
</tr>
</tbody>
</table>

18.5x in 15 years
CAGR ~21%

EBITDA
(in Rs. Cr.)

<table>
<thead>
<tr>
<th>FY05</th>
<th>FY09</th>
<th>FY13</th>
<th>FY17</th>
<th>FY20 Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>39</td>
<td>-166</td>
<td>312</td>
<td>476</td>
<td>518</td>
</tr>
</tbody>
</table>

13x in 15 years
CAGR ~19%
ABFRL | Powerhouse of Brands
Diversified portfolio addressing all Consumer Segments

- **Luxury**
  - THE COLLECTIVE
  - RALPH LAUREN
  - SHANTANU & NIKHIL

- **Super-Premium**
  - SIMON CARTER
  - HACKETT
  - TED BAKER
  - JAYPORE
  - POLO RALPH LAUREN

- **Premium**
  - LOUIS PHILIPPE
  - Allen Solly
  - VAN HEUSEN
  - AMERICAN EAGLE OUTFITTERS

- **Sub-Premium**
  - PETER ENGLAND
  - FOREVER 21

- **Value**
  - **Portfolio addressing varied segments**
    - **Men’s**
      - Casuals – 42%
      - Formals – 25%
      - Western – 15%
    - **Women’s**
      - Casuals – 42%
      - Innerwear – 3%
    - **Ethnic**
      - 8%
    - **Kids**
      - 7%

*Indicative Split for FY20

- **Home to India’s 5 Leading Apparel Brands**

- **Added Sabyasachi Couture & announced Tarun Tahiliani partnership recently**
ABFRL | Widest Multi-channel Distribution across the country

2,699
Exclusive Brand Outlets

342
Pantaloons Stores

~ 25,000
Multi-brand Outlets

6,514
SIS across Dept. stores

Legend:
Exclusive Brand Outlets
Pantaloons Stores

Multi channel distribution built over years

Wide distribution led by deep understanding of markets

Distribution capability to be the most significant competitive advantage

Leading presence across all major E-comm platforms

Footprint 8.1 (million sq. ft.) As on FY20
Diversification a conscious choice in line with our vision

Why Portfolio play instead of narrow play

- Large growth opportunities across multiple segments
- In line with rapidly evolving consumer shifts
- Bouquet of offerings to serve multiple consumer needs

Why we can win the Portfolio play

- A history of successful business incubation; strong parentage
- Rich expertise in product and design accumulated over 25+ years
- Extensive distribution with an asset light expansion engine
- Powerhouse of industry shaping talent
- Deep understanding of consumer markets; across town classes
- Deep investment in Technology Globally awarded ESG program

Rich Legacy

Design & Product

Distribution Muscle

Talent & Know-how

Sustainable Growth
Our success is built on strong, sustainable pillars

1. Diversified play
   - **Business Models**: Brand and Retail
   - **Price Points**: Luxury to Value
   - **Consumer Segments**: Men, women, Kids
   - **Categories**: Casual, formal, ethnic, innerwear, Athleisure
   - **Channels**: Retail, Department stores, MBOs, Online

2. Rich Brand Portfolio
   - Largest & most loved fashion **brands**
   - Leading **Value Fashion retailer**
   - Partnership with best **Global** brands
   - **Consumer** centricity and **Brand Building**

3. Strong Enablers
   - Strong investment in **Design, merchandising, Sourcing & Supply Chain**
   - **Digital** – Technology, Analytics, CRM, E Com, Omni channel
   - Culture of **innovation** combined with disciplined **execution**

4. Governance & Talent
   - Highest level of **Governance**
   - Strong **processes** & Control systems
   - **Aditya Birla Group Values**
   - Unmatched **Employee Value Proposition**
   - Leading **Sustainability** practices
We are building an all round sustainable business by focusing on key long term trends

1. Digital Transformation

2. ESG
We are executing a comprehensive Digital Transformation program

1. **Drive Revenues - Commerce**
   - E-Commerce
   - Omni-channel
   - Digital in-store
   - Channel partner mgmt.

2. **Build Stronger Brands: Engagement**
   - Personalization
   - Digital marketing

3. **Improve profitability: Efficiency Improvement**
   - Markdown Management
   - Design, buying & allocation
   - Supply chain digitization
Our E-commerce Strategy will leverage the existing eco-system and build own captive capabilities & assets

1. **Ecosystem Partnerships** – Leverage partnership with leading fashion E-commerce players
   - Wider assortment and enhanced service levels
   - Extend brands into new online-heavy categories
   - Launch pure online brands / sub-brands

2. **Build Stronger Own Brand.com selectively**
   - Build brand.com through superior user experience, differentiated offering and premium services
   - Build brand affinity through engagement

3. **Build industry leading Omni-channel Play**
   - ABFRL has an early start in delivering a truly Omni-channel experience to consumers
   - We will leverage our distinctive advantage of large loyal consumer base, wide network of stores & strong brands
ABFRL is a pioneer in ESG in Indian apparel industry
Consistent sustainability journey spanning over a decade

We are committed to

give back more

than what we take from the ecosystem

✓ **Sustainable Product** – At ABFRL, we follow strict sustainability guidelines, and even use these to give preference to vendors which align with our sustainability ideologies

✓ **Sustainable Packaging** – Across our brands, we’ve been taking instrumental steps in completely removing the usage of single use plastics across the supply chain

✓ **Green Building Factories** – All ABFRL facilities have completed the Green Factory certification
Recognized as Asia’s most sustainable fashion Company

**S&P Global Corporate Sustainability Assessment -2020**

Asia’s most sustainable company in textiles, apparels and luxury goods industry*

- Global 8th rank in sector
- First rank in Asia Pacific region
- First Rank in Emerging Markets

*Note*: The SAM CSA methodology is used among others, to select companies for the Dow Jones Sustainability Indices (DJSI)

Among the **most sustainable companies in India for** sustainability assessment in joint research of Business World India and Sustain Lab Paris.
Leadership Team
Experienced Team, Decentralized Structure

Ashish Dikshit
Managing Director
Total Years of Experience: 29
Total Years with ABG: 23

Jagdish Bajaj
Chief Financial Officer
Total Years of Experience: 31
Total Years with ABG: 31

Sangeeta Pendurkar
CEO, Pantaloons
Total Years of Experience: 32
Total Years with ABG: 2.5

Vishak Kumar
CEO, Madura Fashion
Total Years of Experience: 26
Total Years with ABG: 26

Chandrashekhari Chavan
Chief Human Resource Officer
Total Years of Experience: 25
Total Years with ABG: 24

Praveen Shrikhande
Chief Digital Officer
Total Years of Experience: 30
Total Years with ABG: 4

Puneet Malik
CEO, Innerwear Business
Total Years of Experience: 27
Total Years with ABG: 26

R. Swaminathan
Chief Supply Chain Officer
Total Years of Experience: 29
Total Years with ABG: 20

Sooraj Bhat
Dy CEO, Pantaloons
Total Years of Experience: 21
Total Years with ABG: 18

Jacob John
President, Premium Brands
Total Years of Experience: 25
Total Years with ABG: 21

Kedar Apshankar
COO, Special Projects
Total Years of Experience: 25
Total Years with ABG: 15

Dr. Naresh Tyagi
Chief Sustainability Officer
Total Years of Experience: 29
Total Years with ABG: 12

ABG – Aditya Birla Group
Lifestyle Brands
India’s Strongest Brand Portfolio

Versatile ever-growing brands
- Strong brand equity
- Evolving with consumer trends
- Across segments, usage occasions

Industry leading distribution
- Scalable and asset light
- Large headroom for growth

Strong economics
- Consistently profitable with 50%+ ROCE
- Projected to be ~Rs. 9000 Cr. by FY’26

Sustainable competitive advantage
- Unique 12 season business model
- Competence across Product, Brand Management, Off/Online commerce
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Louis Philippe
To inspire the quest of excellence

FORMALS

SPORT

JEANS

ATH. WORK

Casuals: 48%

Formal: 52%
Allen Solly
To encourage you to explore your unconventional vibrant self

WORK
MODERN QWORK

EDITION 1744
LUXURY SPORT

PRIME
SMALL TOWN INDIA

ALLEN SOLLY JEANS
DENIM LIFESTYLE

TRIBE
YOUTH LIFESTYLE

Formal: 5%
Casuals: 95%
# Van Heusen

To make professionals fashionable

<table>
<thead>
<tr>
<th>FORMALS</th>
<th>V DOT</th>
<th>SPORT</th>
<th>DENIM LABS</th>
<th>FLEX</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1" alt="Formal Attire" /></td>
<td><img src="image2" alt="V DOT" /></td>
<td><img src="image3" alt="Sport" /></td>
<td><img src="image4" alt="Denim Labs" /></td>
<td><img src="image5" alt="Flex" /></td>
</tr>
</tbody>
</table>

Formal: 55%  
Casuals: 45%
Peter England
To bring alive authenticity and trust in our relationships

Originals
Select
Sport
Pete
Active

Mainline Formals
Premium Formals
Smart Casuals
Jeans Lifestyle
Active wear

Formal: 45%
Casuals: 55%
Evolved our brands in line with Consumer Trends
Share of casual business grew from 34% to 59% for Lifestyle Brands

<table>
<thead>
<tr>
<th></th>
<th>FY10</th>
<th>FY20</th>
<th>FY22 Likely</th>
</tr>
</thead>
<tbody>
<tr>
<td>Casual</td>
<td>259 Cr.</td>
<td>2,455 Cr.</td>
<td>62%</td>
</tr>
<tr>
<td>Formal</td>
<td>514 Cr.</td>
<td>2,036 Cr.</td>
<td>59%</td>
</tr>
<tr>
<td>NSV (INR Crs)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Lifestyle Brands
India’s Strongest Brand Portfolio

Versatile ever-growing brands
• Strong brand equity
• Evolving with consumer trends
• Across segments, usage occasions

Industry leading distribution
• Scalable and asset light
• Large headroom for growth

Strong economics
• Consistently profitable with 50%+ ROCE
• Projected to be Rs. 9000 Cr. by FY’26

Sustainable competitive advantage
• Unique 12 season business model
• Competence across Product, Brand Management, Off/Online commerce
Highly scalable asset light distribution model
Driven by partnerships

- Only Company owned stores are with own capex
- Fastest retail expansion in FY20
- Franchisee led EBO expansion
- Omni-channel live across 800+ stores
Large headroom available to double retail presence
Riding on the growth of both urban and small town India

EBO Presence and Future Opportunities

<table>
<thead>
<tr>
<th>Brands</th>
<th>Current Stores</th>
<th>Current Towns</th>
<th>New Markets for expansion (next 5 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LP</td>
<td>407</td>
<td>175</td>
<td>500</td>
</tr>
<tr>
<td>VH</td>
<td>354</td>
<td>163</td>
<td>500</td>
</tr>
<tr>
<td>AS</td>
<td>300</td>
<td>145</td>
<td>750</td>
</tr>
<tr>
<td>PE</td>
<td>1014</td>
<td>450</td>
<td>2000</td>
</tr>
</tbody>
</table>
What is PE Red?

• Exclusive format for Tier 4-5 towns
• Asset light, 100% Franchisee led
• Quality product @ Value; Fashion @999
• Merchandise customized for local needs
• Network fostering local entrepreneurship
• Hyperlocal marketing & merchandizing
• Franchisee Payback in 3 years

What is the ambition?

Over Next 3 years – To build Rs 900 Cr business spread across 1000 Stores
Tapping the ‘Bharat’ Opportunity | Allen Solly Prime
Proof of concept established, Ready for rapid scale up

Objective
- Penetrating Small Town
- Target to open 500 stores in 3 years

Need Gap
- Strong Aspirational brand with high price value equation

Expansion Strategy
- Own the State and go deep

Financial Model
- Low discount model

Merchandise strategy
- Local relevant
- High Price Value equation

Piloted 7 stores with Avg SSPD of Rs 50+
# Lifestyle Brands

**India’s Strongest Brand Portfolio**

| Versatile ever-growing brands | • Strong brand equity  
|                              | • Evolving with consumer trends  
|                              | • Across segments, usage occasions  
| Industry leading distribution | • Scalable and asset light  
|                              | • Large headroom for growth  
| Strong economics             | • Consistently profitable with 50%+ ROCE  
|                              | • Projected to be Rs. 9,000 Cr. by FY’26  
| Sustainable competitive advantage | • Unique 12 season business model  
|                              | • Competence across Product, Brand Management, Off/Online commerce  

Lifestyle Brands
Strong Financial Model

- Consistently generated strong ROCE for the last 15 years
- Annual Free Cash Flows averaging INR 300+ crores in each of the last five years
- Strong brands, highly scalable, profitable asset light model: penetrating “Bharat”

<table>
<thead>
<tr>
<th>(INR crs)</th>
<th>FY17</th>
<th>FY20N</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>3,651</td>
<td>4,800</td>
<td>~ 9,000</td>
</tr>
<tr>
<td>Growth (CAGR)</td>
<td>10%</td>
<td>11-12%</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>423</td>
<td>550</td>
<td>~ 1,000</td>
</tr>
<tr>
<td>EBITDA %</td>
<td>11.6%</td>
<td>11.5%</td>
<td>~ 11-12%</td>
</tr>
<tr>
<td>Capital Employed (w/o GW)</td>
<td>468</td>
<td>772</td>
<td>1,522</td>
</tr>
<tr>
<td>Cumulative FCF (FY22 - FY26)</td>
<td>-</td>
<td>-</td>
<td>2,000</td>
</tr>
<tr>
<td>ROCE (w/o GW)</td>
<td>74%</td>
<td>45%</td>
<td>50%+</td>
</tr>
</tbody>
</table>

*Goodwill = Rs. 628 Cr.*
<table>
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<tr>
<th>Lifestyle Brands</th>
<th>India’s Strongest Brand Portfolio</th>
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<td></td>
<td>• Competence across Product, Brand Management, Off/Online commerce</td>
</tr>
</tbody>
</table>
Pioneering use of Cutting-Edge Technology
12 Season Model

- Product **lead times reduced** from 7 months to 45 days
- State-of-the-art technology for **digital** design creation and order booking
- **New design** creation **every month**
- **Rapid response** lines with mills
- Dedicated manufacturing for **operational flexibility**
Pioneering use of Cutting-Edge Technology
12 Season Model: Advantages

**Product & Design**
- Quick response to consumer needs
- Agile product launches
- “Many India” Merchandize

**Supply chain**
- Efficient inventory management
- Better sourcing deals
- Buys based on consumer feedback
- Co-creation with vendors

**Sales Channels**
- Digital Trade Show
- Speedy liquidation of slow-moving designs
- Better freshness due to monthly drops
Phygital way of reaching consumers
“Buy Online Ship from Stores” (BOSS)

<table>
<thead>
<tr>
<th>Category</th>
<th>Feature</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rapid Store Expansion</td>
<td>• 800+ stores live</td>
</tr>
<tr>
<td>Speed of Delivery</td>
<td>• Order to dispatch &lt; 6 hours</td>
</tr>
<tr>
<td>Merchandise Management</td>
<td>• Intelligent assortments; automatic replenishment</td>
</tr>
<tr>
<td>Inventory Management</td>
<td>• Greater assortment visibility to consumers</td>
</tr>
<tr>
<td>Customer Experience</td>
<td>• High quality <strong>omni-channel</strong> experience aided by “Hyperlocal”</td>
</tr>
</tbody>
</table>
Lifestyle Brands
Summarizing a winning Model

Strong and **Versatile** Brands

Scalable and Profitable **Asset-light model**

Strong Financial model with healthy growth, FCF and ROCE

Leadership across **multiple product categories**

Strong capabilities in **channel management, retailing, product creation**
Story of the most successful turnaround in the Indian Fashion Industry
Redefining the Pantaloons proposition and customer experience:

1. Revamped *product strategy*
2. Re-energized *brand*
3. Established *growth model* for profitability and scalability
4. Reset *organizational capabilities* to win in the future
5. Robust and rapidly improving *financial model*

*Strong business model with a large headroom for growth*
Redefining the Pantaloons proposition and customer experience:

1. Revamped product strategy
   a. Improved Price-Value Equation
   b. Increasing private label share
1. Revamped product strategy
   a) Improved price-value equation

   - Improved **product design & aesthetics**
   - **Redefined fits** for younger audience
   - **Improved fashion quotient** of products to appeal to a more fashion aspiring audience
1. Revamped product strategy
   a) Improved price-value equation

- Redefined planning processes

  - Increased freshness: New styles every fortnight
  - Revamped supply chain through new allocation model and automated assortment planning
  - Focused on
    - Improving Sell throughs
    - Delivering higher inventory turns
    - Expanding gross margins
1. Revamped product strategy
   b) Strong actions to improve private label share

   • Sharply defined and rationalized **private label architecture**
   • New introductions:
     • Improve **relevance for young audience**: Launched PEOPLE, Candies
     • **Strengthen Women’s Ethnic**: Foray into Saris with a modern take, **Premium Label launch in Sept 21**
     • **Strengthen Men’s wear** - Premium Athleisure and Casual wear labels in FY 22
     • Move from **Apparel to Life style**
        • Launched Home – **Living Scapes**
        • Strengthen Accessories
        • Build Beauty & Cosmetics

   **On course to increase share of Private labels from 61 % in FY 20 to 75 % in FY 25**
1. Revamped product strategy

Labels for younger age group
1. Revamped product strategy

Foray into Saris
1. Revamped product strategy

Living Scapes – Entry into the Home category
1. **Revamped product strategy**
   a. Improved Price-Value Equation
   b. Increasing own brand share

2. **Re-energized brand**
   a. New positioning and imagery, with high salience
   b. Refreshed retail identity
2. Re-energized brand
   
a) New positioning and imagery, high salience

- Revamped **Imagery** – Young, Contemporary & Vibrant
- Stepped up marketing investments – **2X**
- Strong **Digital** marketing strategy to build salience and website traffic
- Harnessed the power of **16 Mn strong loyalty program member base**, through analytics and personalization
2. Re-energized brand
   a) New Retail Identity launched

Vibrant, Modern & Interactive, based on international benchmarks
2. Re-energized brand
   a) New Retail Identity – Vibrant, modern & interactive
2. Re-energized brand

a) New Retail Identity – Vibrant, Modern and Interactive
Pantaloons
The turnaround strategy

1. Revamped product strategy
   a. Improved Price-Value Equation
   b. Increasing own brand share

2. Re-energized brand
   a. New positioning, imagery with high salience
   b. Refreshed retail identity

3. Established growth model – Scalability and unit profitability
   a. Strong store economics across store sizes and town classes
   b. Robust expansion plans
   c. Scale up of digital channels with agility
3. Established growth model

a) Proven store economics across store sizes and town classes

- Added 200+ stores over the last 4 years; present in 169 cities
- Average store ROCE of 30% in COCO stores, consistent across town classes

<table>
<thead>
<tr>
<th></th>
<th>COCO Stores</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Metros (8)</td>
</tr>
<tr>
<td>Store Mix (275 stores)</td>
<td>45%</td>
</tr>
<tr>
<td>ROCE%</td>
<td>34%</td>
</tr>
</tbody>
</table>
3. Established growth model  
b) Robust network expansion plans with a proven profitability model

- Driving penetration in Tier 2/3/4 towns a significant opportunity
- Plan to add 250 stores in the next 3 years across 100 new towns

<table>
<thead>
<tr>
<th>City Tier</th>
<th>Current Foot print</th>
<th>FY 25 Foot print</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metro</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Tier 1</td>
<td>31</td>
<td>44</td>
</tr>
<tr>
<td>Tier 2</td>
<td>36</td>
<td>43</td>
</tr>
<tr>
<td>Tier 3</td>
<td>94</td>
<td>173</td>
</tr>
<tr>
<td>Total</td>
<td>169</td>
<td>268</td>
</tr>
</tbody>
</table>
3. Established growth model
c) Scale up of digital channels with great agility

- E-commerce channel scaled up 3x during FY 21; to **contribute 8-10% of sales by FY25**
- Stores migrating to become “Phygital stores”
  - 60 % network - **Omni-enabled**
  - **Social commerce** - a key channel going forward
- Plans in place to **accelerate partnered e-commerce business**
- **New website and app** planned for a superior customer experience

**Integrated online and offline retail play – a big bet for the future**
1. **Revamped product strategy**  
   a. Improved Price-Value Equation  
   b. Increasing own brand share

2. **Re-energized brand**  
   a. New positioning, imagery with high salience  
   b. Refreshed retail identity

3. **Established growth model – Scalability and unit profitability**  
   a. Strong store economics across store sizes and town classes  
   b. Robust expansion plans  
   c. Scale up of digital channels with agility

4. **Redefined organizational capabilities to win in the future**  
   a. Strong Digital transformation agenda across the value chain
4. Redefined organisational capabilities
Strong Digital transformation agenda across the value chain

**DIGITAL MARKETING**
- Drive traffic, improve conversions
- Personalization

**DIGITAL PRODUCT LEADERSHIP**
- Agile Merchandising
- Systematic Planning

**ANALYTICS AS ORG FABRIC**
- Insights led decision making

**OPERATIONAL EXCELLENCE**
- Technology for efficient operations and superior customer experience

**PHYGITAL SHOPPING EXPERIENCE**
- Create unique integrated Pantaloons experience across Physical and Digital modes

**DIGITALLY ENABLED EMPLOYEE**
- Enable Collaboration, Productivity & Creativity
Pantaloons
The turnaround strategy

1. **Revamped product strategy**
   a. Improved Price-Value Equation
   b. Increasing own brand share

2. **Re-energized brand**
   a. New positioning, imagery with high salience
   b. Refreshed retail identity

3. **Established growth model – Scalability and unit profitability**
   a. Strong store economics across store sizes and town classes
   b. Robust expansion plans
   c. Scale up of digital channels with agility

4. **Redefined organizational capabilities to win in the future**
   a. Strong Digital transformation agenda across the value chain

5. **Robust and rapidly improving financial model**
5. Robust and rapidly improving financial model

Stellar financial turnaround; well positioned for accelerated growth

<table>
<thead>
<tr>
<th>(Rs. Cr.)</th>
<th>FY17</th>
<th>FY20N</th>
<th>FY26E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2,552</td>
<td>3,650</td>
<td>~ 8,500</td>
</tr>
<tr>
<td>CAGR</td>
<td>13%</td>
<td>15-16%</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>126</td>
<td>291</td>
<td>~ 900</td>
</tr>
<tr>
<td>EBITDA%</td>
<td>4.9%</td>
<td>8.0%</td>
<td>~ 11%</td>
</tr>
<tr>
<td>Capital Employed (w/o Goodwill)</td>
<td>512</td>
<td>600</td>
<td>1,622</td>
</tr>
<tr>
<td>CFCF (FY 22-26)</td>
<td>-</td>
<td>-</td>
<td>~ 500</td>
</tr>
<tr>
<td>ROCE (w/o Goodwill)</td>
<td>NA</td>
<td>27%+</td>
<td>40%+</td>
</tr>
</tbody>
</table>

*Goodwill: Rs. 1,168 Cr.

Over next 5 years, business to generate Rs. 2100 Cr cash; Invest back Rs. 1600 Cr. for growth, thereby delivering Rs. 500 Cr. of free cash flow
Pantaloons
Strong growth and financial model

1. Revamped **product strategy** with improved design aesthetics, better freshness and new labels for younger consumers

2. Re-energized **brand** with new positioning, higher marketing investments and a strong digital & data strategy

3. Established **growth model** for store scalability & profitability with strong store economics across pop-strata, town classes and store vintage

4. Reset **organizational capabilities** to win in the future with strong talent, culture and a robust digital transformation planned across the value chain

5. Robust and rapidly improving **financial model** delivering double digit EBITDA, strong ROCE and surplus cash

**Potential to become a Rs. 8500 Cr multi-category retail brand, with an integrated online-offline play**
New Business Segments
New Business Segments
Setting up Future Growth Platforms

• Building on our leadership position, forayed into potentially attractive segments:
  1. Active athleisure innerwear
  2. Youth western fashion for men/women
  3. Super premium segment
  4. Ethnic wear

• Over the course of last 4 years we have been perfecting business model in each of the segments

• Through these, we will create **long term growth platforms** offering attractive returns in future
• Large unorganized and profitable market
  – Driven by premiumization & growth of branded segment

• Van Heusen (VH) has emerged as a clear number 2 player
  1. Aspirational brand
  2. Differentiated & innovative products
  3. Deep distribution
  4. Asset light scalable model
  5. Category extension from IW to Athleisure & Activewear

• Poised for explosive growth and profitability
  - INR 1,500 Cr. sales in FY26 with ~15% EBITDA
Innerwear & Athleisure
The Industry Disruptor

• Large unorganized and profitable market
  - Driven by premiumization & growth of branded segment

• Van Heusen (VH) has emerged as a clear number 2 player
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  4. Asset light scalable model
  5. Category extension from IW to Athleisure & Activewear

• Poised for explosive growth and profitability
  - INR 1,500 Cr. sales in FY26 with ~15% EBITDA
Large (~$9 Bn) unorganized & profitable market

**Market projections**

**Inner wear**
- **Men:**
  - FY20: 1.9
  - CAGR 10%
  - FY26: 3.1
- **Women:**
  - FY20: 4.4
  - CAGR 14%
  - FY26: 8.5

**Athleisure & Active Wear**
- **Men:**
  - FY20: 3.0
  - CAGR 13%
  - FY26: 5.6

**Market projections**

**Strategic Intent**

- **Large market size ($9.3 Bn) with 12-13% expected future growth**

- **Large part of market still unorganized**

- **Lifestyle changes** to drive faster growth & premiumization

- **Large premium / mid-premium segment (~50% market)** leading to significant headroom for branded play

- **High profitability** - Industry structure allows strong profitability

---

Source: Report on India Fashion Market, June 2020 by Wazir Advisors, Kearney estimates

1. The market sizes for athleisure and active wear are for the urban market
2. 1 USD = 72.5 INR
3. We have assumed FY21 as pause year and used FY20 market as base and then used 5-year growth formulae to project FY26 market size
We saw 5 clear opportunities for market entry through Van Heusen

1. Large unorganized market

2. Strong consumer pull towards aspirational brands

3. Profitable industry structure

4. Most players offering basic undifferentiated products - Opportunity for innovation

5. Strong right to win through VH’s aspirational positioning and natural adjacency
Innerwear & Athleisure
The Industry Disruptor

• Large unorganized and profitable market
  – Driven by premiumization & growth of branded segment

• Van Heusen (VH) has emerged as a clear number 2 player
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• Poised for explosive growth and profitability
  - INR 1,500 Cr. sales in FY26 with ~15% EBITDA
In a short span of time, we have emerged as a clear No. 2

**Trajectory: VH IW business trajectory**

<table>
<thead>
<tr>
<th>Multi-brand outlets</th>
<th>FY17</th>
<th>FY20N</th>
</tr>
</thead>
<tbody>
<tr>
<td>~1,020</td>
<td>~20,000</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EBO</th>
<th>FY17</th>
<th>FY20N</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>~44</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Department stores</th>
<th>FY17</th>
<th>FY20N</th>
</tr>
</thead>
<tbody>
<tr>
<td>~129</td>
<td>~519</td>
<td></td>
</tr>
</tbody>
</table>

Strong No. 2 player in short time span
We have built our business on 5 differentiated pillars
1. Aspirational Brand

Amplifying brand strength via 360° campaigns & high impact launches
1. Aspirational Brand

Aspirational brand to upgrade customers

Amplifying brand strength via 360° campaigns & high impact launches

BTL / activations

- Fashion shows
- Pop-up stores
- SIS
- 'Brafessor'

Van Heusen
1. Aspirational Brand

Aspirational brand to upgrade customers

Amplifying brand strength via 360° campaigns & high impact launches

Targeted digital marketing
2. Differentiated & Innovative Products

A. Innovation to address unmet functional needs

Products launched to address need gaps around “comfort” and “fit”

- Men’s wear (select examples)
  - Breathable Cups
  - No Slip Straps
  - Flexi-Wire

- Women’s wear (select examples)
  - Flexi-Stretch
  - SmartTech

B. Strategic partnerships

Strategic partnerships with best in class manufacturing facilities

C. Product laddering to drive customer upgrade

3-layered product architecture

- Premium offerings: Drive aspiration & customer upgrade
- Essentials: Drive volumes
2. Differentiated & Innovative Products - Created a diverse range of market winning products – Men
2. Differentiated & Innovative Products - Created a diverse range of market winning products – Women
### 3, 4. Deep Distribution and Asset Light Scalable Model

<table>
<thead>
<tr>
<th>A</th>
<th>Trade</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rapid expansion; 60% weighted coverage already</strong></td>
<td></td>
</tr>
<tr>
<td>22,000+ outlets</td>
<td></td>
</tr>
<tr>
<td>450+ cities</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B</th>
<th>Retail</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3 Winning retail formats</strong></td>
<td></td>
</tr>
<tr>
<td>Asset light franchisee led model</td>
<td></td>
</tr>
<tr>
<td>50 stores to 500 stores over next 4 years</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C</th>
<th>Dept Stores</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>VH’s superior positioning</strong></td>
<td></td>
</tr>
<tr>
<td>500+ doors (incl. presence in Pantaloons)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>D</th>
<th>E-Commerce</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategic partnerships in place</strong></td>
<td></td>
</tr>
<tr>
<td>All leading platforms + exclusive online stores</td>
<td></td>
</tr>
</tbody>
</table>
5. Category extension from IW to Athleisure & Activewear

- Men’s Innerwear
- Men’s Loungewear
- Men’s Athleisure
- Men’s Thermals
- Men’s Activewear
- Men’s Socks

- Women’s Innerwear
- Women’s Loungewear
- Women’s Athleisure
- Women’s Thermals
- Women’s Activewear
- Women’s Socks

**FY17**

- Entered Women’s segment in FY19 –
  1. Compete as a strong & credible alternative to the market leader with a comprehensive offering
  2. Accelerate Men’s growth
  3. Make EBO viable

**FY21**

- Vitals bra
- Sports bra
- Women’s Activewear
Innerwear & Athleisure
The Industry Disruptor

• Large unorganized and profitable market
  – Driven by premiumization & growth of branded segment

• Van Heusen (VH) has emerged as a clear number 2 player
  1. Aspirational brand
  2. Differentiated & innovative products
  3. Deep distribution
  4. Asset light scalable model
  5. Category extension from IW to Athleisure & Activewear

• Poised for explosive growth and profitability
  - INR 1,500 Cr. sales in FY26 with ~15% EBITDA
We have a clear strategy built on strong pillars…

1. Aspirational brand
2. Differentiated & innovative products
3. Deep distribution
4. Asset light scalable model
5. Category extension from IW to Athleisure & Activewear
… which will allow us a strong position in the market

**Trajectory:** VH IW total revenue (INR Cr) trajectory

- **FY17:** 12
- **FY20N:** 280
- **FY26E:** 1500

Aggressive growth plan going ahead
...and help us deliver outstanding financial performance

<table>
<thead>
<tr>
<th>(Rs. Cr.)</th>
<th>FY17</th>
<th>FY20N</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>12</td>
<td>280</td>
<td>~ 1,500</td>
</tr>
<tr>
<td>CAGR</td>
<td></td>
<td></td>
<td>32%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>-18</td>
<td>-48</td>
<td>~ 225</td>
</tr>
<tr>
<td>EBITDA%</td>
<td>-19%</td>
<td></td>
<td>~ 15%</td>
</tr>
<tr>
<td>Capital Employed</td>
<td>17</td>
<td>173</td>
<td>~ 480</td>
</tr>
<tr>
<td>CFCF (FY 22-26)</td>
<td>-</td>
<td>-</td>
<td>~ -100</td>
</tr>
<tr>
<td>ROCE</td>
<td>NA</td>
<td>NA</td>
<td>50%+</td>
</tr>
</tbody>
</table>

We will need further cash infusion of INR 100 - 150 Cr to achieve this scale

Strong headroom to grow even further…
## Youth Fashion Brands
### Forever 21 – Turned around in last 3 years

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY20N</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>201</td>
<td>160</td>
<td>~ 500</td>
</tr>
<tr>
<td><strong>CAGR</strong></td>
<td>21%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>-34</td>
<td>-1</td>
<td>~ 40</td>
</tr>
<tr>
<td><strong>EBITDA%</strong></td>
<td>~ 8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Capital Employed (W/O) GW</strong></td>
<td>150</td>
<td>79</td>
<td>~ 86</td>
</tr>
<tr>
<td><strong>CFCF (FY 22-26)</strong></td>
<td></td>
<td></td>
<td>~ 10 Cr</td>
</tr>
<tr>
<td><strong>ROCE</strong></td>
<td>NA</td>
<td>NA</td>
<td>15%+</td>
</tr>
</tbody>
</table>

- Acquisition didn’t work out as per plan mainly due to challenges with erstwhile parent
- New Terms signed with new Parent - Royalty % reduced to half
- Business likely to turn EBIT and Cash positive by FY23
# Youth Fashion Brands

## American Eagle

- **Strong Denim brand in the ABFRL portfolio**
- **Ambition to be in Top 3 denim brands in 5 years**
- **Business expected to turn EBITDA +ve next year**

<table>
<thead>
<tr>
<th>($\text{Rs. Cr.}$)</th>
<th>FY20N</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>43</td>
<td>200-250</td>
</tr>
<tr>
<td>CAGR</td>
<td>NA</td>
<td>~ 34%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>-17</td>
<td>~ 20</td>
</tr>
<tr>
<td>EBITDA%</td>
<td>~ 10%</td>
<td></td>
</tr>
<tr>
<td>Capital Employed</td>
<td>42</td>
<td>~ 80</td>
</tr>
<tr>
<td>CFCF (FY 22-26)</td>
<td>~ -10 Cr</td>
<td></td>
</tr>
<tr>
<td>ROCE</td>
<td>NA</td>
<td>15%+</td>
</tr>
</tbody>
</table>

**A Powerful Brand. With a powerful Stance. Unique Brand Positioning.**
Super Premium and Luxury
Nurturing a profitable business

- Business nurtured over decade, strong consumer and business partner equity
- Business growing profitably through careful store expansion
- Excellent traction on own E-com; large and profitable online luxury play under work
- The Collective & Mono brands to be EBIT positive by FY22 and FY23 respectively
- Total cash infusion required over next 5 years is < Rs. 10 Cr.

<table>
<thead>
<tr>
<th>(Rs. Cr.)</th>
<th>FY17</th>
<th>FY20N</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>106</td>
<td>170</td>
<td>~ 500</td>
</tr>
<tr>
<td>CAGR</td>
<td>17%</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>-13</td>
<td>-6</td>
<td>40-50</td>
</tr>
<tr>
<td>EBITDA%</td>
<td></td>
<td></td>
<td>8 – 10%</td>
</tr>
<tr>
<td>Capital Employed</td>
<td>36</td>
<td>60</td>
<td>~ 150</td>
</tr>
<tr>
<td>CFCF (FY 22-26)</td>
<td></td>
<td></td>
<td>&lt; -10Cr</td>
</tr>
<tr>
<td>ROCE</td>
<td>NA</td>
<td>NA</td>
<td>20%+</td>
</tr>
</tbody>
</table>
To be a leader in the Indian ethnic wear market, with presence across all key segments and serving the consumers through a portfolio of strong brands
The opportunity

Indian Apparel Market
USD 65 Bn, CAGR 12 %

- 45
- 20

Ethnic Wear Market
USD 20 Bn

- 16
- 2.6
- 1.4

• Largest segment in the apparel industry
• Women’s wear the largest segment
• Organized segment USD 3.5-4.5 Bn, growing at 15 % and evolving
• Very few scale players; no international competition

Large segment, with a white space for a strong national player
Ethnic market: Unique Structure with high share of luxury

- **Organized market ($3.5-4.5 Bn)**
  - **Luxury**
    - 18-20% growth
    - Designer led
  - **Bridge to Luxury**
    - 7-10% growth
    - Designer Pret Collections
  - **Premium**
    - 30-33% growth
    - Several established brands
  - **Value/Mid-market**
    - 38-40% growth
    - Store brands, marketplace labels

- **Growth & profit Potential**
  - 25 - 30%

- **Market Value**
  - **Mid-market**: $3.5-4.5 Bn

- **Brands**
  - Tarun Tahiliani, Manish Malhotra, Sabyasachi, Anita Dongre, Ritu Kumar, etc.
A visible, marked shift towards ethnic wear in last few years – poised for acceleration now

- **Ethnic wear** – symbolic of who we are
- **Connecting with the roots** – a significant trend amongst Millennials
- Substantial increase in the number of **ethnic relevant occasions**
- **Weddings/Celebrations** – big demand booster

Ethnic wear gaining rapid relevance once again
Rationale for building ethnic play for ABFRL

**Sizeable, still evolving** segment, with opportunity to build scale

**Our right-to-win:** Solid foundation of category & consumer understanding built in Pantaloons (> Rs 750 Cr ethnic wear business) with deep knowledge of ethnic supply chain

**Lower competition:** Very few sizable players; no international competition

**A vacant space:** Space for a comprehensive Indian ethnic fashion play is vacant

**Strong legacy:** History of building strong businesses and powerful brands
We laid down a clear & distinct strategy to win in each segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>Share of organized market %</th>
<th>ABFRL Strategy</th>
<th>Route</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luxury</td>
<td>18-20%</td>
<td>Invest in established, aspirational designer brand</td>
<td>Inorganic, partnership</td>
</tr>
<tr>
<td>₹₹₹₹</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affordable Luxury</td>
<td>7-10%</td>
<td>Launch pret lines of Designers</td>
<td>Brand Extensions</td>
</tr>
<tr>
<td>₹₹</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Premium</td>
<td>30-33%</td>
<td>Launch new brands &amp; grow aggressively</td>
<td>Organic, Madura brand playbook</td>
</tr>
<tr>
<td>₹₹</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value</td>
<td>38-40%</td>
<td>Play through Pantaloons</td>
<td>Leverage Pantaloons’ portfolio of private brands</td>
</tr>
<tr>
<td>₹</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

$3.5 - $4.5Bn
We have completed our portfolio through recent partnerships & proposed organic plans

**Organized market $3.5-4.5 Bn**

<table>
<thead>
<tr>
<th>Segment</th>
<th>ABFRL Participation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Existing</strong></td>
<td></td>
</tr>
<tr>
<td>Luxury</td>
<td>18-20%</td>
</tr>
<tr>
<td>Bridge to Luxury</td>
<td>7-10%</td>
</tr>
<tr>
<td>Premium</td>
<td>30-33%</td>
</tr>
<tr>
<td>Value/Mid-market</td>
<td>38-40%</td>
</tr>
<tr>
<td><strong>New</strong></td>
<td></td>
</tr>
<tr>
<td>Sabyasachi</td>
<td>Launches in FY 21</td>
</tr>
<tr>
<td>Pantaloons</td>
<td></td>
</tr>
</tbody>
</table>

- Premium Women's Ethnic brand – Aug ’21
- Premium Men’s Ethnic brand with Tarun Tahiliani – Sep ’21
Our Play – Branded Ethnic
Platform for Large, Long Term Value Creation

<table>
<thead>
<tr>
<th>Rs. Cr.</th>
<th>FY20N</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>50</td>
<td>2,000</td>
</tr>
<tr>
<td>Growth (CAGR)</td>
<td></td>
<td>90%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>-18</td>
<td>~ 225</td>
</tr>
<tr>
<td>EBITDA%</td>
<td>-39%</td>
<td>~ 11%</td>
</tr>
<tr>
<td>Capital Employed (w/o GW)</td>
<td>61</td>
<td>~ 800</td>
</tr>
<tr>
<td>CFCF (FY22 to FY26)</td>
<td></td>
<td>-300</td>
</tr>
<tr>
<td>ROCE (w/o GW)</td>
<td>NA</td>
<td>20%+</td>
</tr>
</tbody>
</table>

*Goodwill 334 Cr.

- Build a strong ethnic portfolio of brands with an ambition to build Rs. 2,000 Cr in 5 years
- We expect the normalized EBITDA to be around 10% - 12% & ROCE of 20%+
- Business to be EBITDA +ve by FY 24 and FCF +ve by FY25
Summing up … the key tenets of ABFRL strategy

- **Grow the Core**
  - Lifestyle Brands and Pantaloons have a well tuned operating model.
  - Poised for accelerated growth (FY 22-26)

- **Enrich the portfolio**
  - Build meaningful presence in innerwear, casual wear and super premium
  - Rapid scaling of these formats will create a new growth platform

- **Efficient Business Model**
  - Asset light growth model
  - Agility in design, merchandising & supply chain
  - High intrinsic ROCE in every business

- **Future Ready**
  - Investments in Digital Transformation & Sustainability
4. Financial Performance
**Revenue**  
*(INR crs)*

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>CAGR (FY17 - 20)</th>
<th>FY20N</th>
<th>CAGR (FY20 - 26)</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifestyle Brands</td>
<td>3,651</td>
<td>10%</td>
<td>4,800</td>
<td>11% - 12%</td>
<td>~ 9,000</td>
</tr>
<tr>
<td>Pantaloons</td>
<td>2,552</td>
<td>13%</td>
<td>3,650</td>
<td>15% - 16%</td>
<td>~ 8,500</td>
</tr>
<tr>
<td>New Businesses</td>
<td>464</td>
<td>23%</td>
<td>870</td>
<td>32%</td>
<td>~ 4,500</td>
</tr>
<tr>
<td><strong>ABFRL</strong>*</td>
<td>6,633</td>
<td>11%</td>
<td>9,100</td>
<td>~ 15%</td>
<td>~ 21,000</td>
</tr>
</tbody>
</table>

**EBITDA**  
*(INR crs)*

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>Multiplier</th>
<th>FY20N</th>
<th>Multiplier</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifestyle Brands</td>
<td>423</td>
<td>1.3x</td>
<td>551</td>
<td>1.8x</td>
<td>~ 1,000</td>
</tr>
<tr>
<td>Pantaloons</td>
<td>126</td>
<td>2.3x</td>
<td>291</td>
<td>3.3x</td>
<td>~ 900</td>
</tr>
<tr>
<td>New Businesses</td>
<td>-80</td>
<td>-125</td>
<td>550</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ABFRL</strong>*</td>
<td>476</td>
<td>1.5x</td>
<td>693</td>
<td>3.4x</td>
<td>~ 2,350</td>
</tr>
</tbody>
</table>

*ABFRL consolidated numbers post eliminations*
New Business
Aggressive build up of new growth engines

<table>
<thead>
<tr>
<th>Revenue (INR crs)</th>
<th>FY20N</th>
<th>CAGR</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inner Wear</td>
<td>280</td>
<td>32%</td>
<td>1,500</td>
</tr>
<tr>
<td>Global Brands + Youth Fashion</td>
<td>373</td>
<td>24%</td>
<td>1,200</td>
</tr>
<tr>
<td>Ethnic Businesses</td>
<td>50</td>
<td>85%</td>
<td>2,000</td>
</tr>
<tr>
<td>New Business</td>
<td>703</td>
<td></td>
<td>~ 4500</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EBITDA (INR crs)</th>
<th>FY20N</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inner Wear</td>
<td>-48</td>
<td>225</td>
</tr>
<tr>
<td>Global Brands + Youth Fashion</td>
<td>-60</td>
<td>100</td>
</tr>
<tr>
<td>Ethnic Businesses</td>
<td>-18</td>
<td>225</td>
</tr>
<tr>
<td>New Business</td>
<td>-125</td>
<td>~ 550</td>
</tr>
</tbody>
</table>

*FY20N doesn't include PEOPLE, others
ABFRL | Balance Sheet trajectory
..with clear focus on balancing Growth, Capital Employed and ROCE

<table>
<thead>
<tr>
<th>Capital Employed</th>
<th>FY20N</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With GW</td>
<td>W/o GW</td>
</tr>
<tr>
<td>Lifestyle Brands</td>
<td>1,400</td>
<td>772</td>
</tr>
<tr>
<td>Pantaloons</td>
<td>1,768</td>
<td>600</td>
</tr>
<tr>
<td>New Business</td>
<td>624</td>
<td>436</td>
</tr>
<tr>
<td>ABFRL</td>
<td>3,792</td>
<td>1,900</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ROCE</th>
<th>FY20N</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With GW</td>
<td>W/o GW</td>
</tr>
<tr>
<td>Lifestyle Brands</td>
<td>30%</td>
<td>45%</td>
</tr>
<tr>
<td>Pantaloons</td>
<td>10%</td>
<td>27%+</td>
</tr>
<tr>
<td>New Business</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>ABFRL</td>
<td>-</td>
<td>12%</td>
</tr>
</tbody>
</table>
Consistently improving financial performance...

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY20N</th>
<th>FY26</th>
</tr>
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<tr>
<td>EBITDA</td>
<td>476</td>
<td>693</td>
<td>~ 2,350</td>
</tr>
<tr>
<td>EBITDA%</td>
<td>7.2%</td>
<td>7.6%</td>
<td>11.2%</td>
</tr>
<tr>
<td>ROCE (w/o goodwill)</td>
<td>7%</td>
<td>12%</td>
<td>35%+</td>
</tr>
</tbody>
</table>

Continuous focus on profitable growth, as reflected in improved EBITDA and Margins
...... that will result in significant value creation

- **Strong Growth Trajectory** – CAGR of ~ 15% from FY20 to FY26
- **Sharp improvement in Profitability** - EBITDA margin expansion of ~ 360 bps
- **Robust Cash Flows from FY22 to FY26**
  
  Cumulative operating cash flows of ~ Rs. 2,000 Cr.
  - Rs. 4,000 – 4,500 Cr of operating cash flows
  - Rs. 2,000 – 2,500 Cr of capex
  - Rs. 750 – 1,000 Cr. in taxes and interest

- **High ROCEs** - ROCE to move from 12% to ~ 35%+
- **Enhanced Balance Sheet strength**
  - Significantly strengthened in FY21
  - Normalized Net Debt/ EBITDA to remain between 1.0x to 1.5x
Thank You

For further queries, please contact our investor relations team

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Amit Dwivedi  Amit.dwivedi@Abfri.adityabirla.com  +91 9818824937
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