



Q2
2020

Performance Highlights



**Distribution
Network**

**Q2
Highlights**

**Market
Update**

**Way
Forward**

**Performance
of Key
Portfolios**

Financials

India's widest distribution network

BRANDS

2,686 Stores

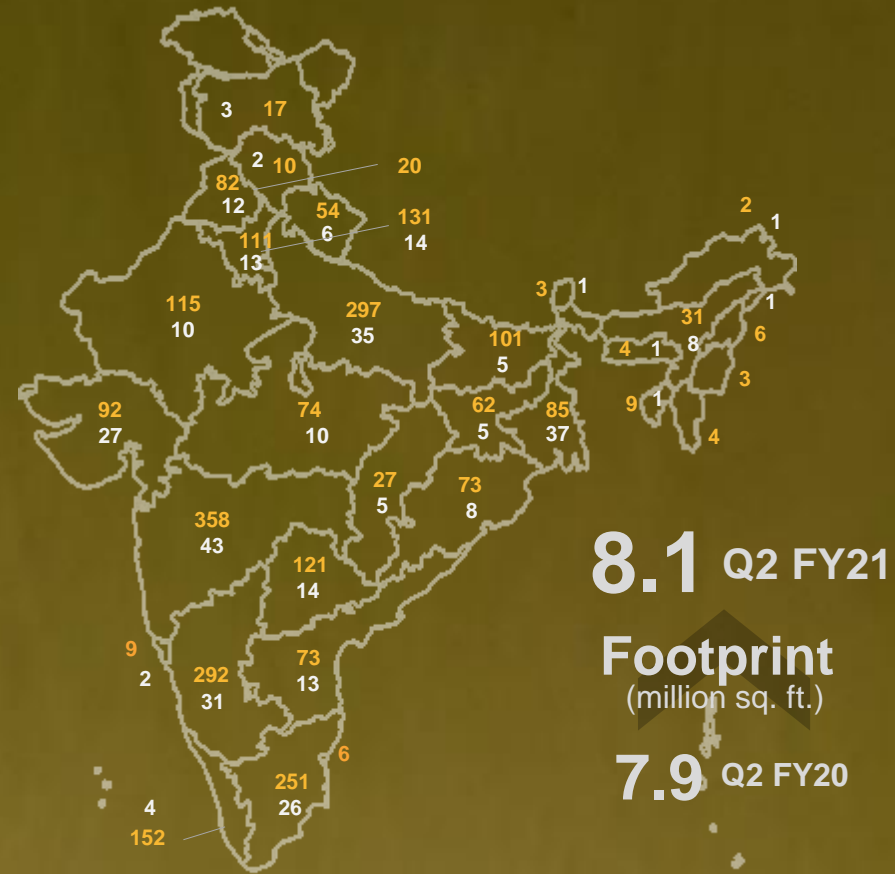
PANTALOONS

339 Stores

~26,000 Multi-Brand Outlets

6,589 SIs across all Dept. Stores

Available on all leading e-commerce sites





**Distribution
Network**

**Q2
Highlights**

**Market
Update**

**Way
Forward**

**Performance
of Key
Portfolios**

Financials

Market Update



Recovery Underway

Markets exhibit gradual recovery as consumers adjust to the new normal

90%+ stores operational by end of Q2



Technology Accelerator

Players investing deep, with long term focus on –

- Technology infrastructure
- Capability enhancement



Deeper Partnerships

Deeper ecosystem partnerships getting forged to leverage mutual synergies



Differential Impact

Differential impact witnessed across markets, segments and categories

Leading brands responded with agility and innovation



**Distribution
Network**

**Q2
Highlights**

**Market
Update**

**Way
Forward**

**Performance
of Key
Portfolios**

Financials

Key Focus Areas



Return to Normalcy

- 96% of network operations with highest degree of safety and hygiene protocols; Other facilities fully operational
- Significant progress on Digital Transformation Roadmap
- Product Innovation and addition of new categories delighting customers



Cost Reduction

- Cost Rationalization Initiatives on track
- Achieved cost savings of Rs. 455 Cr. in Q1 and Rs. 417 Cr. in Q2



Strengthening balance sheet

- Strategic fundraise of Rs. 1500 Cr. from Flipkart
- Completion of Rights Issue of Rs. 1000 Cr.

ABFRL Q2 Highlights

Gradual Recovery in Consumer Footfalls

Accelerated pace of recovery vs previous quarter on account of movement relaxations and consumer adaptation to new normal

Cost Rationalization Continues

Quarter saw company wide cost optimization initiatives gave favorable results

Strategic fund raises to strengthen balance sheet

Rs. 1000 Cr. Rights Issues, followed by Rs. 1500 Cr. Equity Raise from Flipkart

Digital Metamorphosis en route

Responding to the new normal by servicing our customers through a gamut of digital channels

Innovation mirroring sudden shift in consumer needs

Curated and launched new products and categories to fulfil customer needs

ABFRL | Q2 Highlights

<i>In Rs. Cr.</i>	Q1 FY21	Q2 FY20	Q2 FY21
Revenue	323	2308	1028
Growth% (QoQ)			218%
Growth% (YoY)	-84%		-55%
EBITDA	-182	356	136
EBITDA Margin	-56.3%	15.4%	13.2%
EBIT	-419	131	-106
PAT	-410	-2	-188

ABFRL | H1 Highlights

<i>In Rs. Cr.</i>	H1 FY20	H1 FY21
Revenue	4373	1351
EBITDA	687	-46
EBITDA Margin	15.7%	-3.4%
EBIT	260	-525
PAT	19	-599

Q2 – Continued focus on Cost Reduction

<i>In Rs. Cr.</i>	Q4 FY20	Q2 FY21	Change over Q4 FY20	Q2 FY20	Change over Q2 FY20
Revenue from Operations	1832	1,028	-44%	2,308	-55%
Other Income	17	143		17	
Total Income	1849	1,171	-37%	2,324	-50%
COGS	886	540	-39%	1,147	-53%
Employee Benefits Expense	283	176	-38%	253	-31%
Rent Expense	106	65	-38%	102	-36%
Other Expenses	401	255	-36%	466	-45%
Total Fixed Expenses	790	496	-37%	821	-40%
EBITDA	173	136		356	

Cost reduction Q2 FY21 vs Q4 FY20:

- Rent expenses - Rs. 163 Cr.
- Other expenses - Rs. 146 Cr.
- Employee expenses – Rs. 108 Cr.

Total Cost Saving in Q2 – Rs. 417 Cr.
Total Cost Saving in Q1 – Rs. 455 Cr.

Key segments | Q2 Highlights

Consolidated Financials (In Rs. Cr.)	NSV			EBITDA		EBITDA %	
	Q2 FY20	Q2 FY21	Growth	Q2 FY20	Q2 FY21	Q2 FY20	Q2 FY21
Madura							
Lifestyle Brands	1254	531	-58%	218	39	17.4%	7.3%
Other Businesses	209	175	-16%	23	26	10.8%	15.1%
Madura Segment	1463	706	-52%	240	65	16.4%	9.2%
Pantaloons Segment	915	369	-60%	145	71	15.9%	19.2%
Elimination	-81	-56		-23	3		
ABFRL	2297	1019	-56%	362	139	15.8%	13.7%
Ethnic Subsidiaries	11	10	-10%	-7	-4	-61.6%	-37.1%
ABFRL Consolidated	2308	1028	-55%	356	136	15.4%	13.2%

Key segments | H1 Highlights

Consolidated Financials	NSV			EBITDA	
	H1 FY20	H1 FY21	Growth	H1 FY20	H1 FY21
<i>(In Rs. Cr.)</i>					
Madura					
Lifestyle Brands	2259	721	-68%	408	-29
Other Businesses	414	222	-46%	-7	-11
Madura Segment	2673	942	-65%	402	-40
Pantaloon Segment	1805	451	-75%	310	-1
Elimination	-115	-55		-18	5
ABFRL	4363	1339	-69%	694	-36
Ethnic Subsidiaries	11	13	19%	-7	-11
ABFRL Consolidated	4373	1351	-69%	687	-46



**Distribution
Network**

**Q2
Highlights**

**Market
Update**

**Way
Forward**

**Performance
of Key
Portfolios**

Financials

Key Portfolio | Highlights

Lifestyle Brands

Agile response to changing customer needs; new products and channels unveiled

Pantaloons

New product categories and new channels delighting customers

Other Businesses

Innerwear sales ahead of last year levels, reflecting market share gains

Global brands showing strong resilience

Ethnic

Ethnic branded business gradually scaling up on the back of new categories and traction on online channels



performance of
key portfolios

LIFESTYLE BRANDS


LOUIS PHILIPPE



 VAN HEUSEN
POWER DRESSING

 Allen Solly™

LIFESTYLE BRANDS


LOUIS PHILIPPE

 VAN HEUSEN
POWER DRESSING

 Allen Solly

 PETER ENGLAND



- Lifestyle Retail channel achieved 60% of LY sales; higher impact on overall revenue due to decline in wholesale channel
- E-commerce continue robust growth, contribution up 3x over last year in H1
- India's largest premium cloth mask player (over 10 million masks sold in H1)
- Created multiple innovative products such as Anti - Viral garments, Work-from-home lines, Athleisure etc.
- Store openings back on track - 100+ new stores added this quarter
- Rapidly scaling Omnichannel coverage - Hyperlocal deliveries, Buy Online Ship from Store and WhatsApp commerce

Retail Network

	Q2 FY20	Q2 FY21
 Area (,000 sq.ft.)	2666	2853
 Stores	2096	2247

Q2

Channel-wise Revenue (in Rs. crore)

	Q2 FY20	Q2 FY21
Wholesale	595	72
Retail	404	236
Others	255	223

H1

Channel-wise Revenue (in Rs. crore)

	H1 FY20	H1 FY21
Wholesale	944	108
Retail	854	307
Others	462	306

Loyalty Base (lakh)



55%

of revenues from
loyal customers



performance of
key portfolios

pantaloon

PANTALOONS

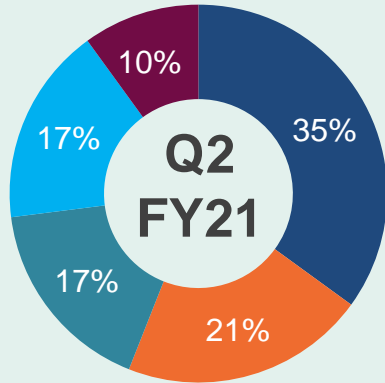


- Staggered opening of retail network through the quarter; 96% stores open by end of Q2
- New channels scaling up
- E-commerce sales grew 3x
 - Stronger assortment, new categories launched leading to higher traffic and better conversions
 - Significantly higher investment in digital marketing
 - Omnichannel coverage enhanced to 50% of network
- Network expansion back on track – 7 new stores added this quarter
- Brand Refresh: New retail identity unveiled
- Strong Cost Control measures implemented

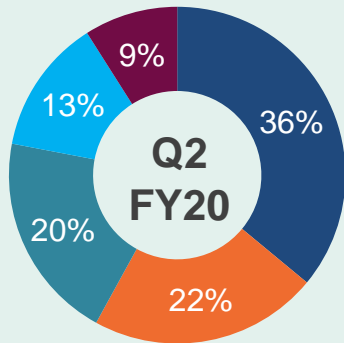
Retail Network

	Q2 FY20	Q2 FY21
 Area (,000 sq.ft.)	4259	4366
 Stores	331	339

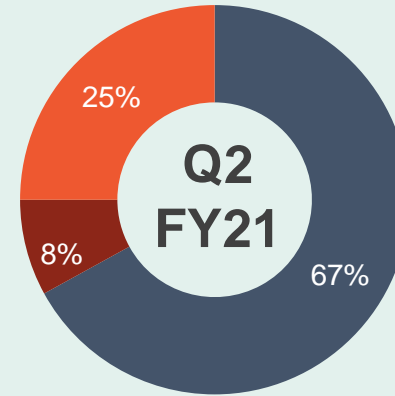
Category Mix



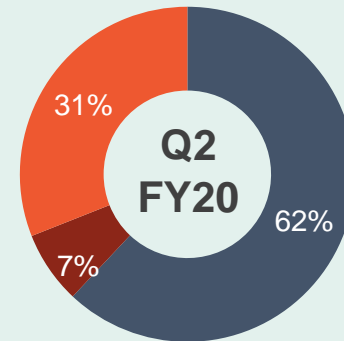
- Men
- Women's Western
- Women's Ethnic
- Kids
- Non Apps



Ownership Mix



- Own Brands
- MFL
- Others





performance of
key portfolios

OTHER BUSINESS SEGMENTS

A man with dark hair, wearing a grey t-shirt and black shorts with a blue waistband, is performing a leg extension exercise on a gym machine. He is leaning forward with his hands clasped in front of him. The background shows a modern building with large glass windows.

VAN HEUSEN
INNERWEAR | ATHLEISURE

VAN HEUSEN
WOMAN
INTIMATES

INNERWEAR & ATHLEISURE

- Strong demand for Innerwear and Athleisure categories led to high growth
- One of the few businesses running ahead of last year levels
- Growing salience and increasing consumer acceptance resulting in rising market share
- Robust E-commerce performance, recorded highest ever quarterly sales, growing by 7x

THE COLLECTIVE



FOREVER 21

Global Brands

Global Brands

- Business continues to be resilient, delivered close to last year levels
- Very strong traction at [TheCollective.in](https://www.thecollective.in); impressive QoQ performance
- Effective cost measures helped business turn around on profitability

Forever 21

- Revised agreement with better terms signed with new parent
- Strong traction on [Forever21.in](https://www.forever21.in), own site sales trebled YoY



Ethnic Wear

JAYPORE



SHANTANU & NIKHIL

Jaypore - [Jaypore.com](https://www.jaypore.com)

- Online sales back to pre-COVID level
- New categories such as Home, loungewear etc. showing promising results

Shantanu and Nikhil - [ShantanuNikhil.com](https://www.shantanunikhil.com)

- Own ecommerce launched for both couture and pret lines
- 2 new pret stores opened during the quarter



**Distribution
Network**

**Q2
Highlights**

**Market
Update**

**Way
Forward**

**Performance
of Key
Portfolios**

Financials



Lifestyle Brands

Continued network expansion

Sustained product innovation in line with market shifts

Accelerated ecommerce play across platforms



Pantaloons

Expansion drive to continue

Strengthen digital play

Way Forward



Other Businesses

Innerwear – Continue aggression in distribution and marketing

Global Brands – Focus on profitability; well set for a profitable trajectory



Ethnic

Comprehensive strategy being executed to build strong presence across keys segments of the market



**Distribution
Network**

**Q2
Highlights**

**Market
Update**

**Way
Forward**

**Performance
of Key
Portfolios**

Financials

Financials

<i>ABFRL - Consolidated</i>	<i>In Rs. Cr.</i>	Q2 FY20	Q2 FY21	H1 FY20	H1 FY21
Revenue from Operations		2,308	1,028	4,373	1,351
Other Income		17	143	34	322
Total Income		2,324	1,171	4,407	1,673
EXPENSES					
Cost of Materials Consumed		209	81	392	142
Purchases of Stock-in-Trade		1,366	316	2,073	369
Changes in Inventories		(427)	143	(369)	219
Employee Benefits Expense		253	176	513	424
Finance Costs		106	145	200	271
Depreciation & Amortisation		225	242	427	478
Rent Expense		102	65	224	94
Other Expenses		466	255	887	472
Total Expenses		2,299	1,422	4,347	2,469
Profit before Tax		25	(251)	60	(796)
Tax Expenses		28	(63)	41	(197)
Net Profit after Tax		(2)	(188)	19	(599)
Other Comprehensive Income		12	2	7	(1)
Total Comprehensive Income		10	(186)	26	(600)
Non-Controlling Interest		(1)	(2)	(1)	(4)
Total Comprehensive Income (Owners)		11	(185)	27	(596)

<i>Consolidated Balance Sheet</i>	<i>In Rs. Cr.</i>	FY20	H1 FY21
Networth		1,088	997
Net Debt		2,509	3,159
Lease Liability		2,502	2,291
Capital Employed		6,099	6,447
Net Block (incl CWIP)		794	766
Goodwill		1,983	1,983
Right to Use Assets		2,207	2,024
Investments		7	7
Deferred Tax Assets		195	390
Net Working Capital		913	1,277
Capital Employed		6,099	6,447

Disclaimer

Certain statements made in this presentation may not be based on historical information or facts and may be “forward looking statements” including, but not limited to, those relating to general business plans & strategy of Aditya Birla Fashion and Retail Limited (“ABFRL”), its future outlook & growth prospects, future developments in its businesses, its competitive & regulatory environment and management’s current views & assumptions which may not remain constant due to risks and uncertainties. Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in ABFRL’s business, its competitive environment, its ability to implement its strategies and initiatives and respond to technological changes and political, economic, regulatory and social conditions in the countries in which ABFRL conducts business. Important factors that could make a difference to ABFRL’s operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in ABFRL’s principal markets, changes in Government regulations, tax regimes, competitors actions, economic developments within India and the countries within which ABFRL conducts business and other factors such as litigation and labour negotiations.

This presentation does not constitute a prospectus, offering circular or offering memorandum or an offer to acquire any shares and should not be considered as a recommendation that any investor should subscribe for or purchase any of ABFRL’s shares. Neither this presentation nor any other documentation or information (or any part thereof) delivered or supplied under or in relation to the shares shall be deemed to constitute an offer of or an invitation by or on behalf of ABFRL.

ABFRL, as such, makes no representation or warranty, express or implied, as to, and does not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information or opinions contained herein. The information contained in this presentation, unless otherwise specified is only current as of the date of this presentation. ABFRL assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events or otherwise. Unless otherwise stated in this document, the information contained herein is based on management information and estimates. The information contained herein is subject to change without notice and past performance is not indicative of future results. ABFRL may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revision or changes. This presentation may not be copied and disseminated in any manner.

INFORMATION PRESENTED HERE IS NOT AN OFFER FOR SALE OF ANY EQUITY SHARES OR ANY OTHER SECURITY OF ABFRL

This presentation is not for publication or distribution, directly or indirectly, in or into the United States, Canada or Japan. These materials are not an offer of securities for sale in or into the United States, Canada or Japan.

Aditya Birla Fashion and Retail Limited / CIN L18101MH2007PLC233901

Registered Office: Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070 **Website**
www.abfrl.com **Email** invrelations.abfrl@adityabirla.com



Hello 'new' Pantaloon's!

