

Ref: FLFL/BM-Q2/ 2020-21

09 November 2020

To
Dept. of Corporate Services (CRD)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

To
Listing Department
The National Stock Exchange of India Limited
Exchange Plaza,
Bandra - Kurla Complex, Bandra (East),
Mumbai - 400 051.

Scrip Code : 536507
Debt – Scrip Code: 957150

Scrip Code : FLFL

Dear Sir/Madam,

Sub: Presentation to Analysts/ Investors

Please find enclosed herewith the presentation being forwarded to Analysts/ Investors on the Un-audited Financial Results of the Company for the quarter and half year ended on 30 September 2020.

The aforesaid presentation is also available on the Company's website www.futurelifestyle.in.

Kindly take the above information on your records

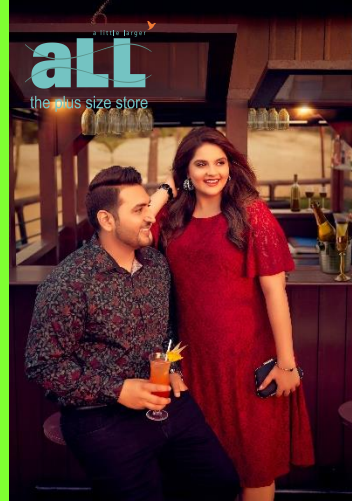
Thanking you,

Yours faithfully,

for **Future Lifestyle Fashions Limited**


Sanjay Kumar Mutha
Chief Legal & Company Secretary

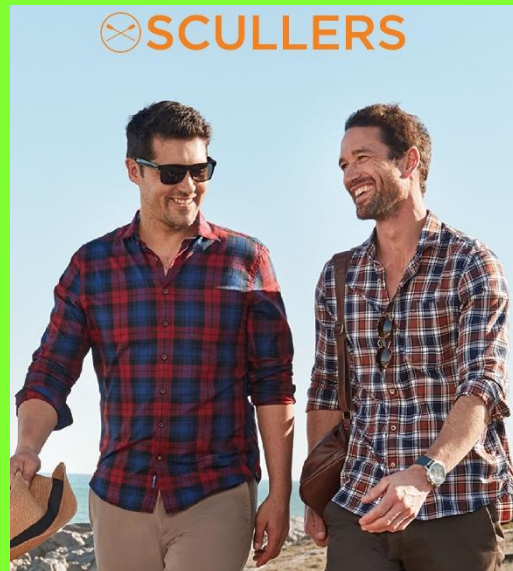
Encl: As above



Future Lifestyle Fashions

FLF Investor Update – Q2 FY21

November 2020



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, product development, market position, expenditures, and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

The Company may alter, modify or otherwise change in any manner the content of this report, without obligation to notify any person of such revision or changes. This report cannot be copied and/or disseminated in any manner.

The Company has assessed the impact of the countrywide lockdown imposed to curtail spread of COVID-19 pandemic, on its business operations and financial status and has considered all relevant information available up to the date of approval of financial results, in determination of the recoverability and carrying value of its financial assets and non-financial assets. The impact of COVID-19 pandemic and consequent global slowdown of business and uncertain overall economic environment may affect the underlying assumptions and estimates used to prepare the Company's financial results, whereby actual outcome may differ from those assumptions and estimates considered as at the date of approval of these financial results.

Agenda

- 1. Economic revival 03**

 1. COVID update – Unlocking of economy
 2. Festive period performance
 3. Operating parameters Q2
 4. Customer walk-in – State-wise analysis
 5. Cost reduction update
 6. Latest events and campaigns
- 2. Q2 and H1 FY21 Financial performance 14**

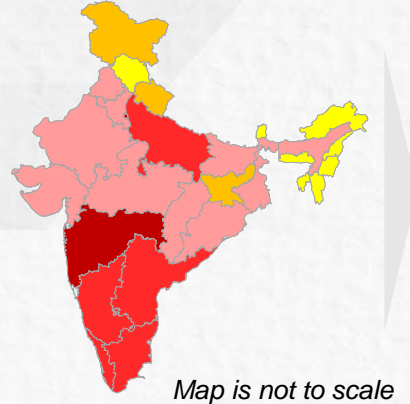
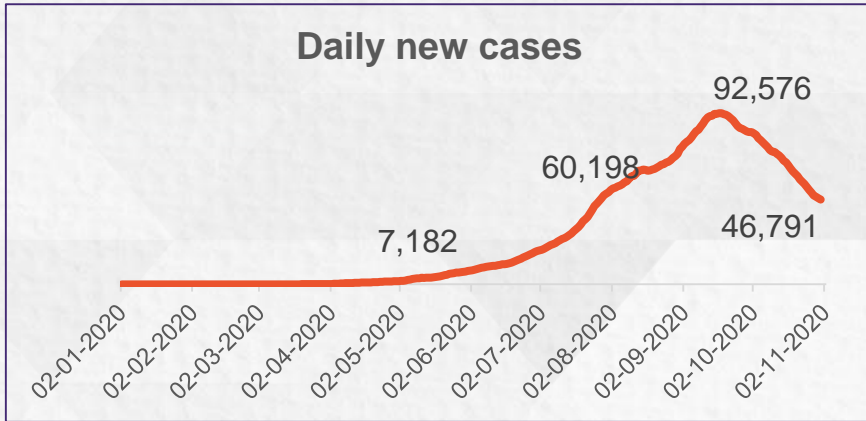
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Indian economy may not see V-shaped recovery: Kevin Sneader, Global Managing Partner, McKinsey & Co



- India's Covid-19 recovery rate reaches landmark 90%
- Unlock 5.0, 1st Oct: Cinema halls finally allowed with 50% seating capacity
- Key risks
 - ❑ Risk of second wave of new COVID cases and restrictions
 - ❑ Loss of job income affecting purchasing power
 - ❑ Surge due to pent-up demand, likely to slowdown post Diwali

Signs of recovery – October/ September

PV sales

~3.3 lacs unit in Oct
(20% Y-o-Y)

Steel consumption

~7.8 mn tonnes in Sept
(4% M-o-M)

Air traffic (Domestic)

~4 mn passengers in Sept
(40% M-o-M)

GST collection

~1.1 lac cr in Oct
(10% Y-o-Y)

Gasoline sales

~2.4 mn tonnes in Oct
(4% Y-o-Y)

PMI* (services)

54.1 in Oct, highest since Feb
(9% M-o-M)

Railway Freight loading

~108 mn tonnes in Oct
(15% Y-o-Y)

Merchandise Exports

~USD 34 bn in Oct
(23% M-o-M)

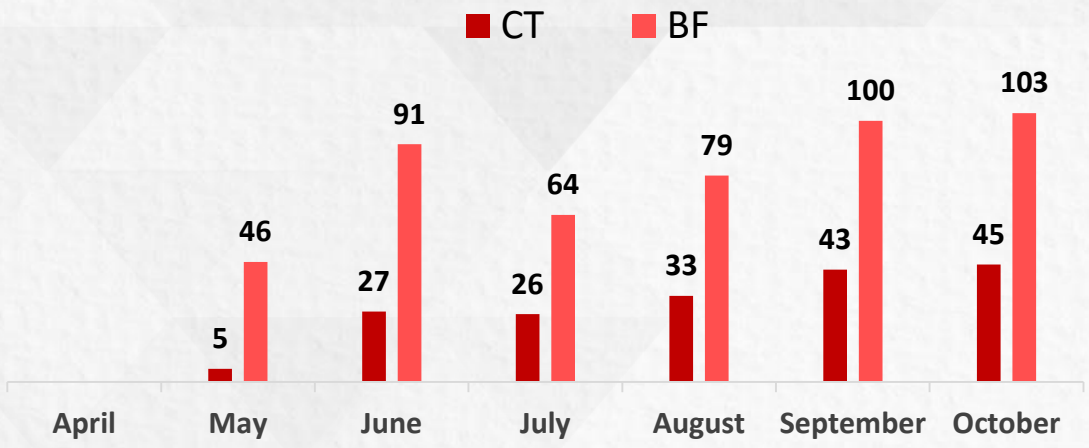
FLFL – Performance over LY (Festive)

Festive sales % of LY	
Lee Cooper Footwear	80% - 85%
FLFL - Blr Brands	80% - 85%
Lee Cooper - Apps	70% - 80%
aLL	65% - 75%
Central	55% - 65%
Brand Factory	55% - 60%

1 Store ramp-up status

2 Store operations inching towards optimum level

~100% of Central and BF stores are operational by 31st October



Days Operational

80%

82%



Hours Operational

72%

75%



Footfalls vs LY

14%

17%

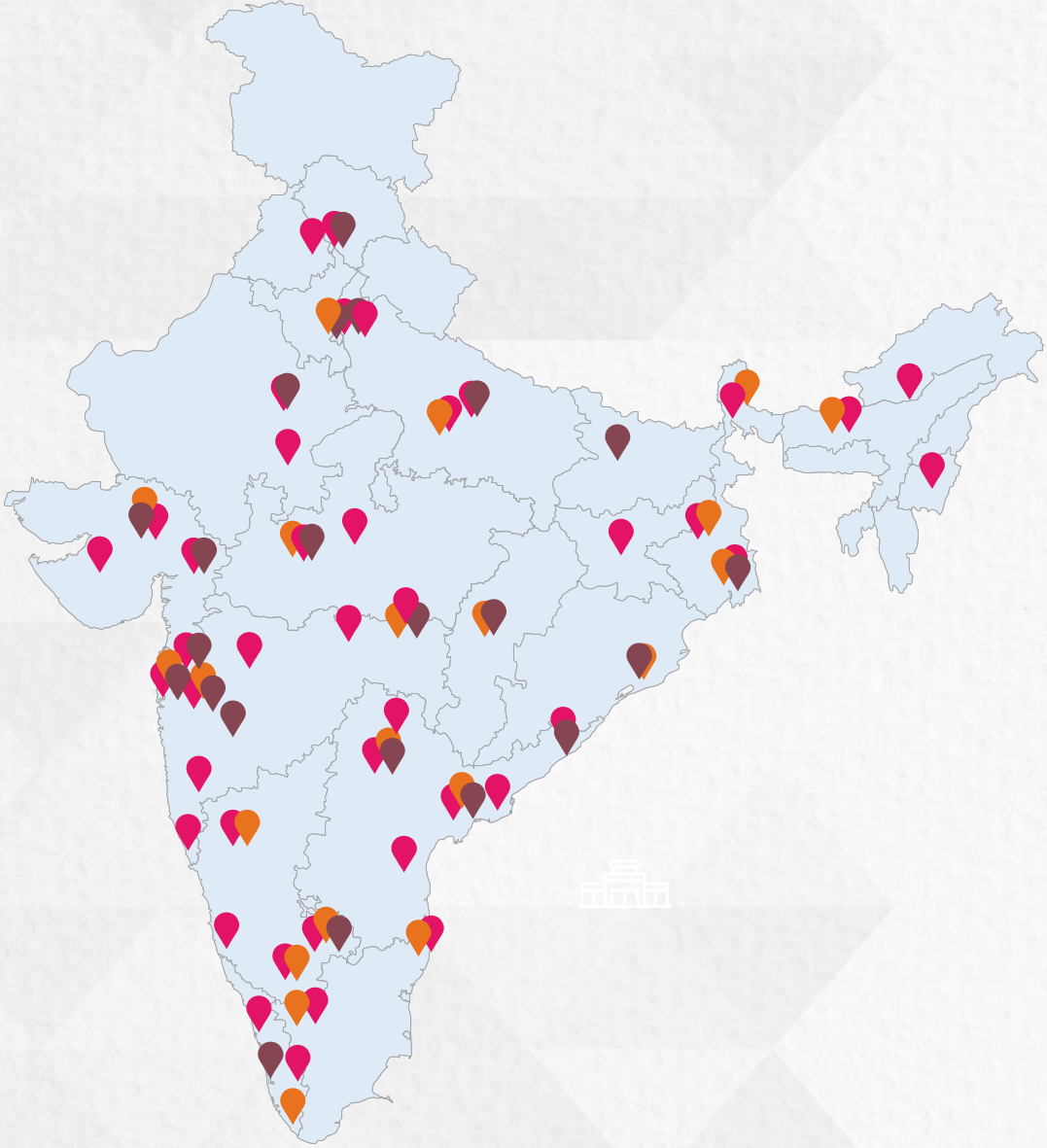


Business vs LY




21%

28%

- With Unlockdown 5.0 guideline, 100% of Central and Brand Factory are operational
- Current sales run rate is ~Rs. 90-100 cr. a week
- Central and Brand Factory has also ramped online presence through mycentral.in, Central and BF at Amazon to compensate the loss of sale due to store closure/ lack of walk-ins

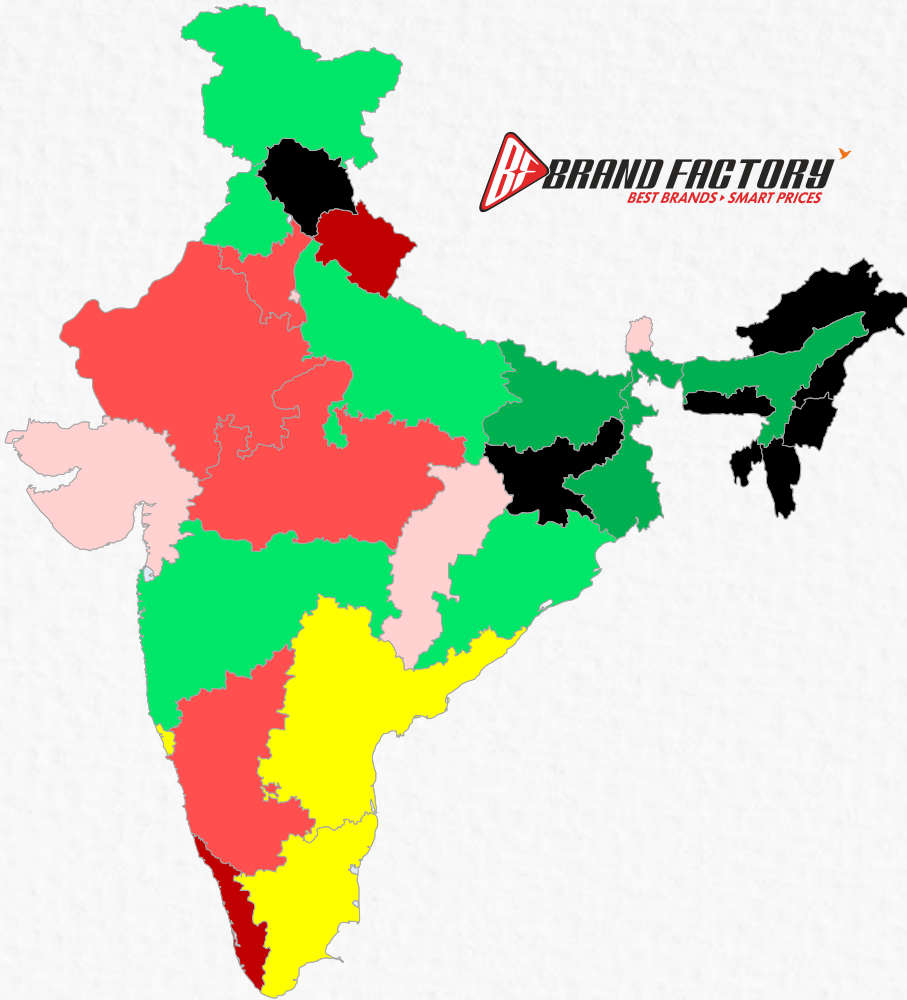
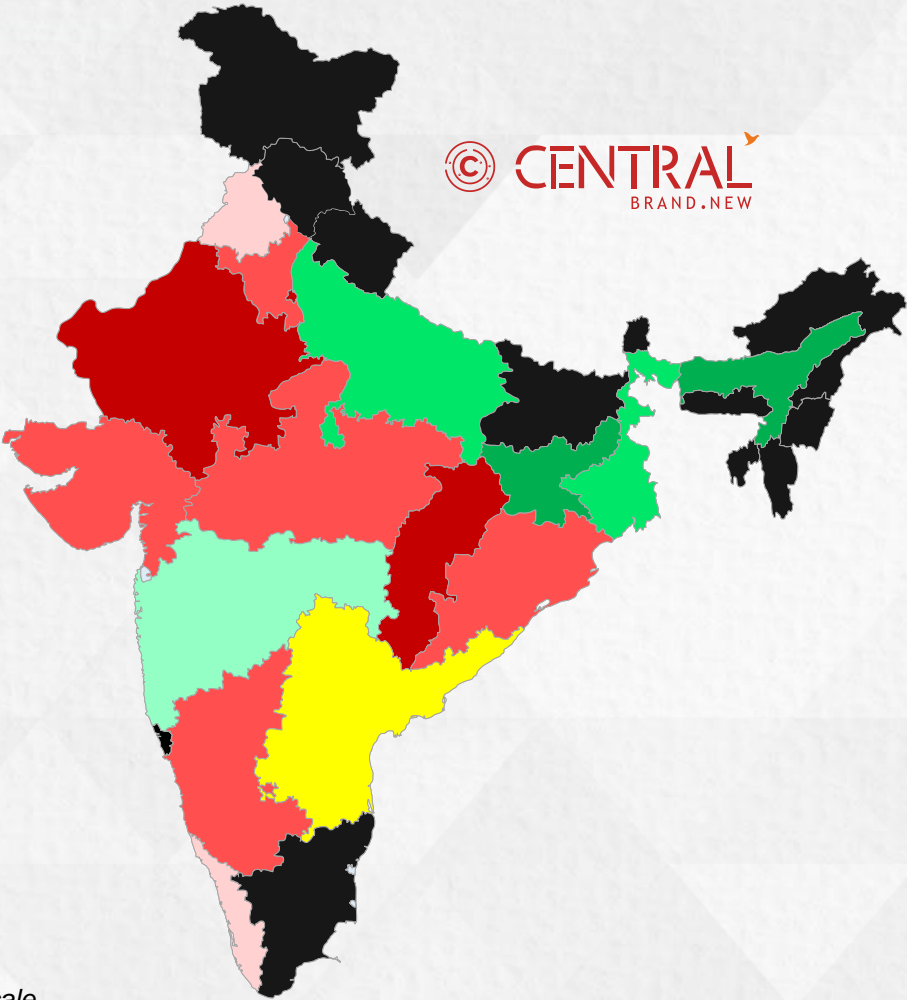


 **Store count**

	Sept 19	Sept 20
 CENTRAL <small>BRAND.NEW</small>	48	47
 BRAND FACTORY <small>BEST BRANDS • SMART PRICES</small>	100	104
 EBOs	201	187
Total	349	338
Area (mn Sqft)	7.3	7.7

Note:- Includes numbers of Lee Cooper business Stores. Map is not to scale

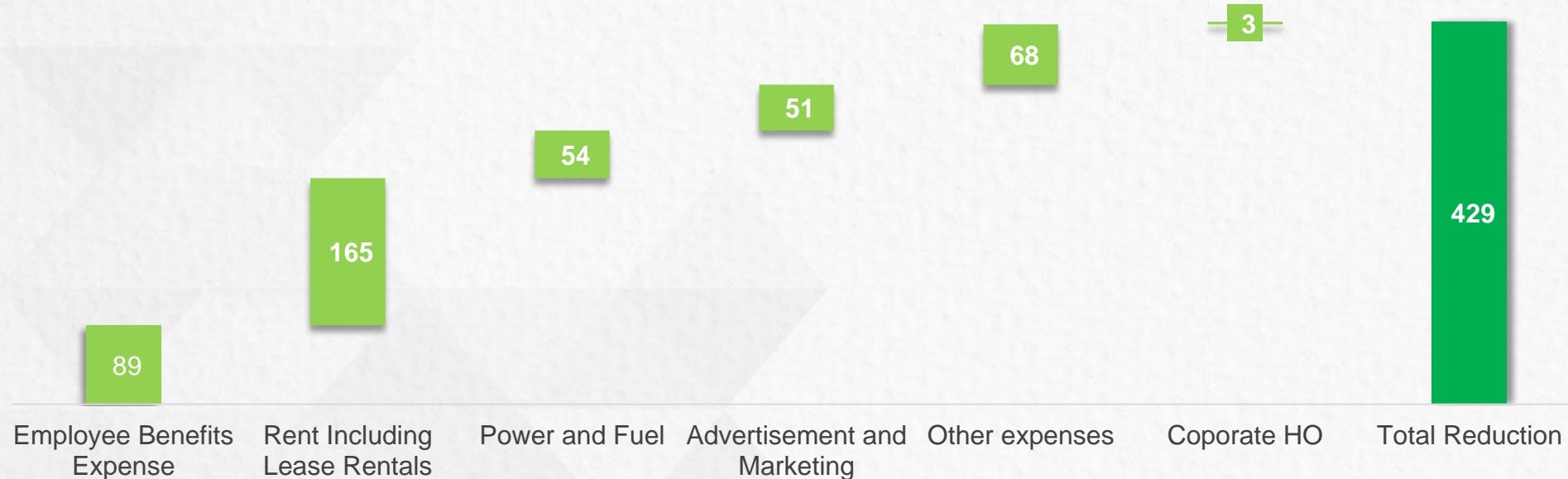
M-o-M growth of walkins (Sept '20 over Aug '20)



Map is not to scale

- A&M was appointed to drive the cost reduction to bring the efficiency
- Total cost reduction planned for the year is Rs. 611 cr.
- Cost reduction achieved during first half is Rs. 429 cr.

Building blocks of cost reduction in H1 FY21



Latest Events at Central & Brands

MyGlamm Series

Hosted live Instagram session featuring Back To Office Look



Central

Live Fitness Sessions on Weekends with Sportswear Brands



Central

Steps towards online presence



Central Goes Live on Amazon.in
27th July 2020
www.amazon.in/central



Launch of Central's E-comm platform (12th Sep.)



Independence Sale

- **Campaign:** During Lockdown and most people working from home, Independence Day was the best opportunity for people to get out their homes and explore places with cities opened with certain regulations
- **Objective:** To capture the sentiments of the customers during the public holiday and get the most of it



Indian Discount League 2.0

- **Campaign:** With a huge success with this IP last year, we decided to revamp the same with IPL this year.
- **Objective:** To recruit a new set of audience (18 to 44 Age group)
- **Offer:** Additional 20% on max shopping of 3000



Biggest Fashion Unlock Sale

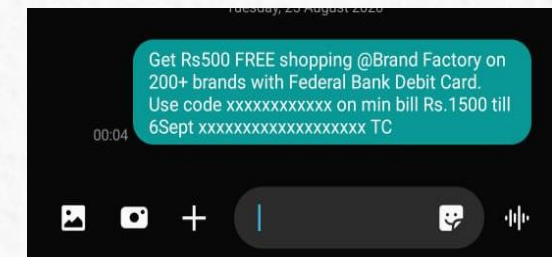
Campaign Thought: With the Lockdown slowly opening up and market opening for public usage, Unlock 4.0 & 5.0 was a good news for customers

Objective: To capture the happy sentiments of the customers and give them best deals

Offer: Shop for ₹ 3500 & Pay only ₹ 1499 , Buy 2 Get 3 Free , Buy 1 Get 1 Free + Additional 20% Off on ₹ 4000

Tactical Bank Support – Onam Markets

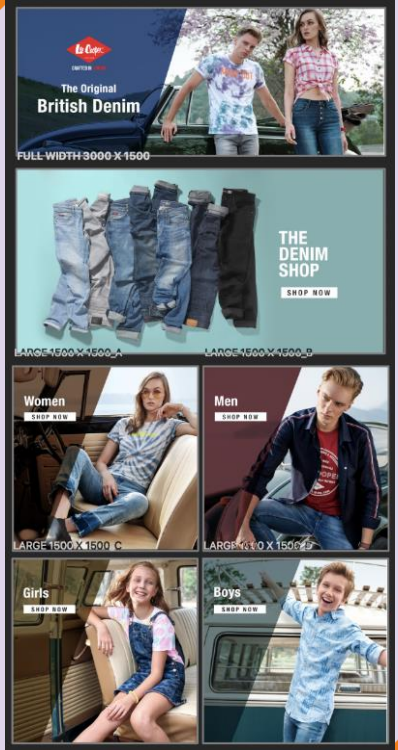
Tie Up with Regional Bank in Kerala to promote Onam special offer



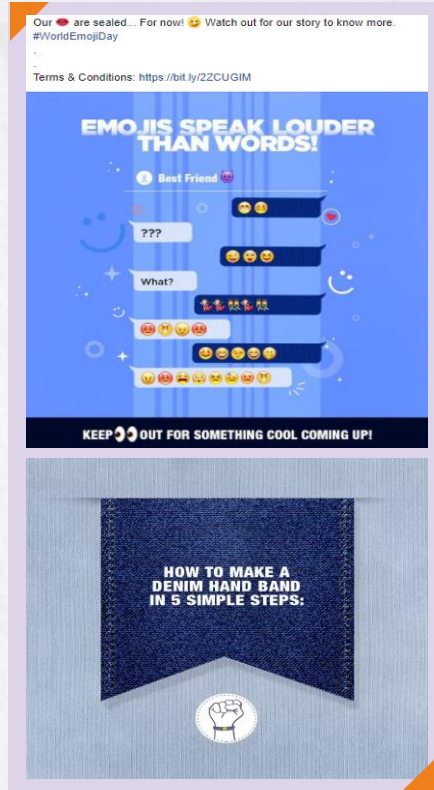
Lee Cooper

Communication with Loyal Customers

Lee Cooper Brand Store on Amazon



Social Media Engagement



aLL Studio

an edutainment platform to showcase our branded content



aLL Birthday Surprise
Online to offline campaign

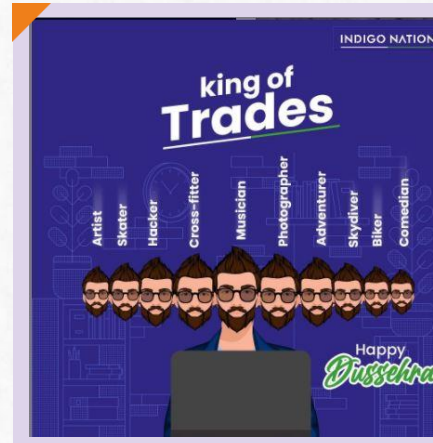


Brands - Always On' Approach

In order to maintain relevancy, stickiness with brand and further engage and increase awareness, Converse brand seeded Converse Chuck 70 to talent from the field of Creativity, Sustainability and Basketball.



'Always On' Approach on Social Media for Converse



Brands took position in creating awareness and engagement using topical & product route on Social Media keeping brand tonality in mind.

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2. **Q2 and H1 FY21 Financial performance** **14**

Total Income From Operations

Gross Margin

Expense

EBITDA Margin

PAT

Gross Space Addition (mn. sq. ft.)

H1 FY21	₹500 Cr	₹142 Cr	₹429 Cr	(53%)	₹(525) cr	nil
H1 FY20	₹3,119 Cr	₹1,119 Cr	₹858 Cr	9%	₹51 cr	0.13

FLF Brands

- Contributed ~42% of Revenue in Q2FY21.
- Brands registered a de-growth of 75% Y-o-Y lead by COVID impact in the quarter

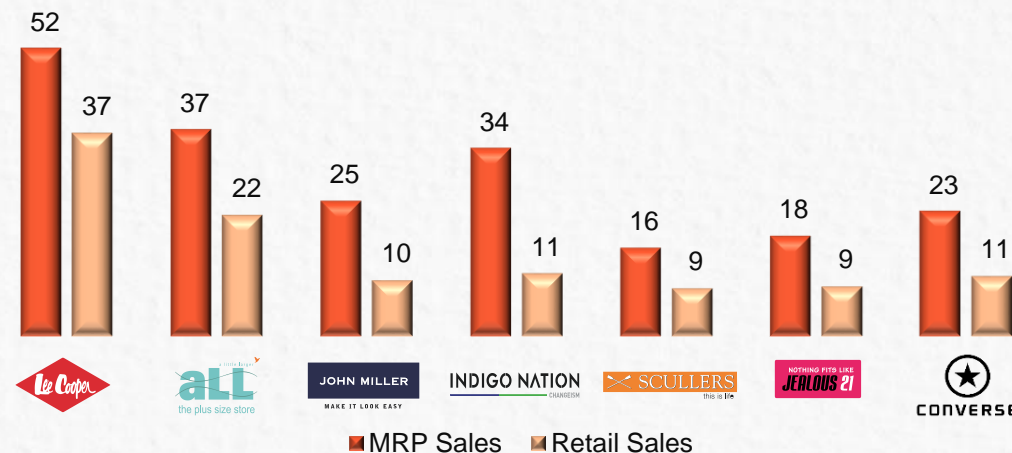
Q2 FY21 Margins

- Delivered Gross Margin of ₹142 Cr @ 28.4%
- EBITDA Margins of (53.3)% in Q2FY21

Total Sales¹ Summary (₹ Cr)

Particulars	H1FY20	H1FY21
FLF Brands	1,392	218
- FG Brands	1,058	161
- International Licensed Brands	334	58
Third Party Brands ²	2,051	314
Total Sales¹	3,444	532
Less: Consignment / SIS	82	8
Less: Taxes & Duties	309	44
Net Sales after Tax	3,052	480
Add: Other operating ³ income	67	20
Total Operating income	3,119	500

Top Brand Performance Q2FY21 (₹ Cr)



1: Includes SIS & consignment sales

2: Third party brands represent non FLF brands and includes SIS sales and consignment sales

3: Retail Sales indicate Net Sales Before Tax. Both MRP and Retail sales are for external 3rd party channels and EBOs

Revenue, Gross margin and EBITDA are pre Ind AS 116 adjusted nos..

Income Statement (₹ Cr)	With IND-AS 116					
	Standalone		Gr%	Consolidated		Gr%
	Q2'20	Q2'21		Q2'20	Q2'21	
Particulars	Q2'20	Q2'21		Q2'20	Q2'21	
Revenue from Operations	1,458	388	-73%	1,572	409	-74%
COGS	950	272	-71%	1,032	286	-72%
Gross Profit	508	115	-77%	540	123	-77%
Gross Margin %	34.8%	29.8%	-5%	34.4%	30.1%	-4%
Employee Benefits Expense	82	45	-46%	90	48	-46%
Rent including Lease Rental	28	17	-39%	29	17	-40%
Other Expenditures	161	98	-39%	164	106	-35%
Total Expenditure	271	160	-41%	283	171	-39%
Other Income	11	15	30%	11	15	32%
EBITDA	248	(30)	-112%	269	(33)	-112%
EBITDA Margin %	17.0%	-7.7%	-25%	17.1%	-8.1%	-25%
Depreciation	169	134	-21%	173	138	-20%
EBIT	79	(164)	-308%	95	(171)	-280%
Finance Costs	71	85	20%	75	87	16%
PBT	8	(249)	-3390%	21	(258)	-1348%
Tax expense	(0)	0	-980%	9	(5)	-152%
Share in Net Loss of Associates and Joint Ventures	-	-		0	(4)	-2225%
Net profit	8	(250)	-3378%	12	(258)	-2273%

Income Statement (₹ Cr)	Without IND-AS 116					
	Standalone		Gr%	Consolidated		Gr%
	Q2'20	Q2'21		Q2'20	Q2'21	
Particulars	Q2'20	Q2'21		Q2'20	Q2'21	
Revenue from Operations	1,461	390	-73%	1,575	411	-74%
COGS	950	272	-71%	1,032	286	-72%
Gross Profit	511	117	-77%	544	125	-77%
Gross Margin %	35.0%	30.1%	-5%	34.5%	30.5%	-4%
Employee Benefits Expense	82	45	-46%	90	48	-46%
Rent including Lease Rental	163	96	-41%	164	97	-41%
Other Expenditures	161	99	-39%	164	106	-35%
Total Expenditure	406	240	-41%	418	251	-40%
Other Income	11	10	-3%	11	10	-2%
EBITDA	116	(112)	-196%	136	(115)	-185%
EBITDA Margin %	7.9%	-28.7%	-37%	8.6%	-28.1%	-37%
Depreciation	65	71	9%	69	74	8%
EBIT	51	(183)	-459%	67	(190)	-383%
Finance Costs	33	52	55%	37	53	45%
PBT	18	(234)	-1439%	31	(243)	-896%
Tax expense	(0)	0	-980%	9	(5)	-152%
Share in Net Loss of Associates and Joint Ventures	-	-		0	(4)	-2251%
Net profit	18	(235)	-1438%	22	(243)	-1219%

Income Statement (₹ Cr)	With IND-AS 116					
	Standalone		Gr%	Consolidated		Gr%
	H1FY20	H1FY21		H1FY20	H1FY21	
Particulars	H1FY20	H1FY21	Gr%	H1FY20	H1FY21	Gr%
Revenue from Operations	2,954	468	-84%	3,112	495	-84%
COGS	1,900	334	-82%	2,000	358	-82%
Gross Profit	1,054	133	-87%	1,112	137	-88%
Gross Margin %	35.7%	28.5%	-7%	35.7%	27.7%	-8%
Employee Benefits Expense	164	83	-49%	181	90	-50%
Rent including Lease Rental	61	24	-61%	62	24	-62%
Other Expenditures	342	163	-52%	349	176	-50%
Total Expenditure	566	270	-52%	592	290	-51%
Other Income	22	25	14%	22	25	15%
EBITDA	510	(111)	-122%	542	(127)	-123%
EBITDA Margin %	17.3%	-23.8%	-41%	17.4%	-25.7%	-43%
Depreciation	323	302	-7%	331	310	-7%
EBIT	186	(413)	-322%	211	(437)	-307%
Finance Costs	139	166	19%	146	169	16%
PBT	47	(579)	-1338%	65	(606)	-1035%
Tax expense	13	0	-97%	25	(5)	-118%
Share in Net Loss of Associates and Joint Ventures	-	-		(4)	(10)	158%
Net profit	33	(579)	-1841%	36	(611)	-1778%

Income Statement (₹ Cr)	Without IND-AS 116					
	Standalone		Gr%	Consolidated		Gr%
	H1FY20	H1FY21		H1FY20	H1FY21	
Particulars	H1FY20	H1FY21		H1FY20	H1FY21	
Revenue from Operations	2,961	473	-84%	3,119	500	-84%
COGS	1,900	334	-82%	2,000	358	-82%
Gross Profit	1,061	138	-87%	1,119	142	-87%
Gross Margin %	35.8%	29.3%	-18%	35.9%	28.4%	-7%
Employee Benefits Expense	164	83	-49%	181	90	-50%
Rent including Lease Rental	326	162	-50%	328	163	-50%
Other Expenditures	342	163	-52%	349	176	-49%
Total Expenditure	832	408	-51%	858	429	-50%
Other Income	21	21	-1%	21	21	-1%
EBITDA	250	(249)	-200%	282	(267)	-195%
EBITDA Margin %	8.4%	-52.8%	-726%	9.0%	-53.3%	-62%
Depreciation	124	143	15%	131	150	14%
EBIT	125	(392)	-413%	150	(416)	-377%
Finance Costs	64	101	57%	70	103	46%
PBT	61	(493)	-907%	80	(519)	-751%
Tax expense	13	0	-97%	25	(5)	-118%
Share in Net Loss of Associates and Joint Ventures	-	-		(4)	(10)	159%
Net profit	48	(493)	-1136%	51	(525)	-1120%

Capital Employed Statement Rs. in Cr	Mar-20	Sept-20
Shareholder's Funds	1,831	1,363
Debt	1,383	1,623
Less: Cash and cash equivalent	23	39
Net Debt	1,359	1,583
Less: Current Investment	39	40
Net Adj Capital Employed	3,151	2,907
Net Non Current Assets	2,298	2,180
Net Current Assets	853	727
Net Adj Capital Deployed	3,151	2,907

Cash Flow Rs in Cr	Mar-20	Sep-20
Profit after tax	(64)	(525)
Adjustments of Other Operational and Non-Cash Items	563	275
Change in Working Capital	(286)	124
Cash flow from Operational Activities	212	(125)
Income Tax Paid	(32)	(3)
Net cash flow from Operational Activities	181	(128)
CWIP	(21)	(6)
Capital expenditure during the year	(462)	(7)
Other items of Invest Activities	(407)	22
Cash flow from Investing Activities	(890)	8
Proceeds from Debt & Equity	789	240
Payment of Interest and Dividend	(184)	(103)
Payment of Lease Liabilities	-	-
Net cash used in financing activities	605	137
Net increase in cash and cash equivalents	(104)	18
Cash and cash equivalents at the beginning of the year	117	12
Cash and cash equivalents at the end of the year	12	30



Namaste !

Registered and Corporate Office:

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FLF  **FUTURE
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