



August 14, 2018

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

The National Stock Exchange of India Limited
Bandra Kurla Complex,
Bandra East, Mumbai – 400 051

Scrip Code: 540798
ISIN: INE935Q01015

Script Symbol: FSC
ISIN: INE935Q01015

Ref.: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir / Madam,

Sub: Business Presentation to Analysts/ Investors


Please find enclosed herewith a presentation to be made to the various institutional investors during the “Edelweiss Asia Conference” at Singapore and Hong Kong scheduled on August 16, 2018 and August 17, 2018.

The aforesaid presentation will also be available on Company’s website at www.futuresupplychains.com

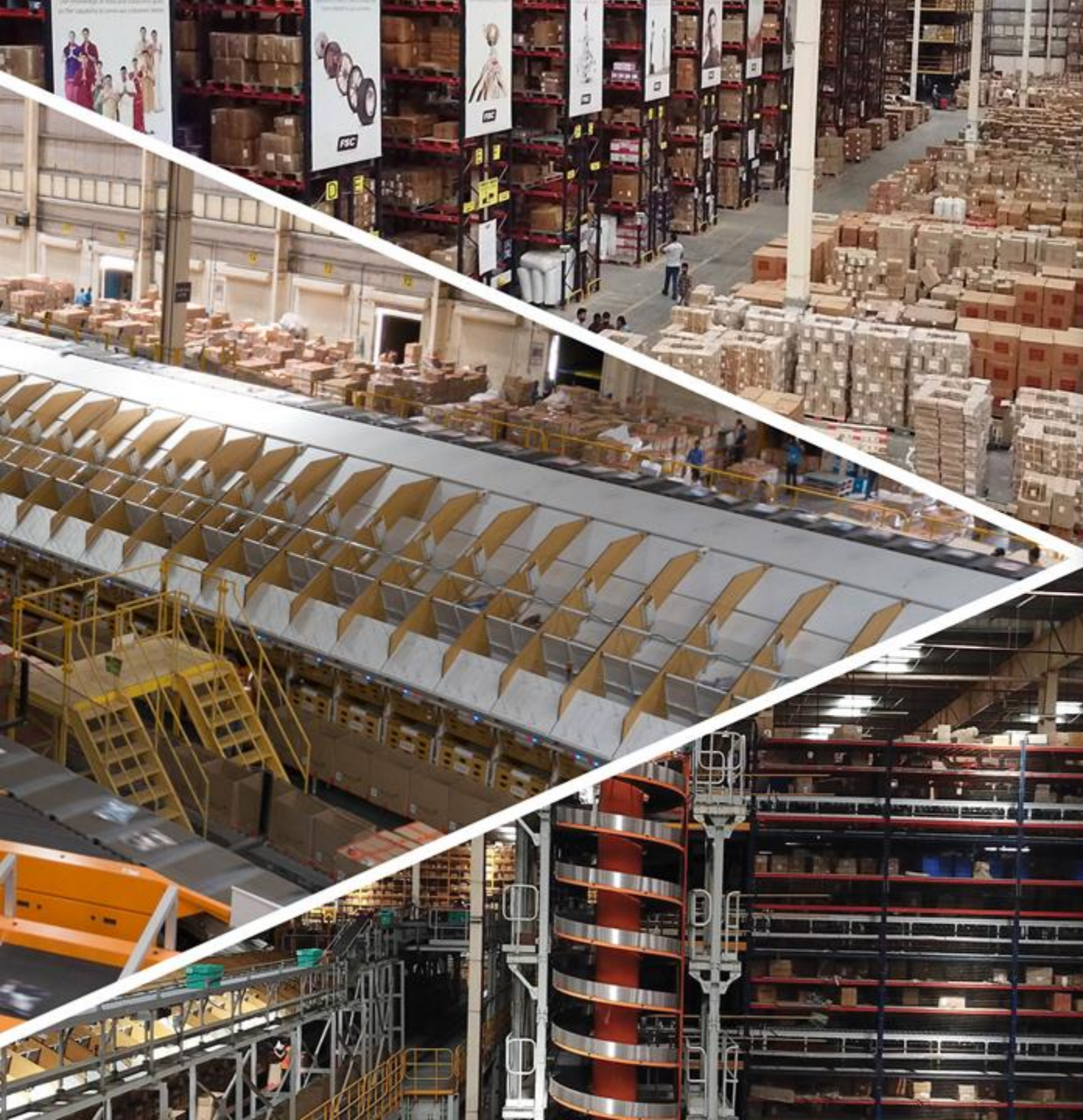
Kindly take the above information on your records.

Thanking you,

Yours faithfully,
For **Future Supply Chain Solutions Limited**


Vimal Dhruve
Company Secretary

Encl.: As above



Science of Supply Chain. *DELIVERED.*

Future Supply Chain Solutions Limited

Investor
Presentation
August 13, 2018

This report contains forward-looking statements, which may be identified by their use of words like ‘plans’, ‘expects’, ‘will’, ‘anticipates’, ‘believes’, ‘intends’, ‘projects’, ‘estimates’, or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company’s strategy for growth, market position, expenditures, and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Although the Company believes that such forward-looking statements are based on reasonable assumptions, it can give no assurance that such expectations will be met. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current views of the Company’s management on future events. No representation or warranty (whether express or implied) is given in respect of any information in this presentation. All figures herein have been rounded off to the nearest integer.

References to the A&M Industry Report are to the report of Alvarez & Marsal India Private Limited (“A&M India”) entitled “Future of Organized Logistics in India - Contract, Express and Cold Chain” (the “Report”), which is subject to the following disclaimer:

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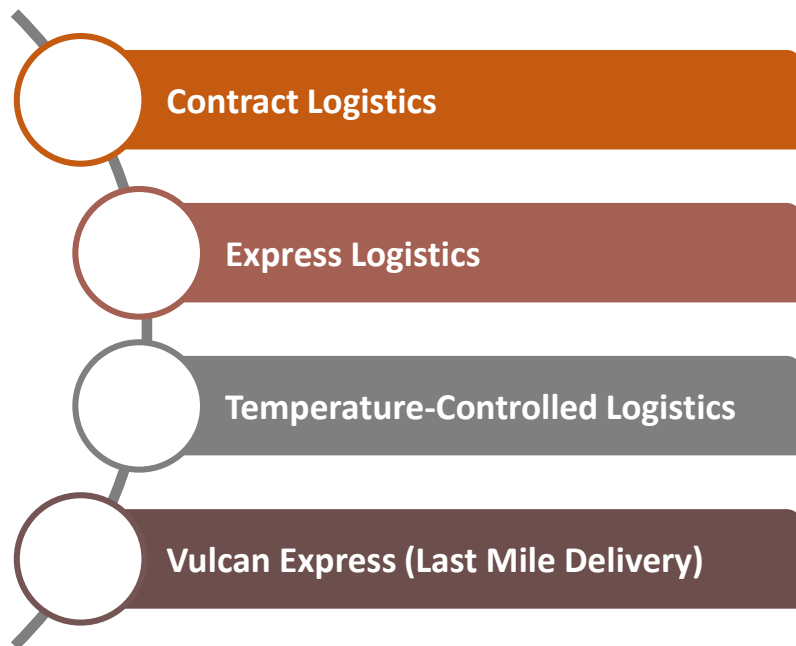




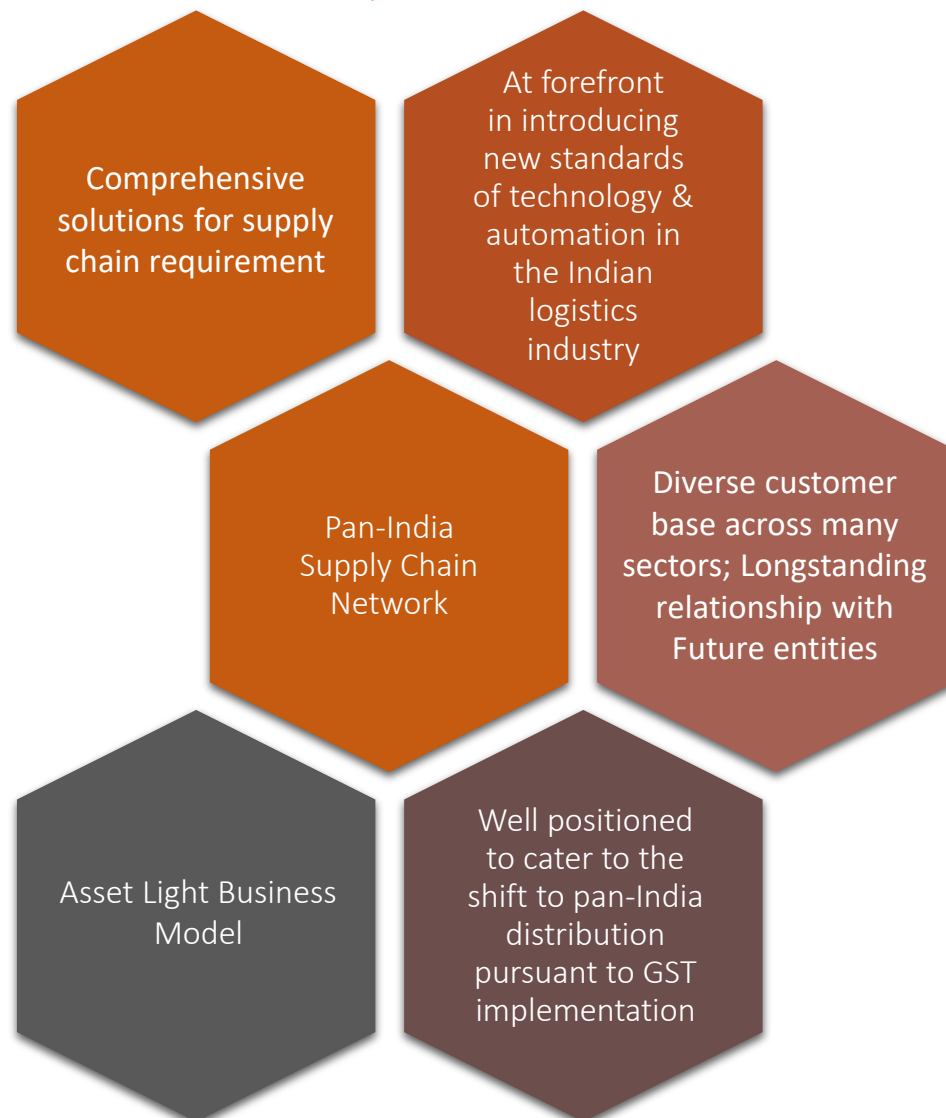
Company Overview



Service Offerings to customers in four key areas



One of India's largest organized third-party logistics operators



Standalone Financial Performance

| | Revenue In ₹ mn | EBITDA In ₹ mn | PAT In ₹ mn | ROCE % |
|------------------|--------------------|-------------------|----------------|-----------|
| Q1 FY19 | 2,279 | 323 | 179 | 24.6%* |
| % Growth (Y-o-Y) | 50.0% | 33.5% | 37.7% | |
| FY18 | 7,750 | 1,212 | 673 | 23.8% |
| FY16-18 CAGR (%) | 22.1% | 31.6% | 51.3% | |

* ROCE: Return on Average Capital Employed calculated by dividing Last Twelve Months Operating Profit by Average of Capital Employed of Q4FY17 and Q1FY19

Standalone Q1 FY19 Snapshot: Driven By Strong Fundamentals



50.0%

Significant Revenue Growth



14.2%

Healthy EBITDA Margin



37.7%

Strong Net Profit Growth



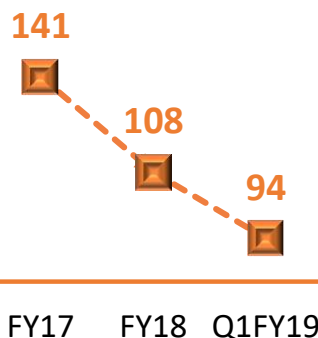
27.7%

High ROCE[^]; Driven by Asset Light Business Model

₹323 mn
EBITDA



Cash Profit
₹254 mn



Reducing Trade Receivable Days

Net Cash Position#
₹173 mn








Strong Balance Sheet



Two-notch Rating Upgrade to AA- by CARE Ratings Limited

Growth numbers on Y-o-Y basis; # Calculated as Total Cash & Bank Balance less Total Debt

[^] Adjusted ROCE: Adjusted Return on Average Capital Employed calculated by dividing Last Twelve Months Operating Profit by Average of Capital Employed ex. Cash & Bank Balance of Q4FY17 and Q1FY19

| | Q3 FY18 | Q4 FY18 | Q1 FY19 |
|--|----------------------------|----------------------------|--|
|  Warehouse Space¹ | 4.36 mn sq. ft. | 4.58 mn sq. ft. | 5.61² mn sq. ft. |
|  Distribution Centres / Temperature-controlled Distribution Centres | 48 / 4 | 55 / 4 | 66 / 4 |
|  Hubs / Branches (Including Franchisees) | 14 / 129 | 14 / 129 | 14 / 129 |
|  Containerized Vehicles³ (Dedicated) | 496 | 622 | 771 |
|  Owned Reefer Trucks⁴ | 144 | 144 | 116 |

Note: 1. Includes one distribution center of customer operated by FSC with area of 0.29 mn. sq. feet of warehouse space

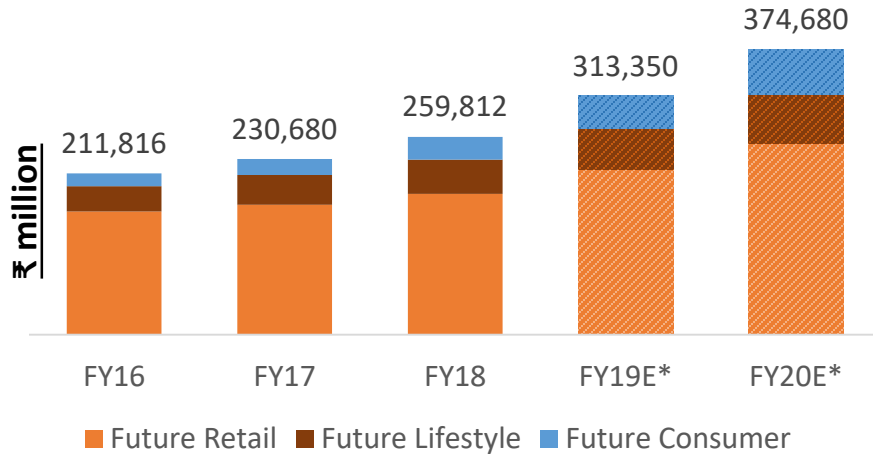
2. Includes 0.21mn warehouse space of Vulcan that has been integrated with FSC

3. For contract and express logistics as of December 2017, March 2018 and June 2018 respectively

4. As of December 2017, March 2018 and June 2018 respectively

Strong Anchor Customers

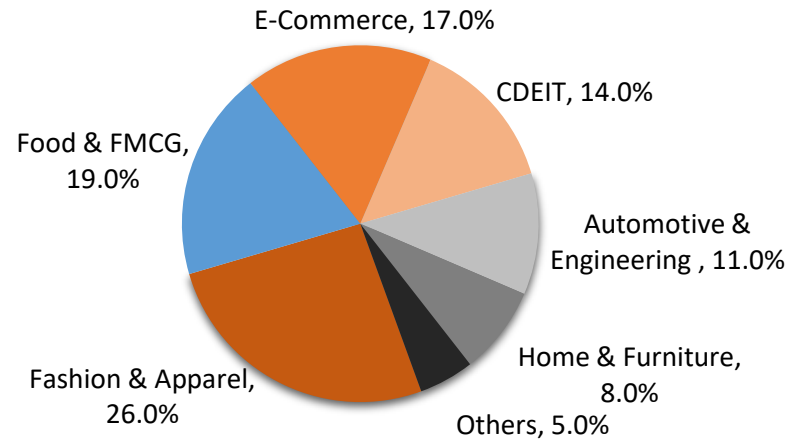
Key Anchor Customers Revenue: Expect Strong Growth



* Based on Bloomberg Consensus Estimates

Diverse Customer Portfolio

FSC's revenue mix from different sectors * - Q1 FY19



* Based on consolidated revenues other than anchor customers

Key Future Entities & Brands

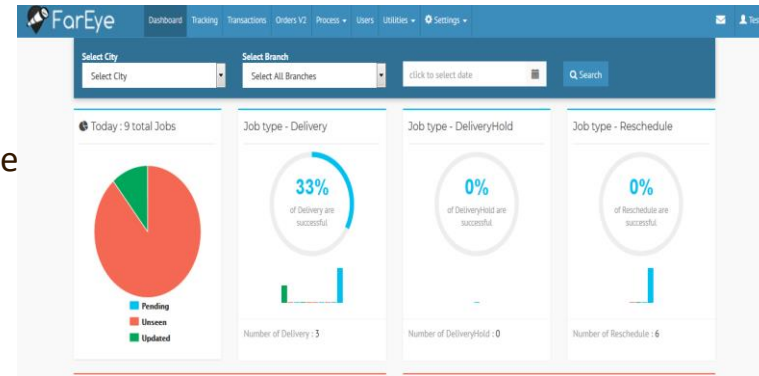


FSC Works With Reputed Companies

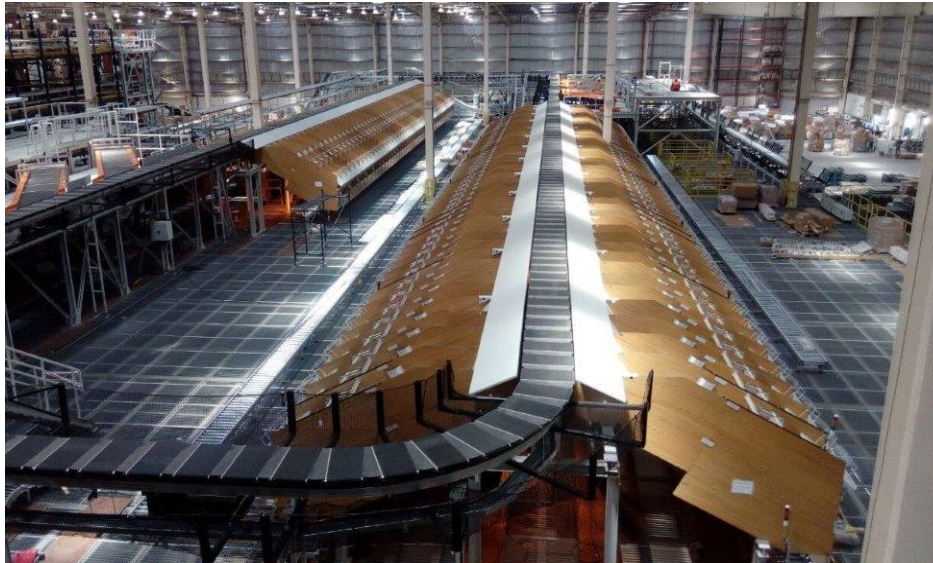


Ensuring Efficiency While Maintaining Accuracy

- Warehouse Management System (“WMS”)**
 Inventory management tool integrated directly with customer’s enterprise resource planning system to provide visibility of inventory
- Transport Management System (“TMS”)**
 Provides 24x7 direct visibility into distribution chain through online portal
- Vehicle Tracking System (“VTS”)**
 GPS-enabled vehicles allow for real-time tracking of customer goods
- Mobility Platform**
 Portal for customers to access TMS. The platform connects features of VTS with TMS to provide customers real-time tracking



Our state-of-the-art Distribution Centre at MIHAN, Nagpur



High-speed Cross-belt Sorter System

- Operational since July, 2017, it's the first of its kind in India
- Improved efficiency and throughput
- Approximate sorting capacity of without increase in physical storage space
 - Unit Sorter : **16,000** units per hour
 - Case Sorter : **2,000** cases per hour
 - **400** Destinations
- Length of the conveyor belt is 2.6 km

Dynamic Put-to-Light sortation system

- Improved speed of sortation by almost 40% from manual sortation methods
- Expanded ordinary processing capacity of distribution centres
- Enables to ensure accuracy of packing and labelling



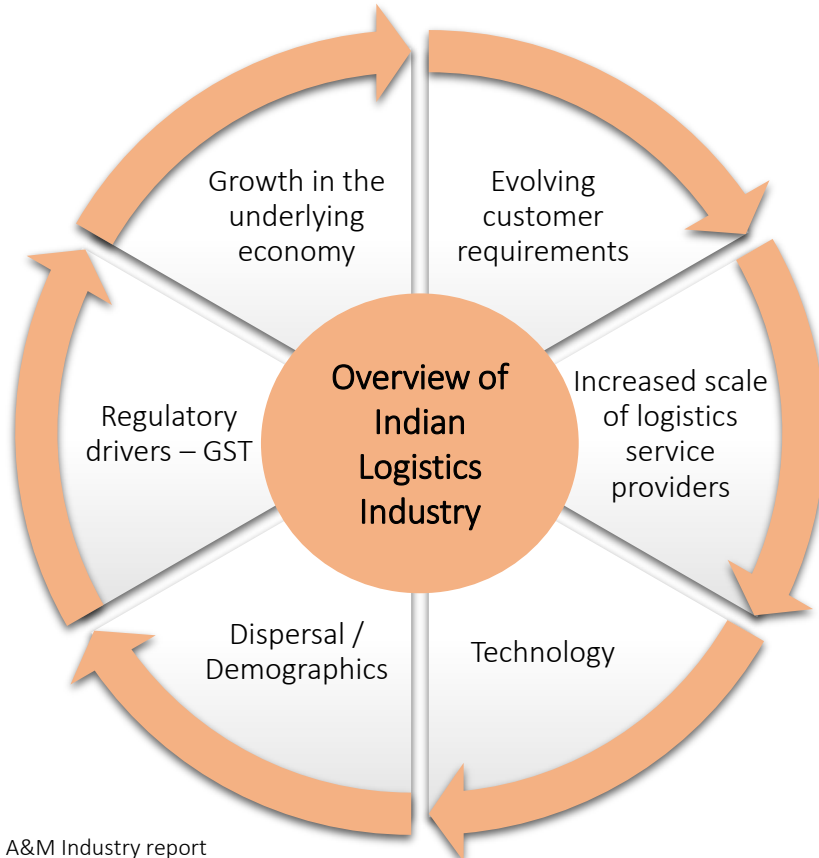
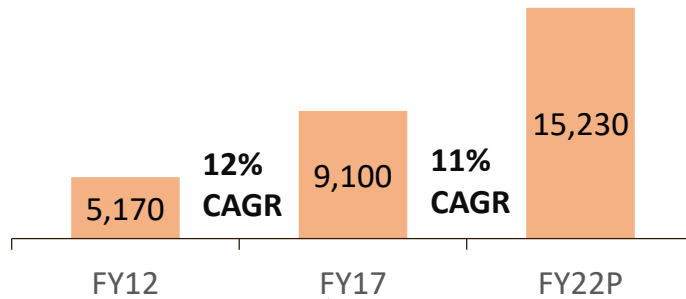


Industry Overview



Indian Logistics Industry is Entering a New Era ushering Strong Growth

Indian Logistics Market (₹ bn)



India expected to be the fastest growing major developing economy over the next few years

Growth in manufacturing and consumption demand driving need for logistics service in the country

Opportunity to optimize logistics spend in India as industry is 2x less efficient than US and China;

Unorganized participants constitute ~85% of the logistics demand in India

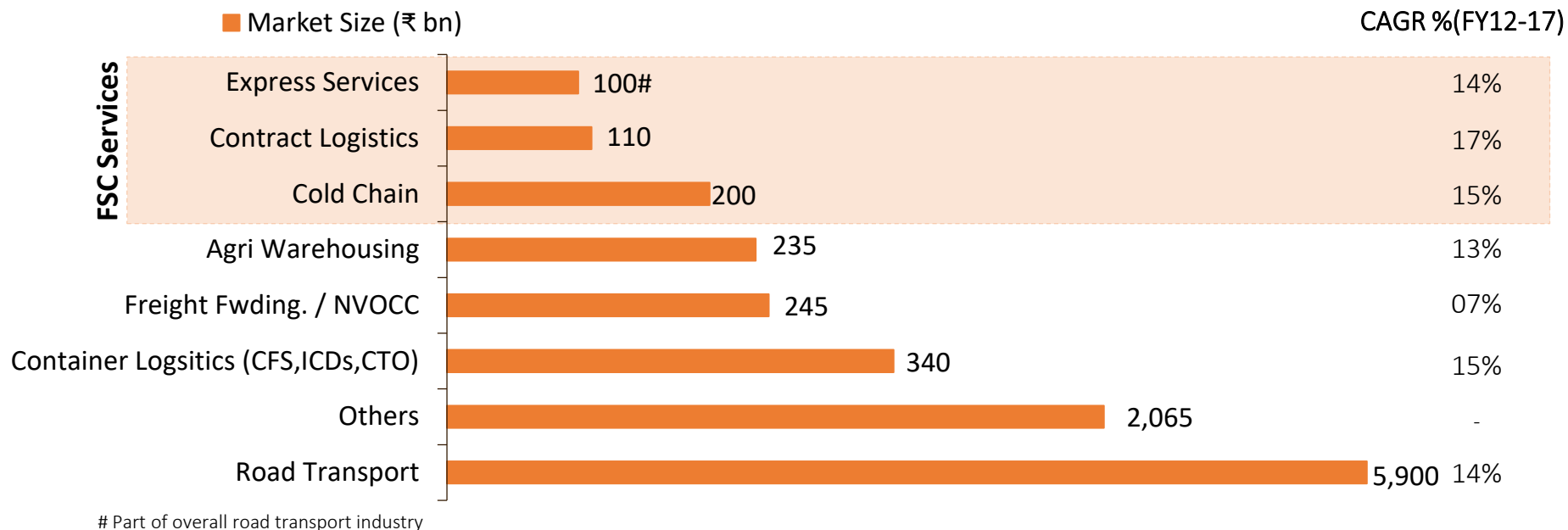
GST expected to improve performance of all logistics sub-sectors;

GST likely to create multiple opportunities for LSPs

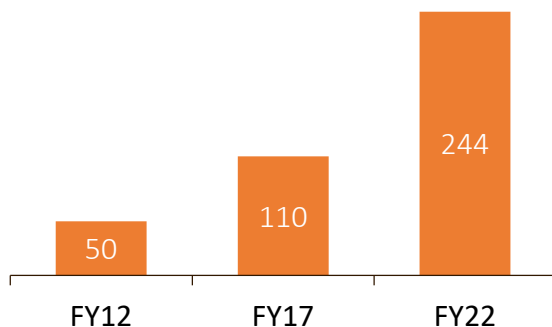
Strong Growth Outlook for Logistics Sector in India; FSC services are attractively placed



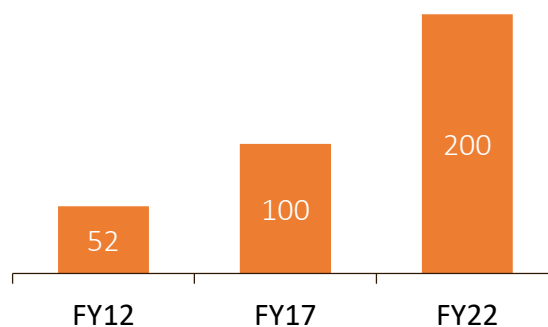
Key segments – Indian Logistics Industry



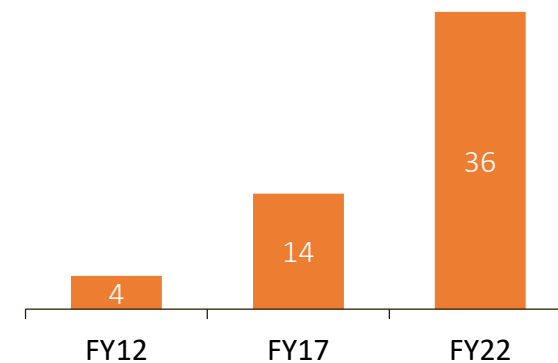
Contract Logistics Market in ₹ bn



Express Logistics Market in ₹ bn



Cold Chain Logistics Market* in ₹ bn



*Note: Industry size for the Organized players

Larger Scale

- Higher scale of operations for warehouses as planning for efficiency and not tax leading to consolidation
- Centralization of hub operations using “hub and spoke” model
- Increase in average size of truck unit
- Reduction in average handling cost

Higher Efficiency

- Reduced congestion and improved productivity
- Reduced paperwork
- Reduced transportation delays
- Need for automation
- Efficient inventory management

Transportation

Changes in logistics service requirements for key industries

- Use of higher capacity vehicles for transportation
- Change in mix of vehicles required for secondary distribution

Opportunities for organized LSPs

- Investment in a fleet of higher capacity vehicles which could be used for primary transportation
- Investment in optimum mix of vehicles for secondary distribution
- Increase in share of organized LSPs

Warehousing

- Hub and spoke distribution model to reduce inventory & warehousing cost
- Demand for large automated warehouses at hub locations across India

- Investment in large tech enabled multiuser facilities
- Increase in share of national LSPs with multi location and multi-service capabilities

LSPs

- Outsource inventory management for finished goods at hub warehouses
- Integration of logistics services in improve supply chain efficiency

- Investment in technology for efficient warehouse operations, inventory management activities and provide value added services
- Potential to provide integrated logistics services
- Increase in share of organized LSPs



Science of Supply Chain. **DELIVERED**



Business Overview



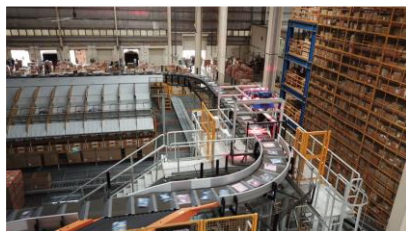


Strong 12-month sales funnel of ₹ 4,000 -5,000 mn: Potential customers at various stages of discussion

On-boarded several marquee customers, including Haldirams, Crompton Greaves and Myntra

Signed 2.62 mn sq. ft. space till date for nine Built To Suit Distribution Centers: Possession expected during FY19 and FY20

Added 1.03 mn sq. ft. of warehousing space in Q1 FY19 as compared to 0.60 mn sq. ft. in FY18



Contract Logistics

Warehousing, distribution and value-added services

63%



Express Logistics

Point-to-point, full and part truck-load, time-definite transportation services

16%



Temperature Controlled

Cold-chain warehousing & transportation for perishable products

3%



Vulcan Express

Last mile delivery and value-added services, primarily for e-commerce sector

12%

Percentage of Consolidated Q1 FY19 Revenue *

Strong Traction from Marquee Customers takes Non-Anchor Revenue Contribution to 41% in Q1 FY19 (33% in FY18);

Revenue Contribution from Anchor Customers Robust at 59% in Q1 FY19 (67% in FY18)

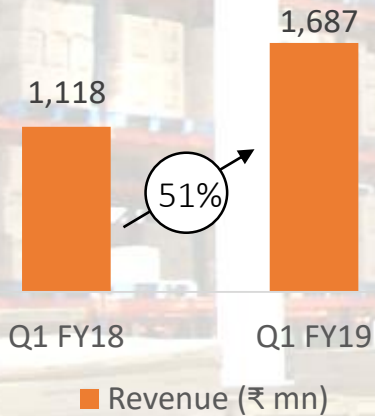
* Basis Consolidated revenue without adjustments for intra company transactions between key service offerings

Service Offering

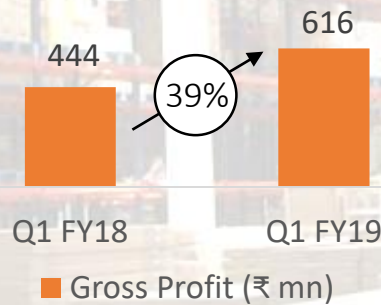
- Integrated Technology-enabled Warehousing
- Transportation & Distribution
- Supply Chain Solutions
- Value-Added Services



Strong Revenue Growth



Healthy Gross Profit Growth



66

Distribution Centres As On June 30, 2018



5.61 mn sq. ft.

Warehouse Space As On June 30, 2018



₹110

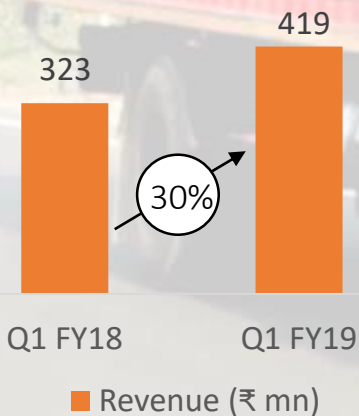
Q1 FY19 Average Revenue Per Square Feet per Month

Service Offering

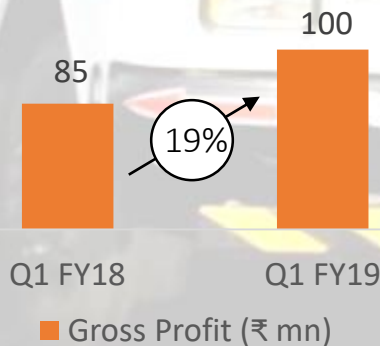
- Point-to-Point Part & Full Truck Load Transportation
- Time-definite Transportation Services
- Real-time tracking



Revenue



Gross Profit



11,328

Pin Codes Covered As On June 30, 2018



45K Tons

Weight Handled in Q1 FY19



249

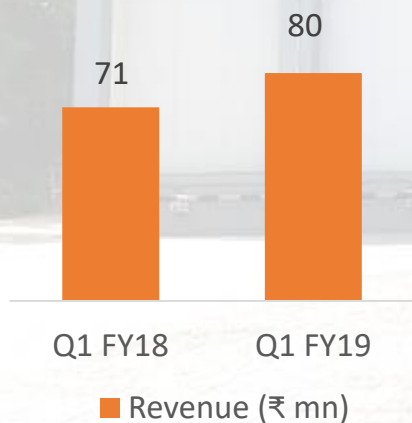
Containerized Vehicles in June 2018

Service Offering

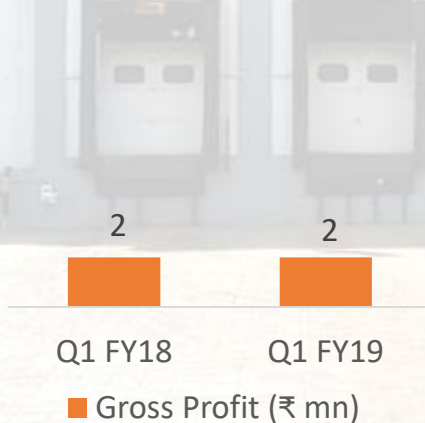
- Cold chain Warehousing
- Reefer Transportation & Distribution
- Solution Design & Route Planning



Revenue



Gross Profit



4

Temperature Controlled Distribution Centers



9,728

Number of Pallets As On June 30, 2018



116

Owned Reefer Trucks As On June 30, 2018

Q1 FY19 Integration Update

6 Vulcan warehouses integrated with FSC; Pilot on Last mile delivery for food and grocery initiated.

Cost reduction program initiated

Manpower and warehouse rationalisation to bring down current operating costs by 15-20% in FY19.

Grow revenues

Identified or initiated discussion with prospective clients for underutilised assets to increase revenues.



₹ 317 mn

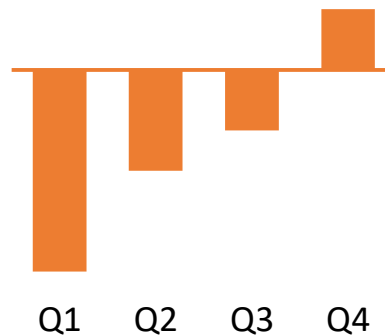
Revenue
in Q1 FY19



₹ 15 mn

Gross Profit in
Q1 FY19

FY19 EBITDA Outlook



* Company Estimates



0.63 mn sq. ft.

Warehouse Space As On June 30, 2018



2.82 mn

No. of Last Mile Deliveries
Completed During Q1 FY19



Over 2,200 Pin Codes

Last Mile Delivery Network

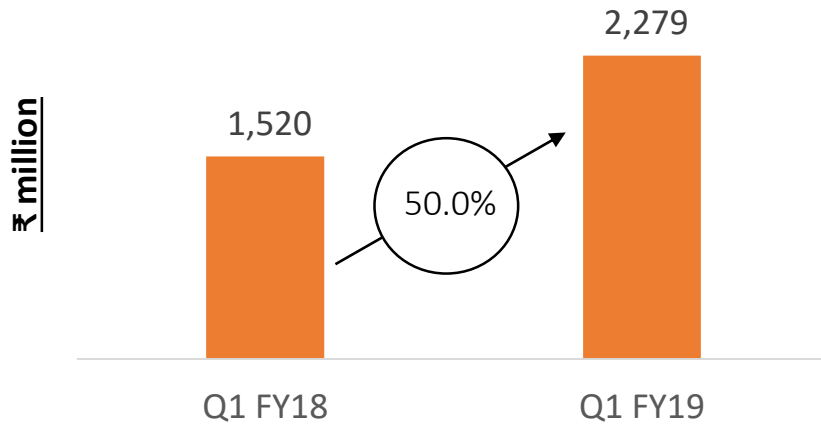


Financial Update: Standalone

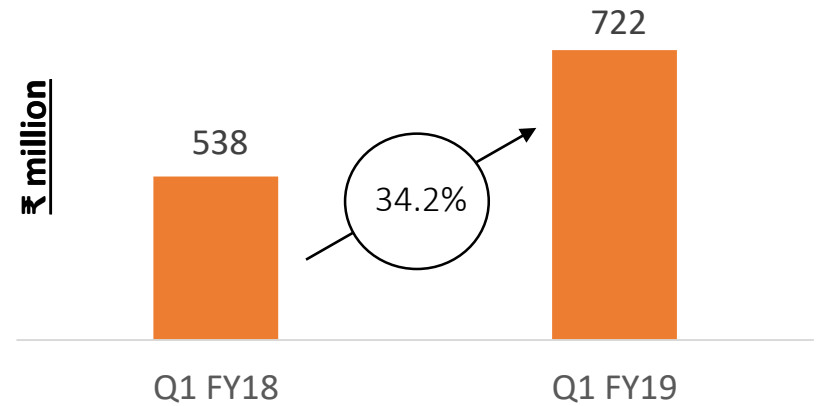


Strong Financial Performance Track Record

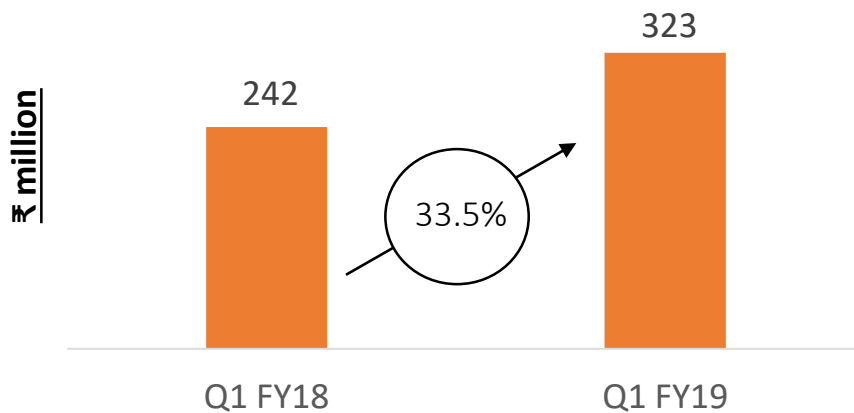
Strong Revenue Growth



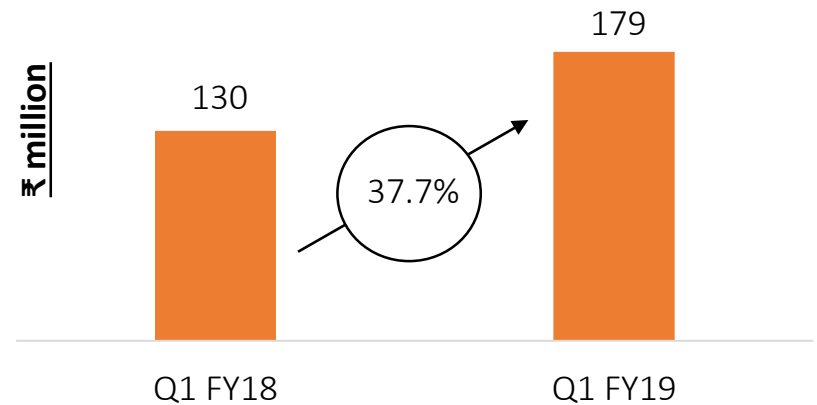
Strong Gross Profit Growth



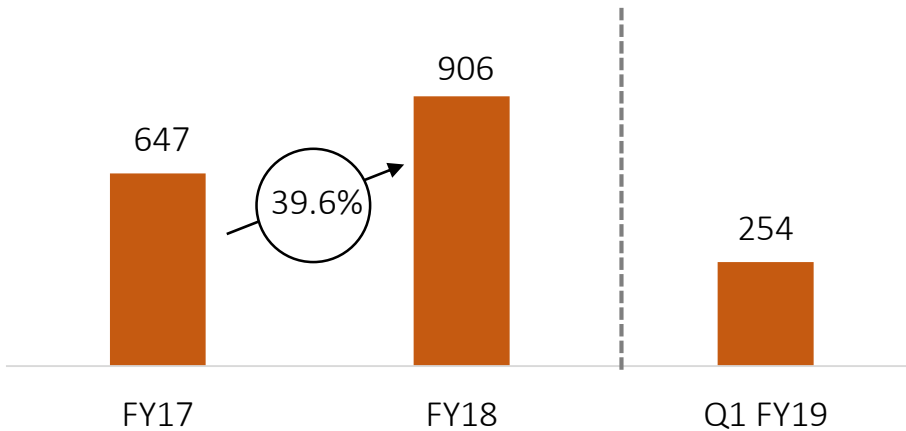
Steady EBITDA Growth



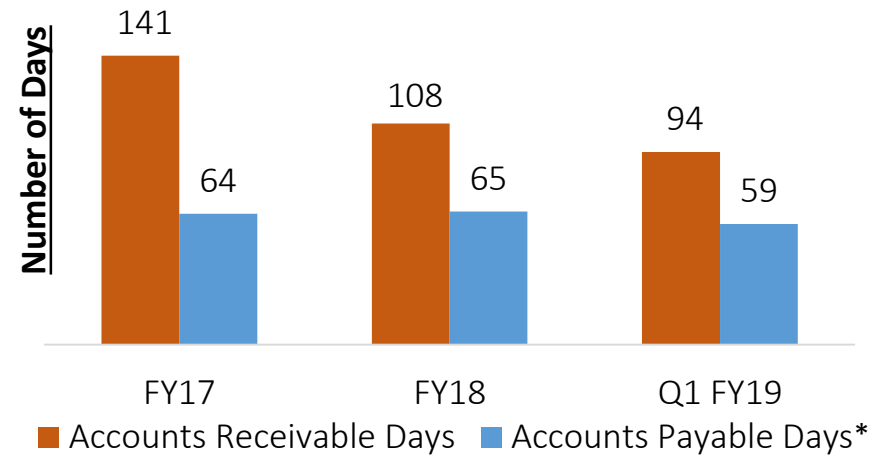
Steady Profit After Tax



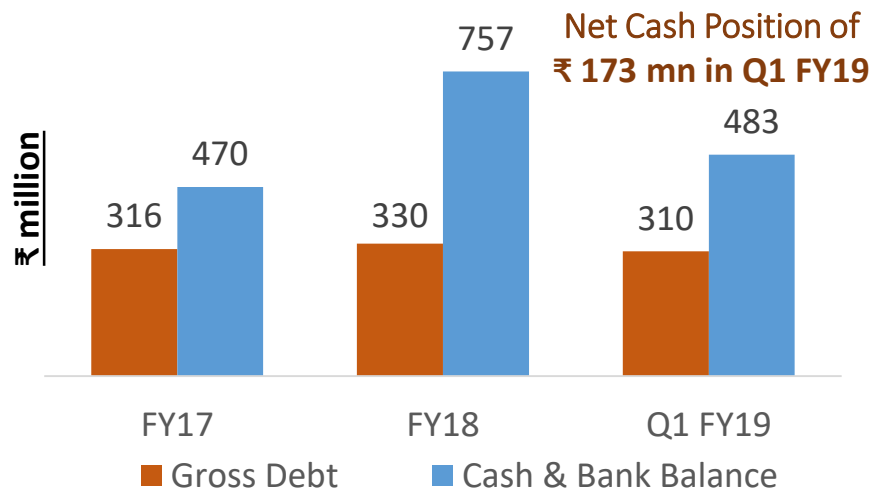
Growing Cash Profits



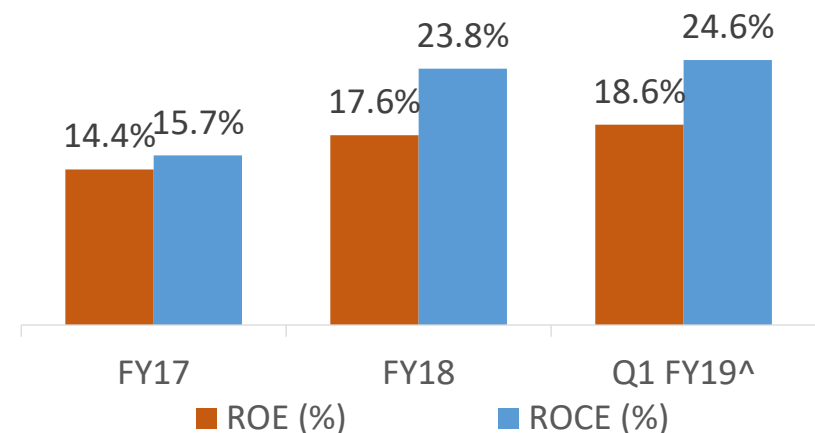
Declining Working Capital Days



Strong Balance Sheet with Net Cash Position



Healthy Ratios with Asset Light Business Model



* Calculated as Trade Payables divided by Revenue from Operations

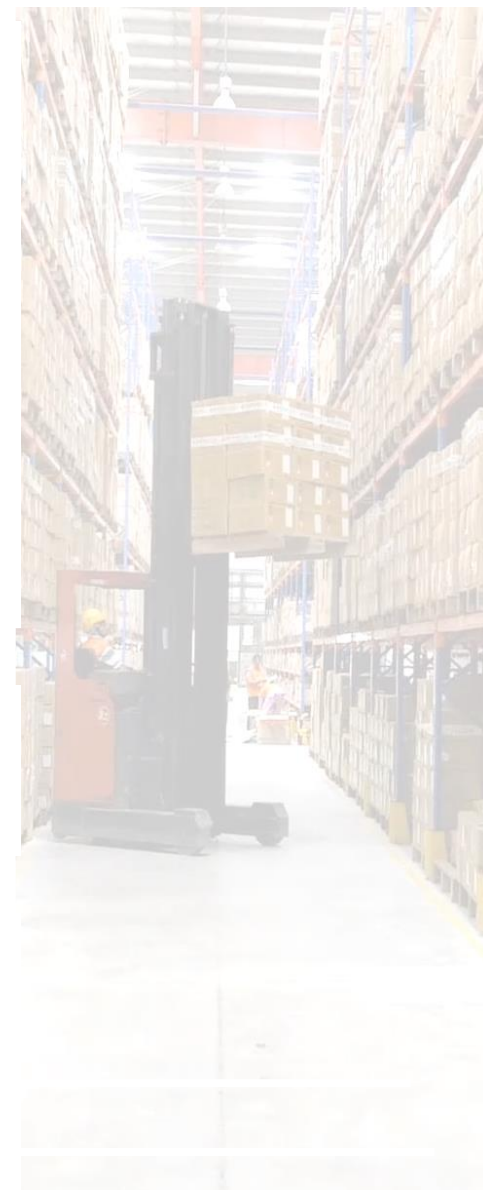
[^] Q1 FY19 ROCE is calculated dividing Last Twelve Months Operating Profit by Average of Capital Employed of Q4FY17 and Q1FY18; Q1FY19 ROE is calculated by dividing Last Twelve Months Profit after Tax by Average Equity of Q4FY17 and Q1FY18

Summary of Financial Statements –Profit & Loss Statement

| Particulars (In ₹ mn) | Standalone Profit & Loss Statement For Period | | | |
|-------------------------------------|---|--------|--------|-------|
| | Q1FY18 | Q4FY18 | Q1FY19 | FY18 |
| Revenue From Operations | 1,520 | 2,224 | 2,279 | 7,750 |
| Cost of Logistics Services | 982 | 1,453 | 1,557 | 5,073 |
| Gross Profit | 538 | 771 | 722 | 2,677 |
| Gross Margin (%) | 35.4% | 34.7% | 31.7% | 34.5% |
| Employee Benefits Expense | 169 | 205 | 206 | 743 |
| Other Expenses | 127 | 247 | 193 | 722 |
| EBITDA | 242 | 319 | 323 | 1,212 |
| EBITDA Margin (%) | 15.9% | 14.4% | 14.2% | 15.6% |
| Depreciation & Amortization Expense | 47 | 65 | 75 | 232 |
| EBIT | 195 | 254 | 249 | 980 |
| EBIT Margin (%) | 12.8% | 11.4% | 10.9% | 12.6% |
| Other Income | 2 | 3 | 6 | 94 |
| Finance Costs | 3 | 21 | 18 | 87 |
| Profit Before Tax | 193 | 236 | 237 | 987 |
| Income Tax | 63 | 58 | 58 | 313 |
| Profit After Tax | 130 | 178 | 179 | 673 |
| PAT Margin (%) | 8.6% | 8.0% | 7.9% | 8.7% |

Summary of Financial Statements – Balance Sheet

| Particulars (In ₹ mn) | Standalone | |
|---|--------------|--------------|
| | 31-Mar-18 | 30-Jun-18 |
| Equity | 4,170 | 4,360 |
| Gross Debt | 330 | 310 |
| Cash & Bank Balance | 757 | 483 |
| Net Debt | (427) | (173) |
| Capital Employed | 3,743 | 4,186 |
| Fixed Assets | 2,646 | 2,734 |
| Investments | 631 | 751 |
| Other Non Current Assets (Net) | 115 | 135 |
| <u>Current Assets - A</u> | | |
| Trade Receivables | 2,289 | 2,349 |
| Other Current Assets | 156 | 123 |
| Total Current Assets | 2,445 | 2,472 |
| <u>Less: Current Liabilities - B</u> | | |
| Trade Payables | 1,384 | 1,484 |
| Other Current Liabilities and Provisions | 711 | 421 |
| Total Current Liabilities | 2,095 | 1,906 |
| Net Current Asset (A-B) | 351 | 567 |
| Total Net Assets | 3,743 | 4,186 |





Science of Supply Chain. **DELIVERED**



Governance



Rakesh Biyani
Chairman and Non-Executive Director

Over 25 years of experience in the retail, supply chain and logistics, and fashion industries; Holds a bachelor's degree in Commerce from University of Bombay

Mayur Toshniwal
Managing Director

25 years of experience in the industry for manufacturing paint, FMCG and retail and also as an entrepreneur; Holds a post graduate degree from IIM, Ahmedabad and a bachelor's degree from IIT, Banaras Hindu University; Previously worked with Asian Paints, Coca Cola, Future Group, Allgreen Ecotech Solutions

Chandra Prakash Toshniwal
Non-Executive Director

Over 20 years of experience in the retail, supply chain and logistics, fashion, insurance and media industries; C.A., holds a bachelor's degree in commerce; Has been associated with Future Retail Limited and Future Lifestyle Fashions Limited in various capacities

Shyam Maheshwari
Non-Executive Director

17 years of experience in the deal sourcing, analysis and investing industry; Partner and Cofounder of SSG Group; Associate member of ICAI, holds a bachelor's degree in Commerce and a post graduate diploma in management from IIM, Bangalore

Janat Shah
Independent Director

27 years of experience in the education field Fellow of IIM, Ahmedabad; Currently director of IIM Udaipur and previously worked with IIM, Bangalore

Bala Deshpande
Independent Director

10 years of experience in the consumer/ industrial industry and 16 years in private equity and venture capital; Holds a bachelor's degree in Arts and a Masters degree in Management Studies; Heads NEA India; previously worked with ICICI Ventures, Cadburys Limited, Bestfoods, Imperial Chemical Industries

Amar Sapra
Independent Director

Over 12 years of experience in the teaching profession; Holds a bachelor's degree in mechanical engineering and a doctorate degree in philosophy from Cornell University; Currently teaching at IIM Bangalore and previously taught at University of Florida and Johnson School, Cornell University

Rahul Garg
Independent Director

18 years of experience in the financial services sector; Holds bachelor's degree in mechanical engineering and post graduate diploma in management; Partner and Co-Head, India Private Equity strategy at Premji Invest and has previously worked with ICICI Bank and SIDBI



Mayur Toshniwal, Managing Director

- 25 years of experience in the industry for manufacturing paint, FMCG and retail and also as an entrepreneur;
- Holds a post graduate degree from IIM, Ahmedabad and a bachelor's degree from IIT, Banaras Hindu University;
- Previously worked with Asian Paints, Coca Cola, Future Group and Allgreen Ecotech Solutions



P V Sheshadri, Chief Executive Officer

- 26 years of extensive experience in the Supply Chain function in fields of warehousing, transportation, project procurement and vendor development / management;
- Holds a bachelor's degree in Science from Bangalore University
- Previously worked with Lloyds Steel, Grasim Industries, Bombay Dyeing, Pantaloon Retail and Welspun Retail



Samir Kedia, Chief Financial Officer

- Over 16 years of experience primarily in commercial, financial, accounting affairs besides hands on corporate secretarial and compliance function;
- A qualified Chartered Accountant;
- Has been part of Future Group for more than 12 years, most recently associated with Future Consumer Limited as Financial Controller; Previously worked with H&R Johnson (India) Limited
- Received CFO of the Year Awards 2018 – an initiative of Financial Express



THANK YOU

Investor Relations Contact

Nupur Agarwal

nupur.agarwal@futuresupplychains.com