

FUTURE RETAIL

29th August, 2020

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

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

Scrip Code: 540064
Scrip Code of Debt : 958809, 958810 & 959518

Symbol: FRETAIL

Dear Sir / Madam,

Ref: Notification under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sub: Press Release

With reference to the above, we enclosed herewith copy of press release issued by the Company titled as "Future Group reorganises its businesses to sell retail, wholesale, logistics and warehouse businesses to Reliance Retail" for your information.

Please note that the said press release is also available on the website of the Company viz; www.futureretail.co.in.

You are kindly requested to take the same on record and acknowledge the receipt.

Thanking you,

Yours faithfully,
For **Future Retail Limited**

Virendra Samani
Company Secretary

Encl. : as above.

CC:
Singapore Exchange Securities Trading Limited
2, Shenton Way, #02-02, SGX Centre 1.
Singapore - 068 804

Future Group reorganises its businesses; to sell retail, wholesale, logistics and warehouse businesses to Reliance Retail

29th August 2020, Mumbai: Future Group today announced a major reorganisation of its businesses in which the key group companies including Future Retail, Future Lifestyle Fashions, Future Consumer, Future Supply Chains and Future Market Networks will merge into Future Enterprises Limited (FEL).

Future Enterprises will subsequently sell by way of a slump sale the retail and wholesale business that includes key formats such as Big Bazaar, fbb, Foodhall, Easyday, Nilgiris, Central and Brand Factory to Reliance Retail and Fashion Lifestyle Limited (RRFLL), a wholly owned subsidiary of Reliance Retail Ventures Limited (RRVL). It will also sell the logistics and warehouse business to RRVL by way of a slump sale. RRFLL and RRVL will take over certain borrowings and current liabilities related to the business and discharge the balance consideration by way of cash.

After this transaction, FEL will retain the manufacturing and distribution of FMCG goods and integrated fashion sourcing and manufacturing business and its insurance JVs with Generali and JVs with NTC Mills.

RRFLL, as a part of the transaction, will also invest (i) a sum of Rs 1200 cr in the preferential issue of equity shares of FEL for a 6.09% stake, and (ii) Rs. 400 crores in warrants convertible into equity shares, which when converted upon payment of balance 75% consideration will result in RRFLL acquiring a further 7.05% stake.

This will be achieved by way of a composite scheme and will require the requisite regulatory approvals and consent of shareholders and lenders.

“As a result of this reorganisation and transaction, Future Group will achieve a holistic solution to the challenges that have been caused by Covid and the macro economic environment. This transaction takes into account the interest of all its stakeholders including lenders, shareholders, creditors, suppliers and employees giving continuity to all its businesses”, said Kishore Biyani, Group CEO, Future Group

“We are pleased that our strong retail franchise and brands, that we have created over time, are going in stronger hands and will continue to grow and delight Indian shoppers”, added Kishore Biyani

Post this exercise, FEL will emerge strong with businesses in manufacturing and distribution of FMCG products and integrated fashion sourcing and merchandising. These businesses will further benefit from supply agreement with RRFLL. This deal will also enable FEL to focus on the creation of new age brands in the FMCG and fashion space and expand its reach.

The transaction will help FEL to expand with a focussed business model and a stronger balance sheet.

B S R & Associates LLP, Chartered Accountants have provided the share swap ratio for the Proposed Amalgamation under the applicable SEBI Regulation. BDO Valuation Advisory LLP, Registered Valuer have provided the share swap ratio for the Proposed Amalgamation under applicable provisions of the Companies Act, 2013 and rules made thereunder. JM Financial Securities advised Future Group Promoters on the transaction. ICICI Securities Limited is the sole advisor to this Transaction and has also issued fairness opinions on the 'Share Swap Ratios' in relation to proposed amalgamation.

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