

Date: 12.11.2021

Corporate Relations Department BSE Limited 1st Floor, New Trading Ring Rotunda Building, P J Tower Dalal Street, Fort, Mumbai 400 001	Corporate Listing Department National Stock Exchange of India Ltd Exchange Plaza, 5th Floor Plot No.C-1, G Block Bandra-Kurla Complex Bandra (East), Mumbai 400 051.
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Dear Sir/s

Sub: Investor presentation for Q2 and H1 FY 22.

Scrip Code: BSE Code: 541700, NSE Code: TCNSBRANDS

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

With reference to the above captioned subject, please find herewith, enclosed Investor Presentation for Q2 and H1 FY 22. The aforesaid Investor Presentation is also being disseminated on Company's website at <https://wforwoman.com/content/investor-relation>

This is for your information and records.

Thanking you

For and On behalf of **TCNS Clothing Co. Limited**

Piyush Asija
Company Secretary and Compliance Officer
M. No: A21328

Date: 12.11.2021

Place: New Delhi



TCNS Clothing Co. Limited

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CIN- L99999DL1997PLC090978



TCNS Clothing Co. Ltd



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Q2 & H1, FY22 Results

November, 2021





Safe Harbour

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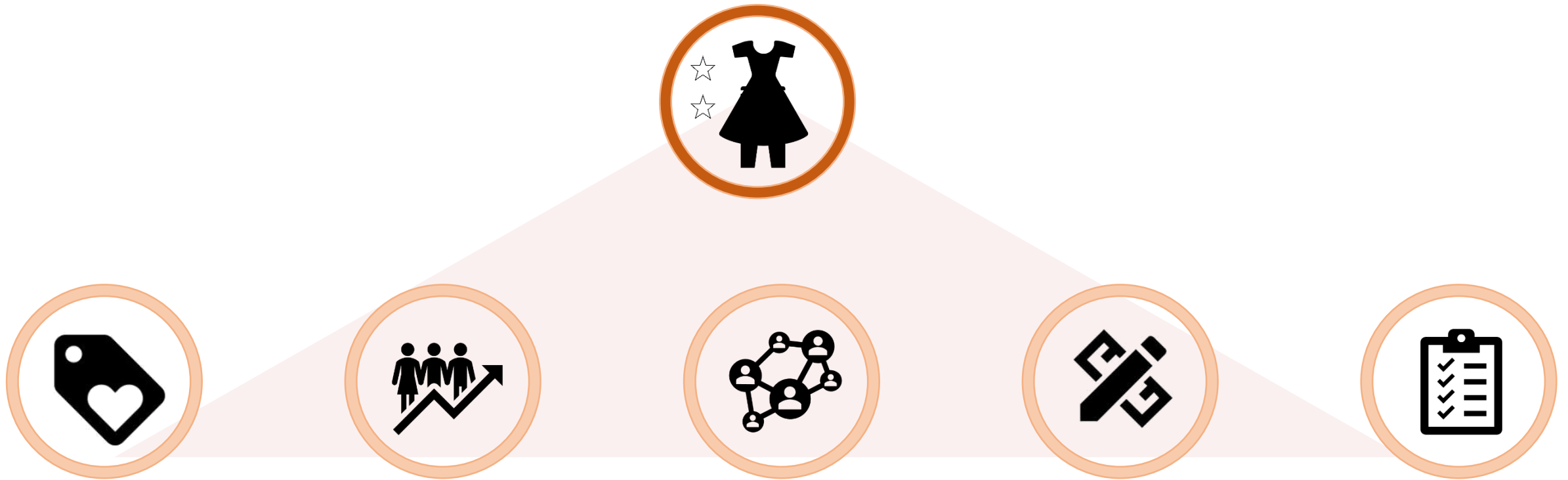
Contents

- 1 TCNS Overview – Where We Stand
- 2 Q2 & H1 FY22 Performance Highlights
- 3 TCNS Strategic Growth Levers
- 4 Q2 & H1 FY22 Detailed Financials

TCNS Overview – Where We Stand



TCNS - India's Leading Women's Branded Apparel Company



Portfolio of 4 segment leading brands straddling across fashion sensibilities and value chain

Largest womenswear distribution network with 3700+ outlets and market leading omnichannel capabilities

Diversified supply chain network with 250+ supply chain partners

50+ in-house cutting-edge design team developing over 3000 styles every year

High ROIC, asset-light business model; Strong cash reserves

TCNS houses 4 distinct brands in women's outerwear segment, each with a focused positioning to offer a comprehensive portfolio for Indian women consumer



Premium fusion wear



Premium occasion wear



Contemporary ethnic wear



The ultimate coordinates destination



TCNS Clothing Co. Limited

TCNS has widest womenswear reach with 3700+ points of sales, with strong owned omnichannel network and deep partnerships across all key offline and online retailers

Own Omnichannel Network

- 557 EBO Stores across India and International markets



- Own brand websites offering complete selection and deeper engagement



LFS Partners – 2100+ doors



Key Online Partners



MBO – 1000+ doors



With 50+ inhouse design team and 250+ suppliers pan-India, TCNS has a scalable, well-connected & diversified Design-to-Production network

50+ In-house design team focused on driving innovation and creating fashion trends

250+ Partners/ suppliers ranging from artisanal groups to large mills, enabling a highly differentiated product every single time

3000+ Product styles launched every year across Apparel, Footwear, Accessories & Cosmetics

Automated Inventory management system and nimble production and reordering cycle for reduced Concept-to-Shelf

Integrated warehousing facility powered by a strong WMS, upgraded infrastructure and specialized operations team



Q2 & H1 FY22 Performance Highlights



Current situation: most of the network running without restrictions now; ~90% operational days in Q2 with intermittent local lockdowns / restrictions across the country



Status as of mid-November Current Situation



Stores Unlocking

- As on date most of the offline network operational
- Q2 # of operational days at ~90% vis-à-vis ~48% in Q1



Online Sales

- Online channels (both own website & marketplaces) fully operational
- Intermittent closure of pincodes for non-essential delivery experienced in Q2



Supply Chain & Operations

- Production units fully functional; tracking towards capacity utilization
- Warehouse fully operational with Covid appropriate protocols in place

Sales recovery: sharp and consistent recovery in sales post Covid 2nd wave

Revenue from Operations – Rs Crs.



Q2 Highlights

- **Offline:** progressive sales recovery with gradual easing of restrictions on celebrations / events and reopening of offices
 - Recovery post 2nd wave more evenly distributed across city tiers and store types
- **Online:** sustained momentum of secondary sales continues on a significant base – Online contributed to ~22% of the total revenues. Own website contributing 15% of total online sales
- MBO business revamped and re-initiated

FY22 Key Priorities: Invest in building growth runways and key capabilities while preserving balance-sheet strength



Online Business Growth

- Continue scale-up of own website through deeper omni offerings, personalized marketing and technology upgradation
- Expand third-party marketplace with new business models, additional channels and online first product offering



Calibrated Offline Expansion

- Project Rise: upgrade and expand the flagship stores to tap into available real estate opportunity
- Project Bharat: expand store network across tier 3/4 markets through franchisee-led model



Cash Conservation

- Reduce working capital through inventory optimization and lower-risk trade models
- Continue optimizing costs on all fronts, especially rentals and overheads



Swifter Thought-to-Shelf

- Enhance design, sampling and production capabilities to develop products closer to season launch
- Institutionalize next phase of Automated inventory management

Online business continued to grow well on consumer secondary sales basis

Q2 Highlights

- Consistent 20%+ revenue contribution from online business - D2C share majority of the sale
- Newer marketplaces added last year scaled up sharply to 2.5X YoY
- Omni-channel fulfillment at store stabilized and scaled up. Most of demand centres covered, contributing to over 5% of sales for select channels already
- Online exclusive collection launched for the first time in the Aurelia brand

Online exclusive range by Aurelia



Offline store expansion: On track to open 1 store every ~3 days in H2 to add over 60 Exclusive brand stores in FY22

Project RISE Store – CP, Delhi



Project RISE

- Store opening for Project RISE picking up pace. 5 stores opened across premium markets of Delhi, Mumbai, Pune and Bhopal; 15 stores signed – slated to open in H2, FY22
- Stores already tracking at average 1.5X, expected to scale up further

Project Bharat

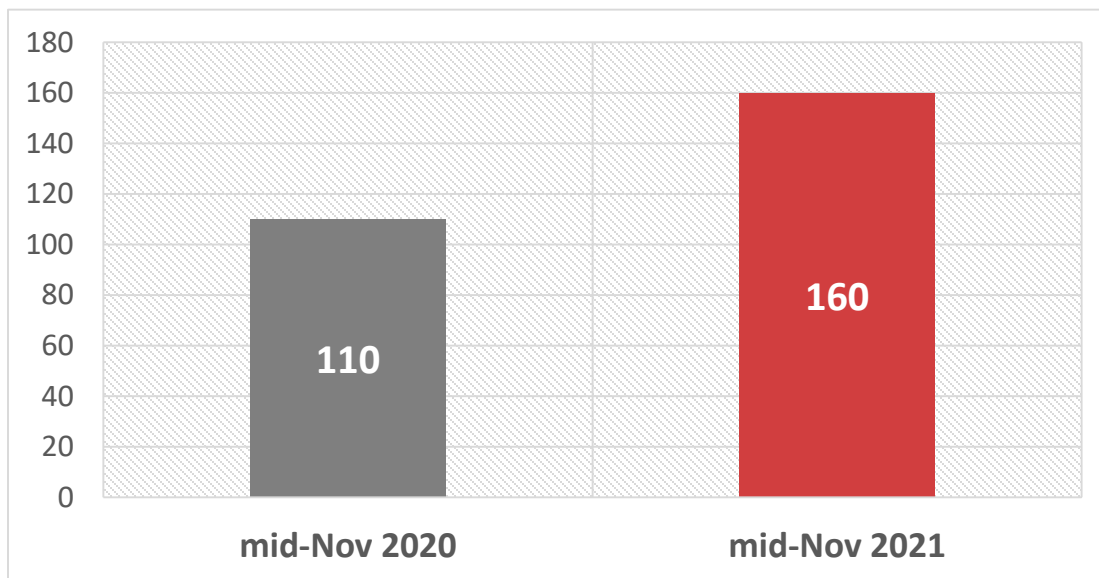
- Strong pipeline of 15 stores, slated to open in H2, FY22

Project RISE CP Store, Delhi – complete brand portfolio in one store

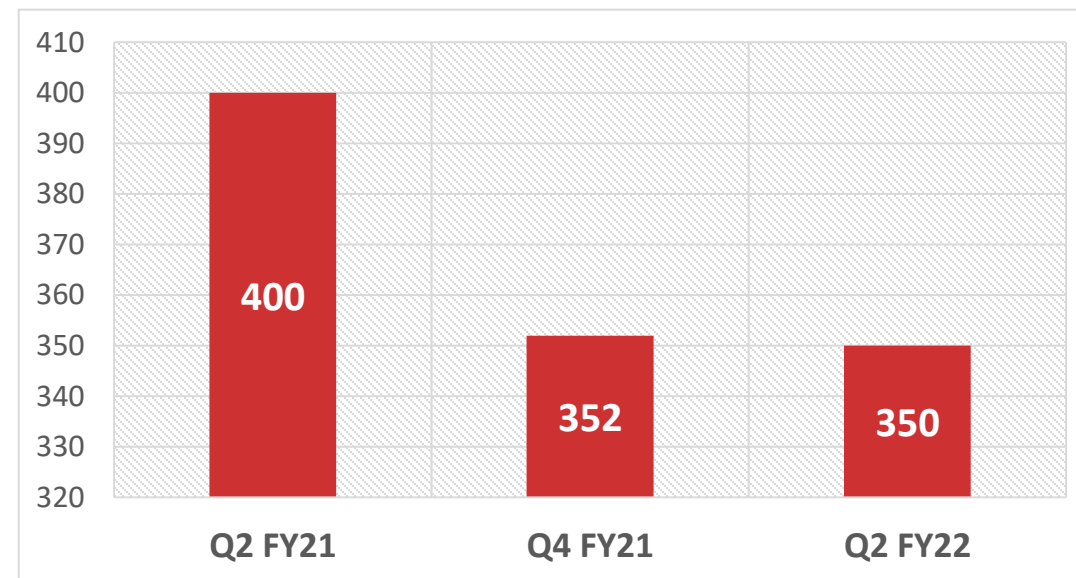


Cash accretive in Q2. Current cash reserves increased to ~Rs 160 Crs from ~110 Crs in same period last year

Cash Reserves (Rs Crs.)



Working Capital (Rs Crs.)



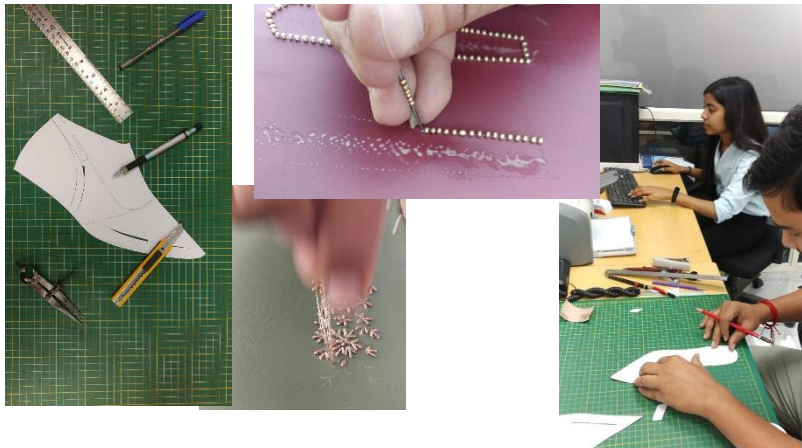
- Cash accretive in 3 out of last 4 quarters driven by continued recovery, cost mitigation & working capital reduction
- Rental savings estimated at ~20% for full year FY22

Swifter Thought-to-shelf: all key initiatives well on track and demonstrating results

Integrated mother warehouse



Footwear Development Center



Q2 Highlights

- Integrated ~1.4 lac sq. ft. warehouse streamlined – geared up to handle multi category operations at scale
- Automated Replenishment System phase 2 piloted across all Large Format Stores
- Dedicated Footwear Development Center established. Each developed option certified through 25+ tests by a leading global quality agency to meet most stringent international benchmarks.

Q2 & H1, FY 22 : Performance Highlights

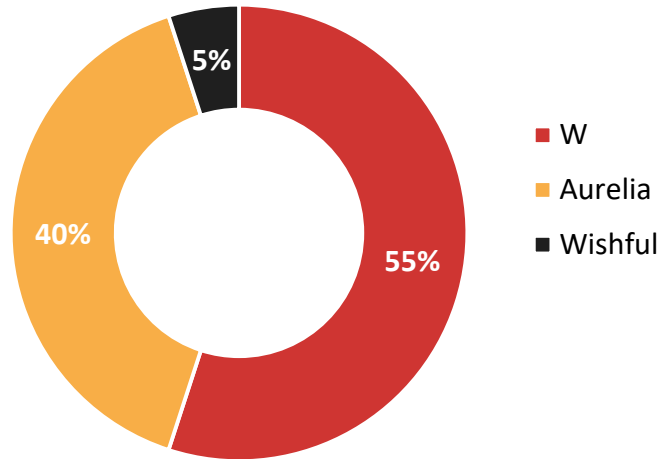
Particulars (Rs Million)	Q2FY22	Q2FY21	Growth -YoY%	H1FY22	H1FY21	Growth -YoY%
Revenue	2393	1441	66%	3331	1766	89%
EBITDA	451	-69	NA	247	-330	NA
PBT	141	-381	NA	-349	-985	NA
PAT	111	-276	NA	-250	-729	NA

% to Revenue	Q2FY22	Q2FY21	H1FY22	H1FY21
EBITDA	18.8%	-4.8%	7.4%	-18.7%
PBT	5.9%	-26.4%	-10.5%	-55.8%
PAT	4.6%	-19.1%	-7.5%	-41.3%

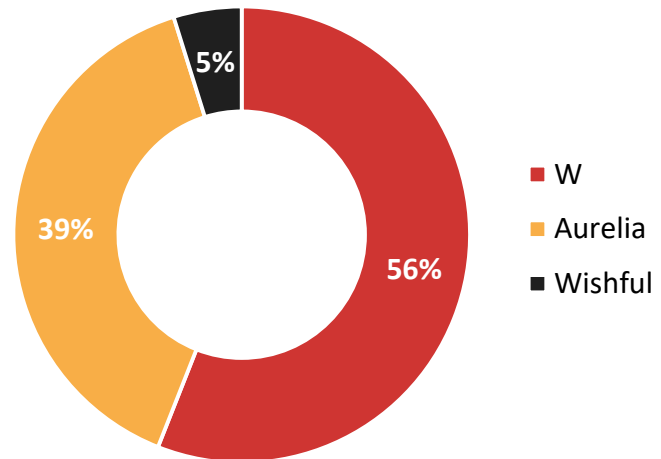
Q2 FY 22 : Brand-wise performance

Share of Brands (%)

Q2FY22

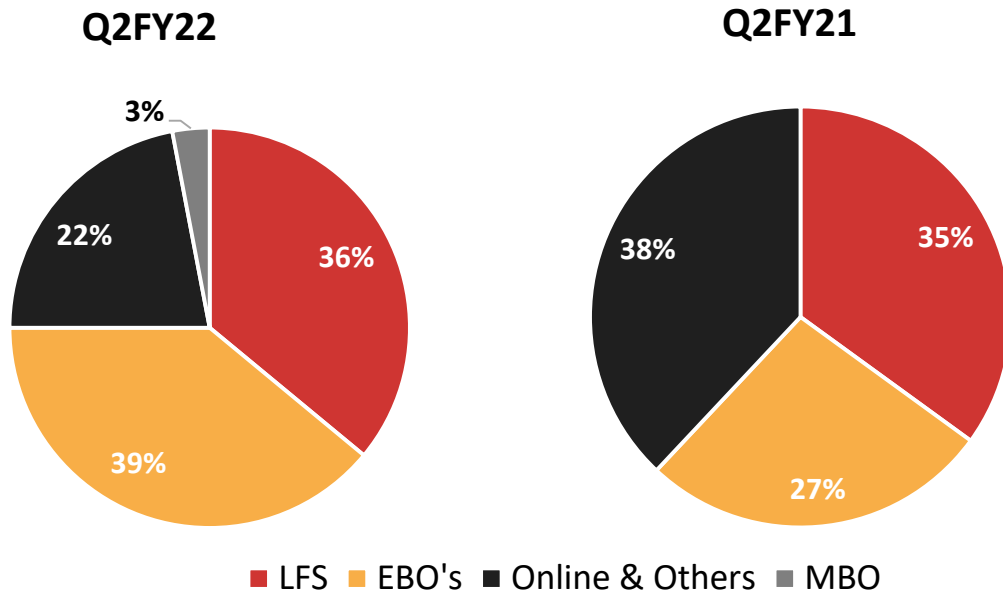


Q2FY21

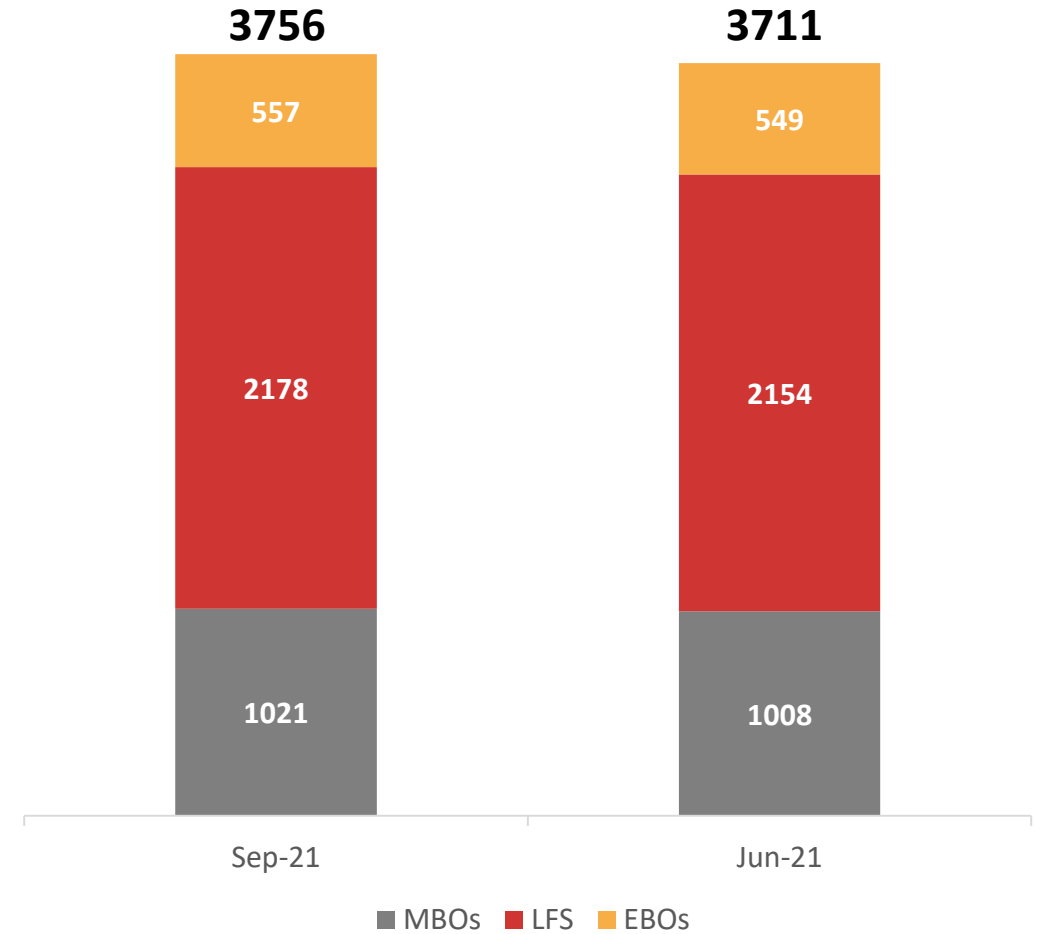


Q2 FY 22 : Channel-wise performance

Channel Wise Revenue Split



Pan India Multichannel Presence



# of EBOs	As of Sep'21	Q2 Openings
W	323	3
Aurelia	223	3
Wishful	4	0
Elleven	7	2
Total	557	8

TCNS Strategic Growth Levers



TCNS presence and opportunity areas across Indian women's purchasing basket categories

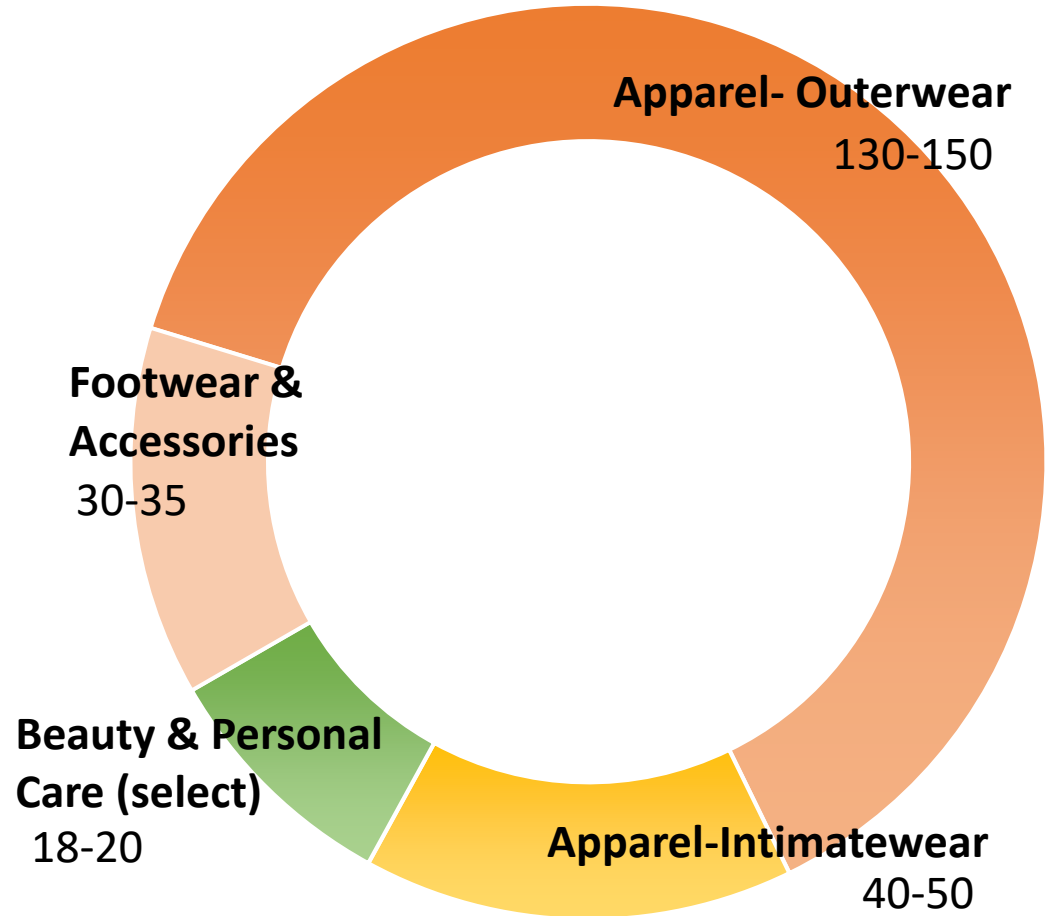
Indian Women's purchase basket
(Segment, CY20 Size '000 INR Cr.)

TCNS Sub-Segment Presence

- Established presence
- Under progress
- Not Present

Footwear	20-22
Accessories ²	10-12

Makeup & Color Cosmetics	10-12
Fragrances, Deos, Accessories	8-10



Traditional	50-55
Ethnic / Fusion	40-45
Western	10-12
Bottomwear	25-30

Intimate & Sleepwear	30-40
Active wear / Sleepwear	5-10
Others ¹	5-10



TCNS is expanding beyond core strength areas of Apparel-Outerwear and building a comprehensive portfolio to offer a Top-to-Toe look

Product evolution journey



Proof of Concept through Pilot

- Limited merchandise
- Launch in 1 GTM channel

Low risk roll-out





- Merchandise expansion
- Expand in 1-2 channels; test remaining channels / models

Full-scale roll-out

- Full breadth merchandise roll-out
- Scale up across all GTM channels

Continued Growth

- Focus on product innovation
- Focus on supply-chain efficiency

Category	Sub-category				
Apparel-Outerwear	Premium Fusion			③ 	① 
	Contemporary Ethnic	④ <i>Online exclusive range by Aurelia</i>			② 
	Sustainable, Indian Craft led Fusion		⑤ <i>Folksong by W</i>		
	Exclusive Bottomwear	⑥ 			
Footwear & Accessories	Footwear & accessories		⑧ <i>Footwear by Aurelia</i>	⑦ <i>Footwear by W</i>	
Beauty & Personal Care	Makeup & Color Cosmetics	⑨ <i>Cosmetics by W</i>			



TCNS Clothing Co. Limited

Q2 & H1 FY'22 Detailed Financials



Profit & Loss Statement

S.No.	Particulars (Rs. Million)	Q2FY22	Q2FY21	YoY	Q1FY22	QoQ	H1FY22	H1FY21	YoY	FY21
1.	Income									
	(a) Revenue from operations	2,393	1,441	66%	938	155%	3,331	1,766	89%	6,355
	(b) Other income	149	94	59%	30	401%	178	260	-31%	490
	Total income	2,542	1,535	66%	968	163%	3,509	2,025	73%	6,845
2.	Expenses									
	(a) Cost of materials consumed	858	647	33%	644	33%	1,501	894	68%	2,205
	(b) Purchases of stock-in-trade	33	5	629%	20	64%	54	13	299%	80
	(c) Changes in inventories of FG, WIP and stock-in-trade	2	46	-95%	(249)		(247)	(50)		439
	(d) Employee benefits expense	362	310	17%	311	16%	673	637	6%	1,214
	(e) Finance costs	89	89	0%	80	11%	169	180	-6%	365
	(f) Depreciation and amortisation expense	221	224	-1%	206	7%	427	476	-10%	919
	(g) Rent expenses	-	-		32	-100%	32	-		17
	(h) Selling and distribution expenses	577	394	46%	256	126%	833	514	62%	1,596
	(i) Other expenses	259	203	28%	159	63%	418	347	20%	781
	Total expenses	2,400	1,916	25%	1,458	65%	3,859	3,011	28%	7,615
3.	Profit/(loss) before tax (2 - 4)	141	(381)		(490)		(349)	(985)		(769)
4.	Total tax expense	30	(105)		(130)		(99)	(256)		(206)
5.	Profit/(loss) for the period/year (5 - 7)	111	(276)		(361)		(250)	(729)		(564)

Balance Sheet

Assets (Rs Million)	Sep-21	Mar-21
Non-current assets		
(a) Property, plant and equipment	313	307
(b) Capital work-in-progress	2	5
(c) Right of use assets	3026	2686
(d) Other intangible assets	26	21
(e) Financial assets - Other financial assets	467	444
(f) Deferred tax assets (net)	649	550
(g) Non-current tax assets (net)	109	103
(h) Other non-current assets	28	30
Total non-current assets	4620	4147
Current Asset		
(a) Inventories	2962	2781
(b) Financial assets		
(i) Investments	1504	1724
(ii) Trade receivables	1865	1648
(iii) Cash and cash equivalents	128	146
(iv) Bank balances other than (iii) above	43	3
(v) Other financial assets	4	4
(c) Other current assets	355	289
Total current assets	6861	6594
TOTAL ASSETS	11481	10741

Equity & Liabilities (Rs Million)	Sep-21	Mar-21
Equity		
(a) Equity share capital	123	123
(b) Other equity	5795	5997
Total equity	5918	6120
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	2991	2632
(ii) Other financial liabilities	72	50
(b) Provisions	151	124
(c) Other non-current liabilities	10	8
Total non-current liabilities	3224	2814
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	0	54
(ii) Lease liabilities	614	619
(iii) Trade payables	1327	912
(iv) Other financial liabilities	99	72
(b) Provisions	4	4
(c) Current tax liabilities (net)	43	43
(d) Other current liabilities	253	105
Total current liabilities	2339	1808
Total liabilities	5563	4622
Total equity and liabilities	11481	10741



For further information, please contact

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