Performance Highlights

Q1 2020
India’s Finest Brands

Luxury
- RALPH LAUREN
- SHANTANU & NIKHIL

Super-Premium
- THE COLLECTIVE
- SIMON CARTER
- HACKETT
- TED BAKER
- JAYPORE
- POLO Ralph Lauren
- FRED PERRY

Premium
- VANEUSEN POWER DRESSING
- Allen Solly
- LOUIS PHILIPPE
- AMERICAN EAGLE OUTFITTERS

Sub-Premium
- PETER ENGLAND
- FOREVER 21

Value
- pantaloons

Mass
- STYLE UP
India’s widest distribution network

2,662 Brand Stores
342 Pantaloons Stores
23,700 Multi-brand Outlets
6,754 SIS across Dept stores

8.0 Q1 FY21
Footprint (million sq. ft.)

7.7 Q1 FY20
Standing by our COVID warriors

ABFRL dedicated its facilities to meet the rising need for PPE and coveralls for our frontline warriors

Our staff was reskilled and machinery reengineered in record time to start producing 3-ply Single Use Face Masks, Cloth Masks and Coveralls

Q1 FY21 Achievements

10 lakh+ 3-ply Masks  8 lakh+ Coveralls
Market Update

Pandemic Blues
As COVID spread, the lockdown sustained through whole of April, bringing offline business to a halt. Business resumed across all segments once lockdown restrictions were eased.

Digital
Digital drove sales as physical shopping got affected due to movement restrictions – ecommerce and Omni channel got majority of consumer traffic

Safety First
Continued focus on offering hygienic and sanitized shopping environment as markets opened in May post unlock

Innovation
Traditional categories and channels gave way for newer and innovative products, sold through unconventional modes
Q1 Highlights

Cost Control actioned
Ran focused cross functional initiatives on Immediate cost optimization across key line items of Sellex, overheads and advertising

Accelerated Digitization
Ramped up digital transformation agenda, drove impeccable and fast paced execution of key initiatives

New ways of Shopping
Brands discovered new ways of reaching out to customers given movement restrictions; different brands showed growing salience to new modes of shopping

Innovative Products
Created new product lines centered around functionality to drive up sales; met with extremely promising results
Immediate Focus

Safety and Health
- Rolled out COVID assistance and emergency response program (CAER) for providing assistance to employees and families
- Stores ran on highest safety protocols – many stores covered by local media on quality of protocols

Cost Reduction
- Rentals:
  - Substantial savings already locked in, balance to flow in Q2 onwards
  - Renewed renegotiations in light of extended COVID
- Overheads:
  - Manpower cost optimization initiatives kicked in only from June’20; gains to be realized in subsequent quarters
  - Front-end Sales staff redeployed
  - Travel, administrative staff and other overheads slashed
- Discretionary Expenses: Deep cuts taken across functions

Focus on Cash
- SS20 inventory carried over to AW20
- Maintained adequate liquidity through existing / new banking lines
- Completion of Rights Issue of Rs. 1000 Cr., First tranche received, utilized to repay Debt
Strengthening the Balance Sheet

Successful closure of Rights Issue

- **Specifics**
  - Rs. 1000 Cr. rights @ Rs. 110 per share

- **Funds Status**
  - First tranche of Rs. 496 Cr received on 31\textsuperscript{st} July'20; Next tranche in Q4

- **Usage of Funds**
  - Reduced equivalent debt

- **Listing of PPS**
  - PPS listed as of 03\textsuperscript{rd} August 2020

- **Investors participated**
  - Promoters, large investors & retail shareholders
### ABFRL | Q1 Highlights

**Revenue shortfall cushioned by Cost Saving initiatives**

<table>
<thead>
<tr>
<th>In Rs. Cr.</th>
<th>Q1 FY20</th>
<th>Q1 FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2065</td>
<td>323</td>
</tr>
<tr>
<td>EBITDA</td>
<td>332</td>
<td>-182</td>
</tr>
<tr>
<td><strong>EBITDA Margin</strong></td>
<td>16.1%</td>
<td>-56.3%</td>
</tr>
<tr>
<td>EBIT</td>
<td>129</td>
<td>-419</td>
</tr>
<tr>
<td>PAT</td>
<td>22</td>
<td>-410</td>
</tr>
</tbody>
</table>

*Revenue shortfall cushioned by Cost Saving initiatives*
## P&L Detailed

### Cost reduction Q1 FY21 vs Q4 FY20:
- **Rent expenses** - Rs. 237 Cr.
- **Other expenses** - Rs. 183 Cr.
- **Employee expenses** – Rs. 35 Cr. (Full benefit to flow in from Q2 onwards)

<table>
<thead>
<tr>
<th>In Rs. Cr.</th>
<th>Q4 FY20</th>
<th>Q1 FY21</th>
<th>Change over Q4 FY20</th>
<th>Q1 FY20</th>
<th>Change over Q1 FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from Operations</td>
<td>1,832</td>
<td>323</td>
<td>-82%</td>
<td>2,065</td>
<td>-84%</td>
</tr>
<tr>
<td>Other Income (including Rent Concession benefits)</td>
<td>17</td>
<td>179</td>
<td></td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Total Income</td>
<td>1,849</td>
<td>502</td>
<td>-73%</td>
<td>2,083</td>
<td>-76%</td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>886</td>
<td>190</td>
<td>-79%</td>
<td>948</td>
<td>-80%</td>
</tr>
<tr>
<td>Employee Benefits Expense</td>
<td>283</td>
<td>248</td>
<td>-12%</td>
<td>260</td>
<td>-5%</td>
</tr>
<tr>
<td>Rent Expense (Variable)</td>
<td>106</td>
<td>28</td>
<td>-73%</td>
<td>122</td>
<td>-77%</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>401</td>
<td>217</td>
<td>-46%</td>
<td>421</td>
<td>-48%</td>
</tr>
<tr>
<td>Total Fixed Expenses</td>
<td>790</td>
<td>494</td>
<td>-37%</td>
<td>803</td>
<td>-39%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>173</td>
<td>(182)</td>
<td></td>
<td>332</td>
<td></td>
</tr>
</tbody>
</table>
Key segments | Q1 Highlights

<table>
<thead>
<tr>
<th>(In Rs. Cr.)</th>
<th>NSV Q1 FY20</th>
<th>NSV Q1 FY21</th>
<th>Growth</th>
<th>EBITDA Q1 FY20</th>
<th>EBITDA Q1 FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Madura</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lifestyle Brands</td>
<td>1006</td>
<td>190</td>
<td>-81%</td>
<td>191</td>
<td>-67</td>
</tr>
<tr>
<td>Other Businesses</td>
<td>205</td>
<td>47</td>
<td>-77%</td>
<td>-29</td>
<td>-37</td>
</tr>
<tr>
<td><strong>Madura Segment</strong></td>
<td>1210</td>
<td>237</td>
<td>-80%</td>
<td>161</td>
<td>-105</td>
</tr>
<tr>
<td><strong>Pantaloons Segment</strong></td>
<td>890</td>
<td>82</td>
<td>-91%</td>
<td>164</td>
<td>-72</td>
</tr>
<tr>
<td>Elimination</td>
<td>-34</td>
<td>1</td>
<td></td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td><strong>ABFRL Standalone</strong></td>
<td>2065</td>
<td>320</td>
<td>-85%</td>
<td>332</td>
<td>-175</td>
</tr>
<tr>
<td>Ethnic Subsidiaries</td>
<td>0</td>
<td>3</td>
<td></td>
<td>0</td>
<td>-7</td>
</tr>
<tr>
<td><strong>ABFRL Consolidated</strong></td>
<td>2065</td>
<td>323</td>
<td>-84%</td>
<td>332</td>
<td>-182</td>
</tr>
</tbody>
</table>
Distribution Network
Market Update
Q1-21 Highlights
Performance of Key Portfolios
Way Forward
Company Financials
Lifestyle Brands
Performance defined by innovation and agility
Launched Work from home collections
Adopted innovative methods to reach customers

Pantaloons
Significant leap in Ecommerce journey
Pantaloons.com and partner channels aided sales

Others
Innerwear and athleisure continue to gain market share
Global brands showing resilience

Ethnic
Gearing up for new launches
performance of key portfolios

LIFESTYLE BRANDS

LOUIS PHILIPPE

Allen Solly

Van Heusen

PETER ENGLAND
LIFESTYLE BRANDS

Retail Network

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY21</th>
<th>Q1 FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area (0,000 sq.ft.)</td>
<td>2806</td>
<td>2628</td>
</tr>
<tr>
<td>Stores</td>
<td>2222</td>
<td>2057</td>
</tr>
</tbody>
</table>

— 81% network operational by end of Q1, paramount importance given to safety and hygiene measures
— Reached 30% of pre COVID sale run rate by June 2020
— Operational stores, on LTL basis are above 50% of pre COVID levels in June 2020
— Product Innovation at core of strategy –
  — Brands launched Work from home collection
  — New launch of merchandize focused around health and safety
  — Strong customer traction for protective masks; over ~50 lakh branded masks sold
— Significant strides taken on Digital front
  — As of June 2020, E-commerce orders (by value) up 166% vs June last year
  — WhatsApp Commerce, Video Selling, Hyperlocal format piloted successfully to reach wider customer base
Q1
Channel-wise Revenue (in Rs. crore)

<table>
<thead>
<tr>
<th>Channel</th>
<th>Q1 FY20</th>
<th>Q1 FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale</td>
<td>349</td>
<td>35</td>
</tr>
<tr>
<td>Retail</td>
<td>450</td>
<td>71</td>
</tr>
<tr>
<td>Others</td>
<td>207</td>
<td>84</td>
</tr>
</tbody>
</table>

Loyalty Base (lakh)

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY21</th>
<th>Q1 FY20</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>186</td>
<td>156</td>
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</table>

49% of revenues from loyal customers

*Wholesale includes Department Stores
performance of key portfolios

pantaloons
By the end of Q1, 256 stores resumed partial operations in line with local guidelines and with strong safety protocols.

Casualization a strong trend. Surge in demand for Kids wear. Significant increase in private label share.

Strong cost control measures in place across all cost lines.

Accelerate digital pivot

Good early results with traction building on Pantaloons.com and partnered E-com business. Avg. Daily Volumes up 4.2x and 2.5x respectively vs LY.

Pilots on alternate sales channels: WhatsApp Commerce & Pantaloons Pop Shops yielding good results.

### Retail Network

<table>
<thead>
<tr>
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<th>Q1 FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area (.000 sq.ft)</td>
<td>4363</td>
<td>4066</td>
</tr>
<tr>
<td>Stores</td>
<td>342</td>
<td>314</td>
</tr>
</tbody>
</table>
**Category Mix**

- **Q1 FY20**
  - Men: 35%
  - Women's Western: 22%
  - Women's Ethnic: 13%
  - Kids: 9%
  - Non Apps: 10%

- **Q1 FY21**
  - Men: 33%
  - Women's Western: 21%
  - Women's Ethnic: 17%
  - Kids: 20%
  - Non Apps: 20%

**Ownership Mix**

- **Q1 FY20**
  - Own Brands: 64%
  - MFL: 7%
  - Others: 29%

- **Q1 FY21**
  - Own Brands: 72%
  - MFL: 7%
  - Others: 21%
performance of key portfolios

OTHER BUSINESS SEGMENTS
As of June, Global brands E-commerce business was at 140%+ of Pre COVID run rate against June last year

Impactful performance marketing and WhatsApp Commerce led to 100% increase in conversions on The Collective website

Accelerated E-Commerce presence for American Eagle, leading to 250% increase over pre COVID run-rate

Forever 21

Commercial renegotiations complete with favourable terms

Robust traffic on brand website
— Higher demand for work from home categories – Athleisure mix grew by ~30%

— June sales reached 83% of June last year

— Clear indication of quickest recovery and very strong trajectory in the coming quarters

— Robust E-commerce performance, June sales at 3x of last year
  — Brand website visits grow 4-folds
Ethnic Wear

Jaypore

— Product curation underway
— New store launch planned next quarter

Shantanu and Nikhil

— New ‘pret’ line S&N launched
— E-commerce live, 2 stores slated to open in Q2
Way Forward

Digital Acceleration

Cost Optimization

Cash Conservation
Digital Initiatives launched in Q1 (1/2)

**Mobile Apps**
- VH and LP Apps launched
- Other brand apps under development

**Buy online Shop from Store**

- **Place order on website OR Virtual Store kiosk**
- Nearest store with order queries / Order shipped to nearest store
- Courier collects order from store and delivers to customer
- Store confirms order availability
Digital Initiatives launched in Q1 (2/2)

Omnichannel
- Hyperlocal delivery
- WhatsApp Commerce

Personalization
- Personalized Merchandise curation enabled on Pantaloons, The Collective websites
# Financials

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<tr>
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<th>Q1 FY20</th>
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<td><strong>Total Income</strong></td>
<td>2,083</td>
<td>502</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Materials Consumed</td>
<td>183</td>
<td>61</td>
</tr>
<tr>
<td>Purchases of Stock-in-Trade</td>
<td>707</td>
<td>53</td>
</tr>
<tr>
<td>Changes in Inventories</td>
<td>59</td>
<td>76</td>
</tr>
<tr>
<td>Employee Benefits Expense</td>
<td>260</td>
<td>248</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>94</td>
<td>126</td>
</tr>
<tr>
<td>Depreciation &amp; Amortisation</td>
<td>202</td>
<td>237</td>
</tr>
<tr>
<td>Rent Expense</td>
<td>122</td>
<td>28</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>421</td>
<td>217</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>2,048</td>
<td>1,046</td>
</tr>
<tr>
<td><strong>Profit before Tax</strong></td>
<td>35</td>
<td>(545)</td>
</tr>
<tr>
<td><strong>Tax Expenses</strong></td>
<td>14</td>
<td>(135)</td>
</tr>
<tr>
<td><strong>Net Profit after Tax</strong></td>
<td>22</td>
<td>(410)</td>
</tr>
</tbody>
</table>
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IT’S AS EASY AS WEARING A SMILE.