

# INVESTOR PRESENTATION

Q1 FY 20/21

**ROOTED  
&  
CONNECTED**

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Highlights



Logistics  
Sector



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# ROBUST START TO THE YEAR

Revenue  
**Rs. 36.2 BN**  
**+ 58% YoY**

Gross Profit  
**Rs. 6.28 BN**  
**+ 36% YoY**

Operating Profit  
**Rs. 2.41 BN**  
**+ 462% YoY**

Profit After Tax  
**Rs. 1.75 BN**  
**+ 494% YoY**

# PERFORMANCE DRIVEN BY FOCUSED STRATEGY & NIMBLE RESPONSE



GROUP

- Successfully implemented strategies across the group to overcome the impacts of COVID-19
  - Business growth
  - Liquidity Focus
  - Cost containment



LOGISTICS

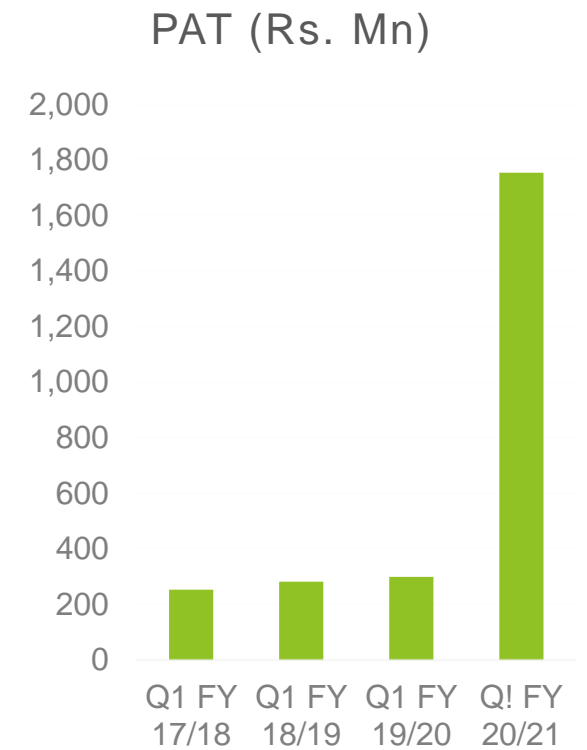
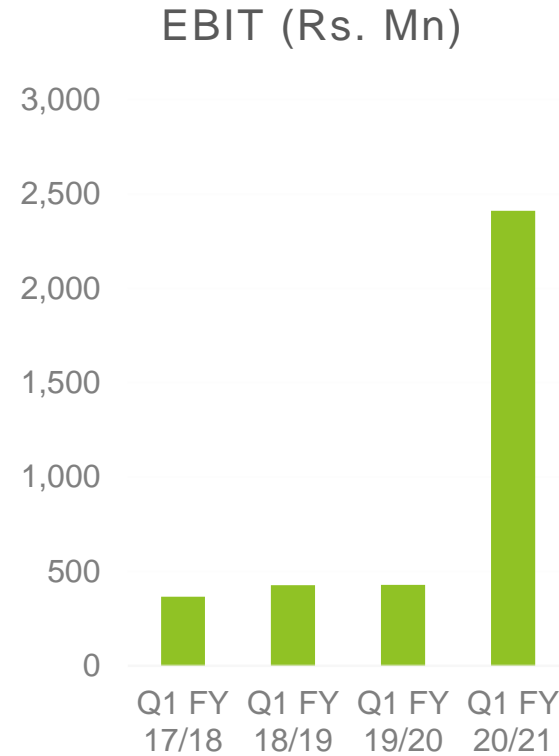
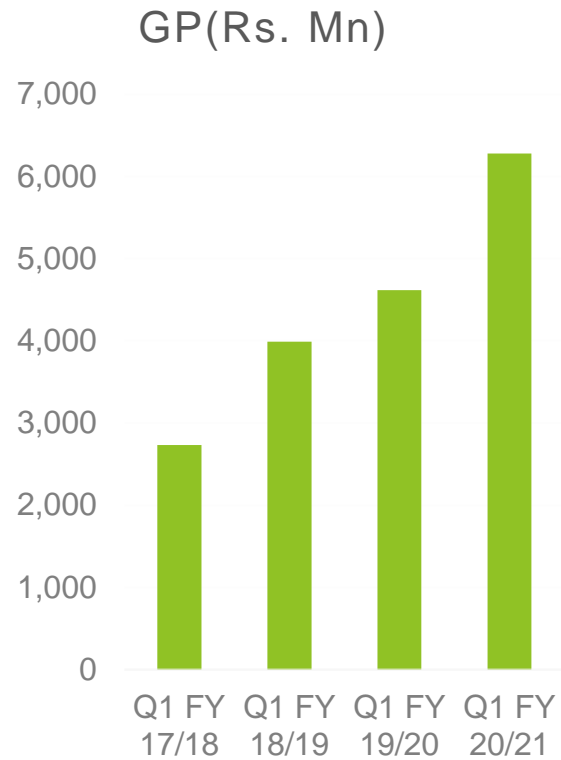
- Business pivoted to service volumes which were most opportune
- Minimized supply chain disruptions during lockdown period



LEISURE

- Focus was on cost containment and several initiatives were taken to bring in short term and long-term cost optimization measures

# OVERVIEW OF GROUP PERFORMANCE





# LOGISTICS SECTOR

# OPTIMIZED PERFORMANCE IN EXTRAORDINARY MARKET CONDITIONS



Freight



Transport &  
Warehousing



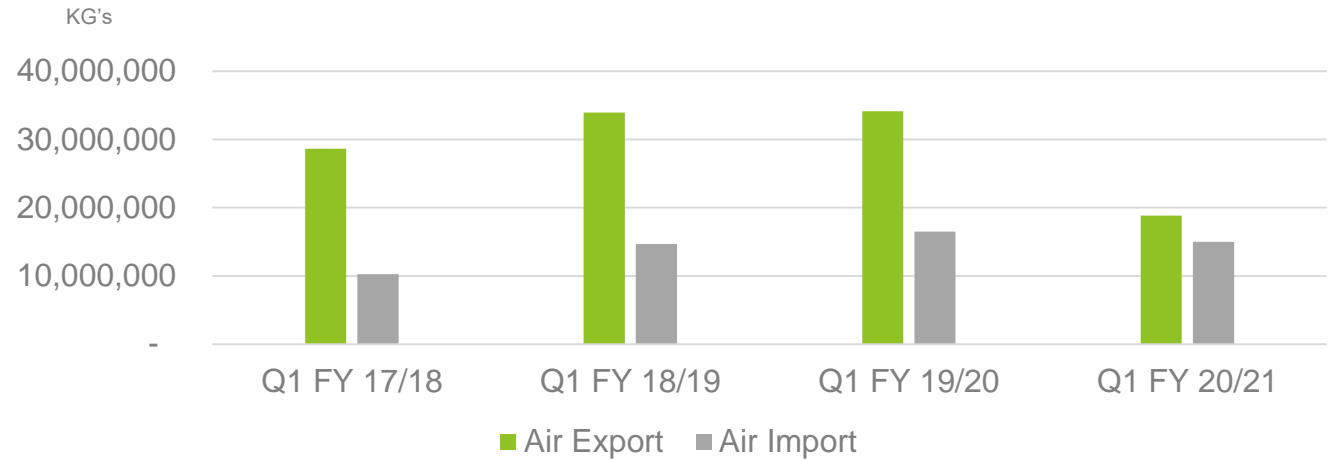
Others

Rs. MN	30-Jun-2020	30-Jun-2019	YoY
Revenue	35,613	21,781	64%
Gross Profit	6,188	4,562	44%
EBIT	2,616	589	393%
PAT	1,962	370	430%

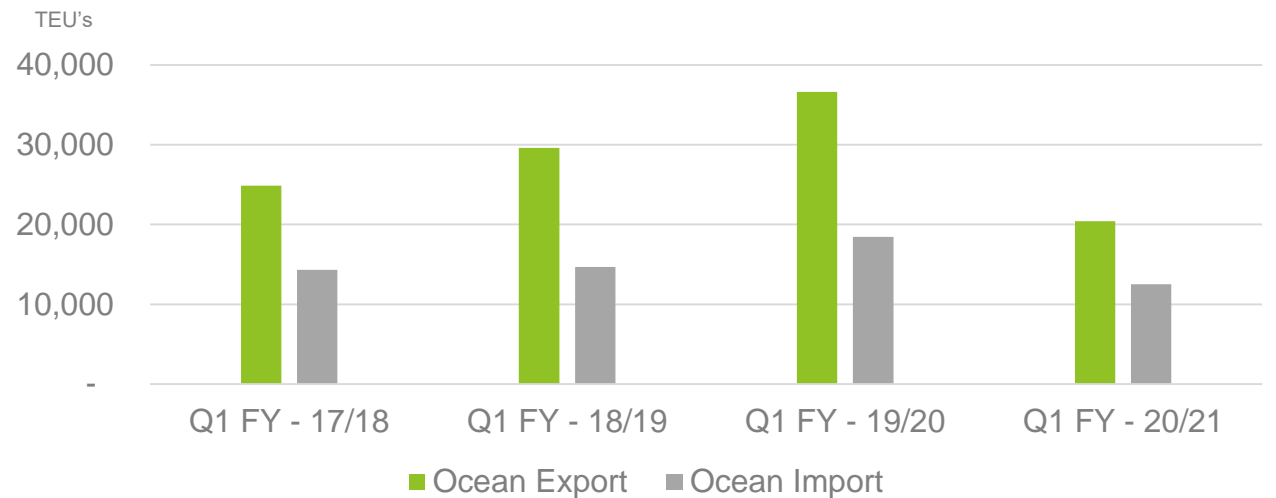
- Operations executed in an efficient and effective manner despite lockdown restrictions
- Pivoted successfully to capitalize on opportunities in the medical (PPE) & pharmaceutical verticals, which compensated for downturn in traditional retail customers.
- Managed to maintain strong yields despite tight air freight capacity on a global basis.
- Short term cost re-adjustment measures supporting overall improvement in EBIT Margins and significant EBIT growth
- Contract logistics business maintained its momentum

# CONSOLIDATING VOLUMES

<p><b>Air Export</b> 18.8 MN KG's Q1 FY20/21</p> <p><b>YoY -36%</b></p> 	<p><b>Air Import</b> 15.0 MN KG's Q1 FY20/21</p> <p><b>YoY +0%</b></p> 
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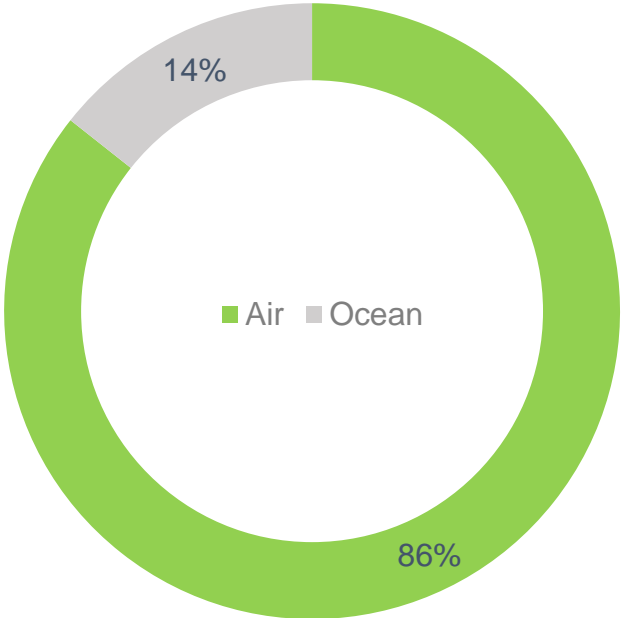
<p><b>Ocean Export</b> 20.4K TEUs Q1 FY20/21</p> <p><b>YoY -26%</b></p> 	<p><b>Ocean Import</b> 12.5K TEUs Q1 FY 20/21</p> <p><b>YoY -13%</b></p> 
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# AIR FREIGHT FOCUSED OPERATIONS

Gross Profit by Main Products



## Air Freight



GP + 129% (YoY)

- Growth in GP, driven by superior yields
- Strong developments in Non-Apparel Verticals
- Optimized long term carrier relationships & adapting to business model changes

## Ocean Freight



GP - 21% (YoY)

- Stable performance despite volume reduction
- Product development initiatives continued to take place

# ADOPTING A MULTI PRONGED APPROACH

## Implemented short term Cost reduction initiatives

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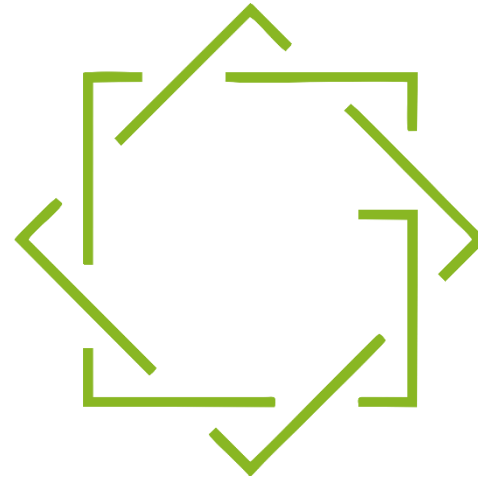
### Expediting Digital initiatives

- Aim to drive lead generation, efficiencies & process improvements

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### Strengthened Liquidity Position

- Parent company funding enabled successful execution of business
- Steadfast focus enabled stable collection cycles from customers



## Serviced customers across multiple verticals

- Traditional business although initially low, saw a gradual pick up, enabling increased penetration of existing customers
- Seized new opportunities – PPE shipments, Tech
- On boarded many new customers

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### Executed several charter operations

- Main volume contributions centered on Vietnam, Sri Lanka & China
- Successfully adopted the changes to the business model (Scheduled operations Vs Charter operations)

# EFL'S STRATEGIC PRIORITIES

## Maintain focus on Growth

- Driven by the NAM Trade Lane
- Optimizing Customer performance & Customer acquisition
- Expanding Transpacific operations
- Consolidating ISC Operations

## Augmenting Solutions

- Further developing the 3PL operations
- Increasing value added services



## Broadening Vertical Portfolio

- Consolidating the Apparel Vertical
- Growing the Tech, Medical, Pharma & Perishable Verticals
- Strengthening the European and Intra Asia operations

## Technology Integration

- Drive efficiency through workflow optimization
- Solution enabling customer Intimacy
- Visibility & Transparency to enhance competitiveness



# LEISURE SECTOR

# MAINTAINING STABILITY – FOCUS OF THE SECTOR



Corporate Travel



Leisure



Inbound &  
Event Management

Rs. MN	30-June 2020	30-June 2019	YoY %
Revenue	27.8	291.7	(90)
Gross Profit	27	248	(89)
EBIT	(71.3)	71.5	(222)
PAT	(72.5)	41.6	(274)

## Key Highlights

- Travel restrictions & Airport closures continued globally
  - Business remained at a standstill
- Strong corrective measures in relation to cost savings minimized negative impact
  - Variable operating model enabling a 65% (~ Rs. 45MN) a month cost savings implemented across the sector

## Focus & Initiatives

- Outlook
  - International Travel - Remain fairly weak and slow
- Strategy
  - Minimize negative impact
- Focus
  - Corp Travel, Experiential Travel
  - Operating efficiency & lean structure



# INVESTMENTS SECTOR

# FOCUS ON STABILIZING OPERATIONS

Rs. MN	30-June 2020	30-June 2019	YoY %
Revenue	549	792	(31)
Gross Profit	65	65	1
EBIT	(117.7)	(93.1)	20
PAT	(135.3)	(112.5)	20

## Key Highlights

### Export operations

- Gradual business pick up during latter part of Q1 (DC Volumes)
- Operating disrupted due to lack / shortage of supply

### Value added operations

- Low volumes with key export markets remained closed during Q1
- Gradual pick up during latter part of Q1

### ITX

- Primary focus on service delivery
- Making inroads into new opportunities



# GROUP FINANCIALS



# GROUP INCOME STATEMENT

Rs. MN	Q1 (FY 20/21)	Q1 (FY 19/20)	Q1 (FY 18/19)	Q1 (FY 17/18)
Revenue	36,190	22,865	19,861	15,864
Gross Profit	6,280	4,614	3,987	2,730
Other Income & Gains	10	121.6	52	19
Administration Expenses	3,493	3,946	3,258	2,174
Selling & Distribution Expenses	375	238	302	189
Finance Cost	104	107	55	34
Finance Income	6	0.3	0.3	-
Share of results of equity accounted investees (net tax)	0.1	16.5	20.3	9.4
PBT	2,323	460	444	360
PAT	1,754	299.2	281	252

# GROUP BALANCE SHEET

Rs. MN	30-June-2020	31-Mar-2020
Total PPE	7,818	7,727
Cash & Cash equivalents	6,046	7,156
Trade Debtors	25,191	18,400
Other Receivables	2,430	2,465
Assets held for sale	275	275
<b>Total Assets</b>	<b>41,760</b>	<b>36,023</b>
Trade Payables & Other Payables	10,073	10,380
Finance & Lease Payables – Current	11,338	6,726
Finance & Lease Payables – Non-Current	5,208	5,469
Other Non-Current Liabilities	618	617
<b>Shareholder Funds</b>	<b>14,523</b>	<b>12,831</b>
<b>Total Shareholder Funds &amp; Liabilities</b>	<b>41,760</b>	<b>36,023</b>

## Balance Sheet Objectives

- Improving Returns
- Improving Cashflow
- Optimize gearings

## Balance Sheet Review

- Working Capital growth inline with Revenue growth
- Growth in borrowings funded by parent company, facilitating significant Revenue growth

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