



VAIBHAV GLOBAL LIMITED

Ref: VGL/CS/2024/12

Date: 30th January, 2024

**National Stock Exchange of
India Limited (NSE)**

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra, Mumbai – 400 051

Symbol: VAIBHAVGBL

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Script Code: 532156

Subject: Financial Results – Investor Presentation

Dear Sir / Madam,

Pursuant to regulation 30(6) of the SEBI (LODR) Regulations, 2015 please find enclosed Financial Results Presentation of Q3 & 9M FY24.

This is for your information and record.

Thanking you,

Yours Truly,

For Vaibhav Global Limited

**Sushil Sharma
Company Secretary
M. No.: FCS - 6535**

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CIN: L36911RJ1989PLC004945 • Email: investor_relations@vaibhavglobal.com • Website: www.vaibhavglobal.com



Vaibhav Global Limited

Global Retailer on TV and Digital Platforms of Fashion Jewellery, Lifestyle Products and Accessories

Results Presentation: Q3 and 9M FY24

Disclaimer



This presentation contains “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Vaibhav Global Limited (VGL) and its group companies’ future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, government and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Vaibhav Global Limited undertakes no obligation to periodically revise any forward-looking statements to reflect future/likely events or circumstances.



MD's Message



**Commenting on Q3 FY24 results,
Mr. Sunil Agrawal,
Managing Director,
Vaibhav Global Limited said:**

At the group level, we achieved a record turnover of Rs. 888 crores, reflecting growth of 23% YoY. Adjusting for recently acquired businesses, the growth would be 14%, which is in line with our stated guidance. Gross margins remain healthy at 62.4%, which is 180 basis points higher YoY. EBITDA margin in Q3 FY24 was 11.1% of revenue and is 30% higher YoY. Better gross margins and operating leverage helped expand the EBITDA margin.

In the US, retail sales are witnessing a gradual recovery buoyed by positive consumer sentiments. In the UK, with inflationary pressure and mortgage rates easing out from their erstwhile peaks, the slow but persistent movement of the economy towards positive territory is encouraging. We are also tweaking our offering best suited to consumers' demands. Consequently, during this quarter, our volume went up by 16% YoY. Excluding the impact of acquisitions, our volume is up by 7% YoY. In Germany, our growth momentum continued in Q3 as well. Currently, we are clocking revenue of Euro 1.9 million per month in Germany which is growth of 34% YoY. We believe that we will be able to achieve break-even levels in H2 of FY25.

We remain committed to strengthening our performance based on the 4Rs i.e., Widening Reach, New Registrations, Customer Retention, and Repeat Purchases. In Q3FY24 the reach of our TV networks was 139 million households. New registration in Q3 on TTM basis is 3.5 lakhs and customer retention stood at 37%. Customers bought an average of 23 pieces on TTM basis.

Our recent acquisitions, Ideal World Limited and Mindful Souls, are progressing well. The integration of Ideal World with our UK operations was completed within a month. During the first quarter, we achieved breakeven levels in Ideal World on direct cost basis. As we are leveraging common resources like warehouse, studio, and workforce, we are confident of becoming profitable on full cost allocation basis in the next 9 months. Our second acquisition, Mindful Souls, continues to perform profitably. Already a margin-accretive business, plans are also in place to leverage our existing supply chain to improve the profitability of this business further.

Sustainability is at the core of our business operations. We are delighted to share that this quarter we reached the milestone of 84 million meals being donated to school children under our flagship mid-day meal program- '**Your Purchase Feeds...**'. Presently, we are serving ~66,000 meals every school day.

We continue to reward our shareholders and keeping in mind our dividend policy, the Board has declared a third interim dividend of this fiscal year amounting to Rs.1.5. per equity share. Over the years, we have demonstrated agility and resilience in our performance. I would like to reiterate our positive outlook for the business and confidence to achieve our stated guidance of 13% to 15% revenue growth in FY24 and the high teens range in FY25 with decent operating leverage.



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Q3 FY24 Highlights

23% YoY

Net Revenue Growth

30% YoY

EBITDA Growth

Rs. 107 crores

Net cash position



Record quarterly sales of Rs. 888 crores



Gross margins at 62.4% owing to better pricing and strength of vertically integrated business model



Unique customer base at 5.4 lakhs



Smooth assimilation of recently acquired businesses



Declared third interim dividend of FY24 of Rs. 1.50 per equity share



84 million meals since inception of mid-day meal program '*Your Purchase Feeds...*'. Serving ~ 66k meals per school day



Company Overview



Guiding Pillars That Defines VGL



OUR VISION

Be the Value Leader in Electronic Retailing of Jewellery & Lifestyle Products



OUR MISSION

To deliver one million meals per day to children in need by 'FY31' through our one for one meal program- ***'Your Purchase Feeds...'***

CORE VALUES



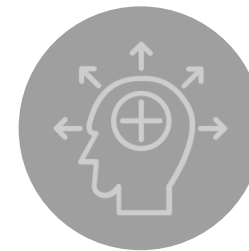
Team-Work



Honesty



Passion



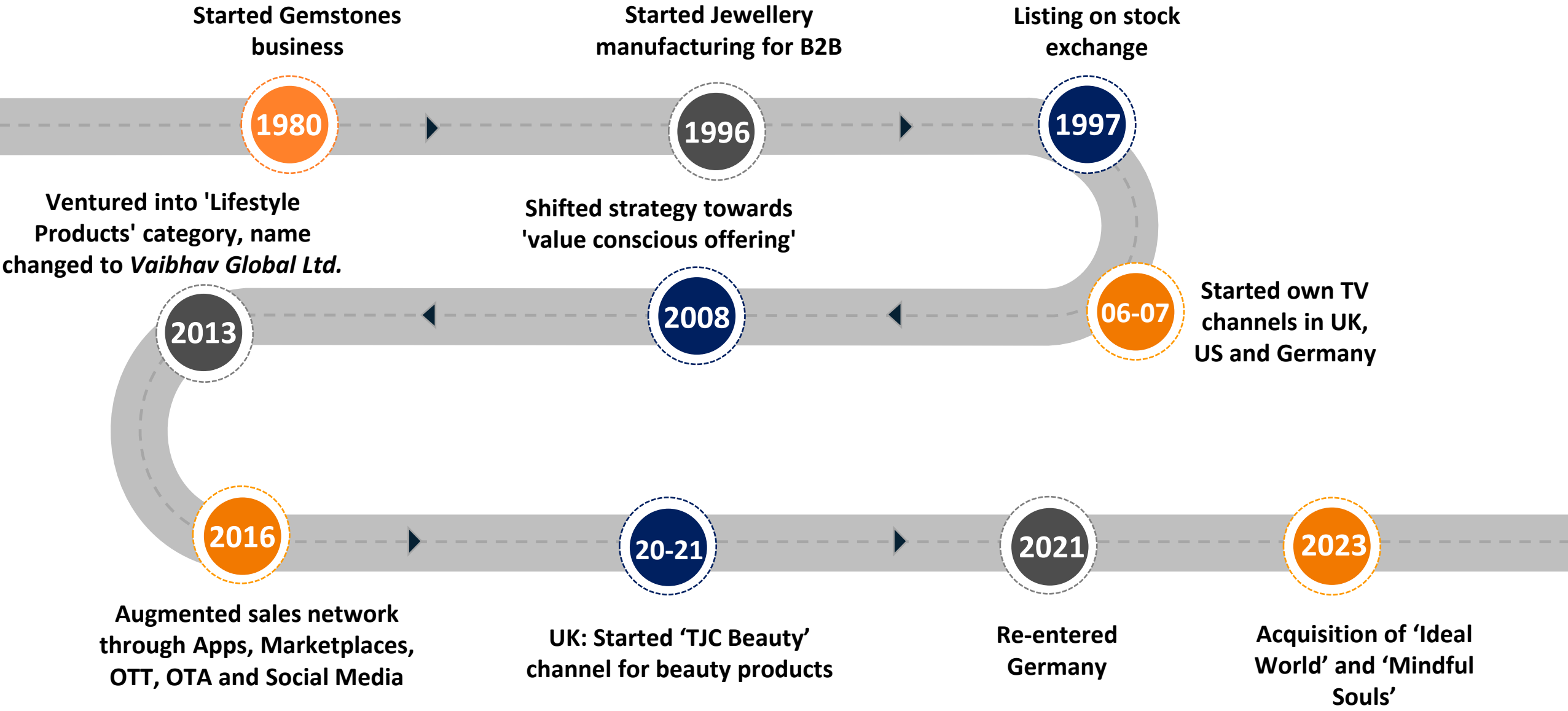
Positive Attitude



Commitment



An Evolving Journey



RESULTING IN



Top decile shareholders' returns

Growing Consistently

Parameters (Rs. in crores)	CAGR (25 years)	Return (x times)
Revenue (TTM basis)	18%	68
EBITDA (TTM basis)	16%	46
Profit After Tax (TTM basis)	13%	24

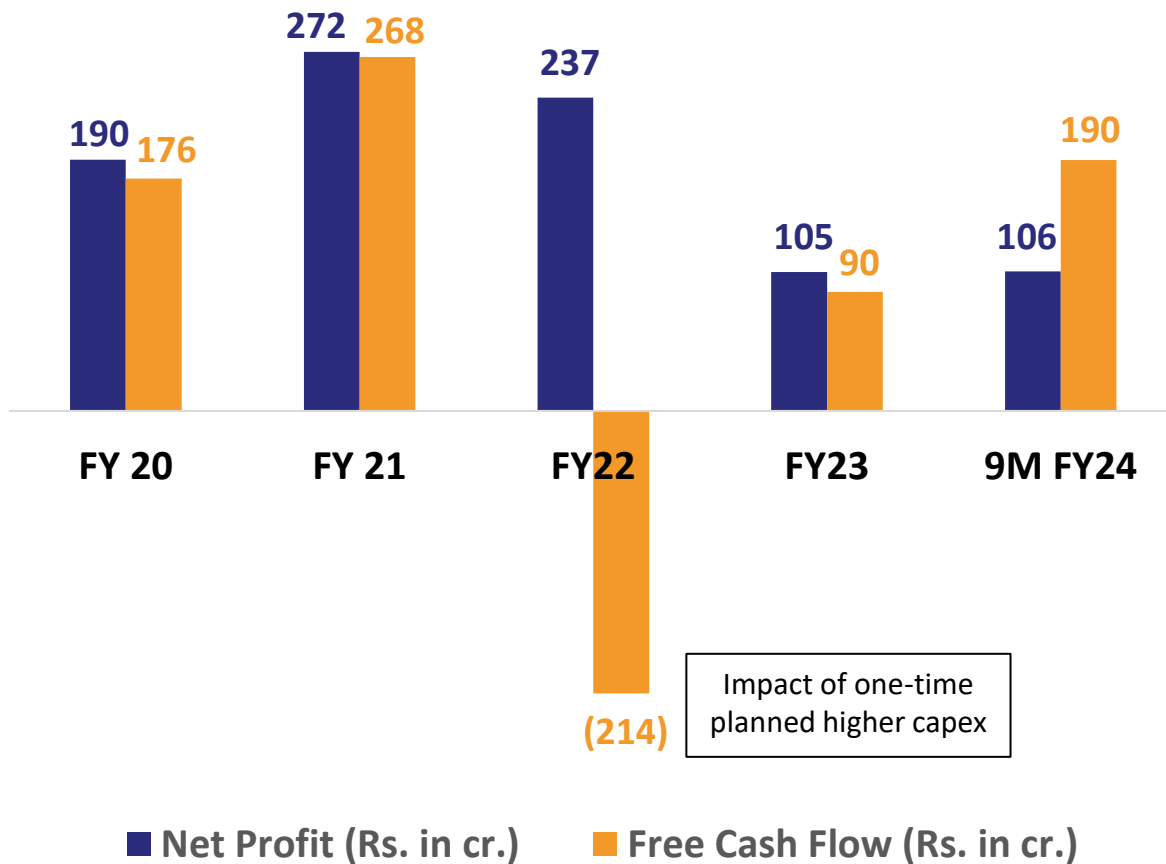
~26% CAGR in market cap. since listing (~460 times), excluding dividend



With long term value creation

Cash accretive business model

With strong dividend payouts



Since FY20

Rs. in crores

Profits After Tax	910
Dividend payout	461
Dividend payout	51%



Business Overview



E-tailing in High Potential Markets (USD 20 bn)



US



UK



GERMANY & AUSTRIA

Opportunity size

\$14- \$15 bn

\$2-\$2.5 bn

~\$3 bn

- **Target customers:** Baby Boomers (65+ years) & Gen X (45+ years)
- Value-buying proposition of \$25-\$45
- Widest product range comprising ~25,000 SKUs

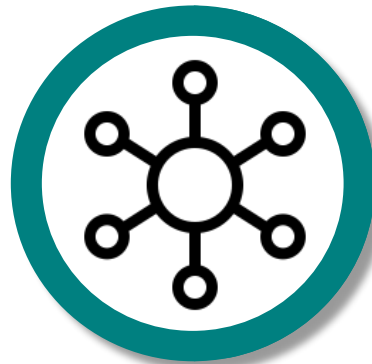




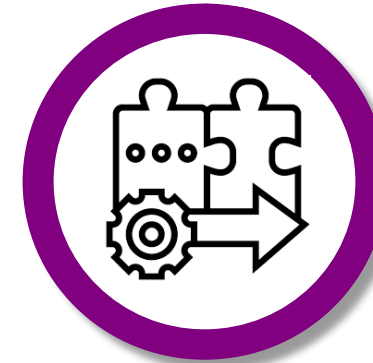
Strategic Enablers

1. Omni-Channel Presence

(Proprietary TV, Website, Apps, OTT, Marketplaces & Social Media)



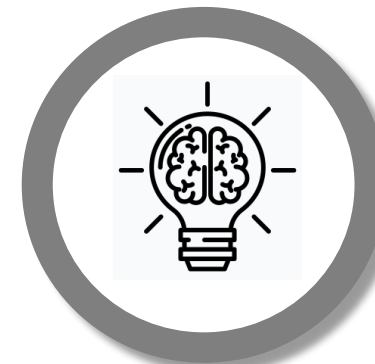
2. Vertically Integrated Supply Chain



3. Wider Product Bouquet



4. In-House Brand And Innovation



An Efficient Interplay of



1. A Global Retailer on TV and Digital Platforms

PROPRIETARY 'TV CHANNELS'



Reaching TV homes through
Cable, Satellite and OTA broadcasts (Over The Air)

'DIGITAL' PLATFORMS

Proprietary Digital Platform

www.shoplc.com
www.tjc.co.uk
www.shoplc.de

Mobile Applications



Third Party Marketplaces



Social Retail



OTT Platforms

ROKU TV



DIRECTV stream



2. Vertically Integrated Supply Chain

Manufacturing in Asian countries



Selling in western countries



VAIBHAV GLOBAL LIMITED



India & China

Primary Retail Markets

SHOP LC
DELIVERING JOY
USA

tjc.co.uk
UK

SHOP PLC
PREISWERTE QUALITÄT
Germany

Resulting in industry leading gross margin of 60%+



2. Complemented by a Robust Sourcing Base



Sourcing Countries

- India
- China
- Thailand
- Indonesia
- Tanzania
- Russia
- Morocco
- Myanmar
- Madagascar
- Bolivia
- Kenya
- South Korea
- Vietnam
- Brazil
- Sri Lanka
- UK
- Mozambique
- Germany
- Italy
- Turkey
- Poland
- Singapore
- UAE
- Japan
- Bangladesh
- Philippines
- Czech Republic
- Taiwan
- Australia
- US

3. Constantly Reimagining Growth Through New Designs & Products



Fashion Jewellery & Gemstones

- ~14K-15K new jewellery designs launched annually
- In-house testing lab and manufacturing

Life-Style Products

- A rich product basket of ~5000 unique SKUs
- Facilitated by innovation & global sourcing base of 30 countries

Some of the best-selling products



**Hanabi Cut
Ring**



**Rhapsody Tanzanite
Ring**



**Shungite Water
Bottle**



**Soul Smart
Watch**

4. Strengthening Own Brand Portfolio

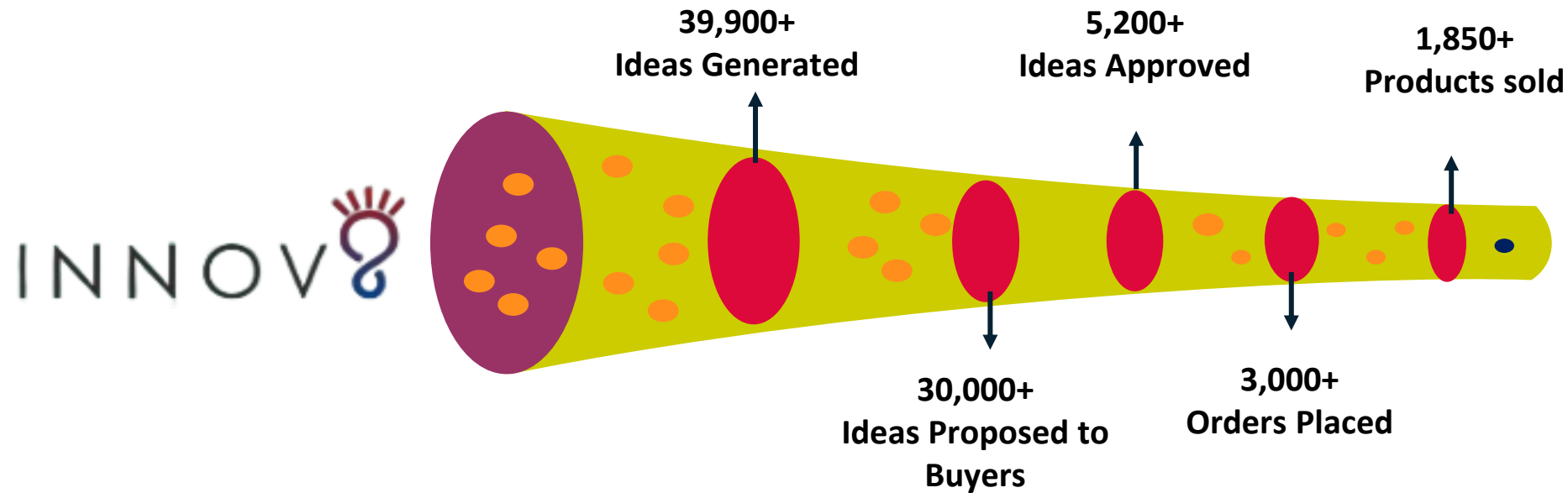


- Leveraging manufacturing & digital capabilities
- Number of brands: 31
- Current revenue mix: ~29% of B2C revenue
- Target revenue mix: **~50% by FY27 of B2C revenue**
- **Strategic brand matrix** (price laddering)
- Increase repeats and retention using **Brand Archetype Frameworks**
- Inorganic opportunities (example: Rachel Galley, Mindful Souls, Ideal World)





4. 'Innovation' Focused



Global Search Program

A Global product innovation and search program

Crowdsourcing of Ideas

From employees, customers and external stakeholders

Revenue contribution of 'new items introduced' (TTM basis):

~70%

Other Programs

SPARK

CATAPULT
Powered by SHOP LC & tjc

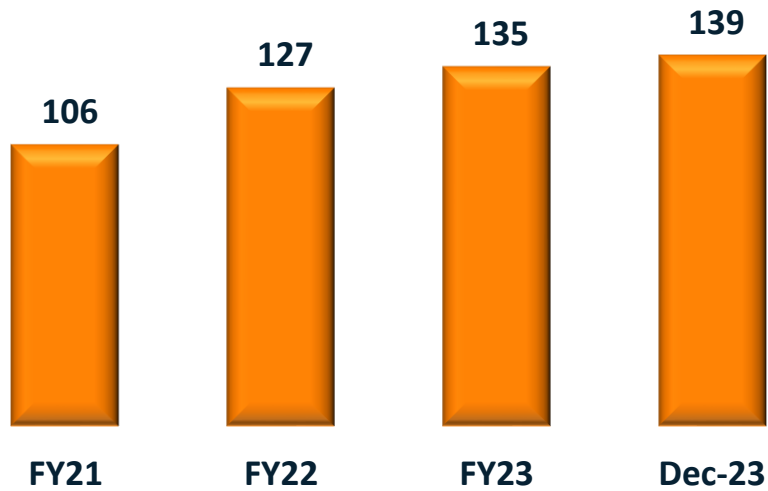
DRAW A DESIGN
Dream Draw Deliver

HACKADEMIC



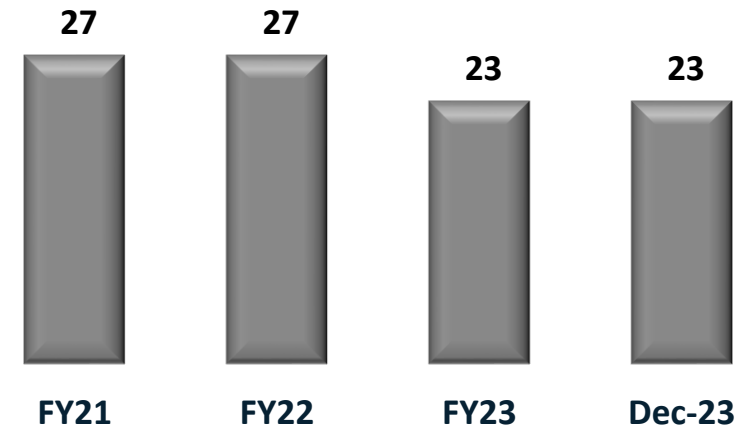
With Consistent Business Delivery

**Global Households Reach
(in million)**



Reach

**Repeat Purchases
(no. of pieces)**



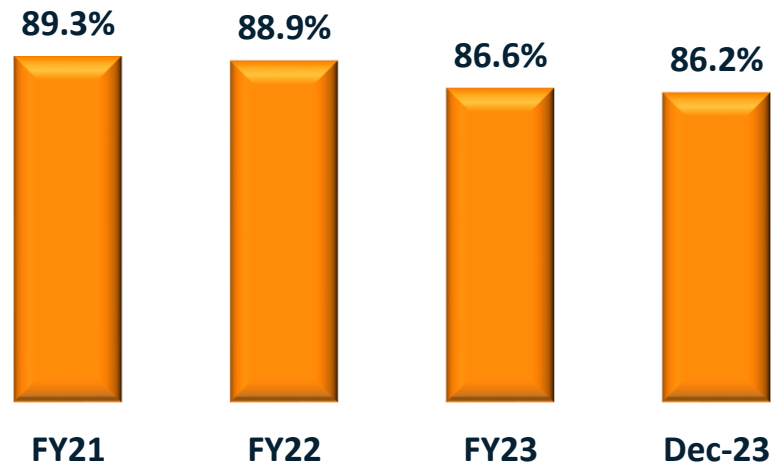
Repeat Purchases

Note: Households numbers for past period have been reinstated due to change in methodology by the transponders



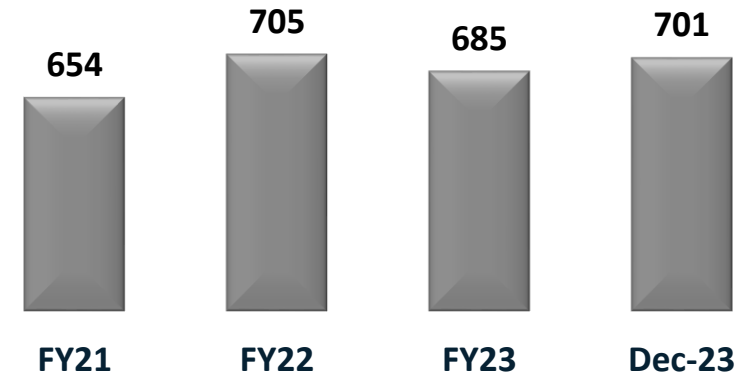
With Consistent Business Delivery

Retention (20+ Purchases)*



Retention Rate

Spend Per customer^
(in \$)



Spend per customer

* Retention data comprises Shop LC (US) and Shop TJC (UK)

* Refers to retention rate of customers who have bought more than 20 times on TTM basis

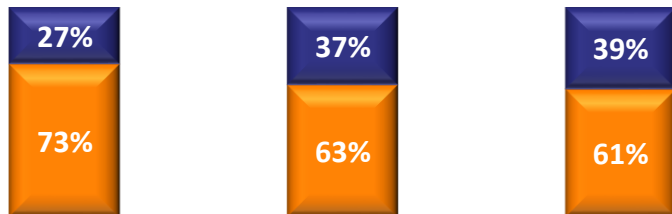
^ Dec-23 numbers are calculated on TTM basis and without considering the impact of Ideal World and Mindful Souls



Broad Based E-tailer

B2C Revenues by Format

■ TV revenues ■ Digital revenues



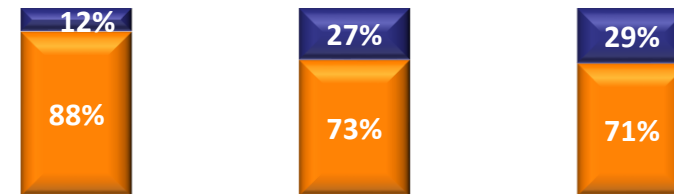
FY18

FY23

9M FY24

B2C Revenues by Product Category

■ Jewellery ■ Lifestyle



FY18

FY23

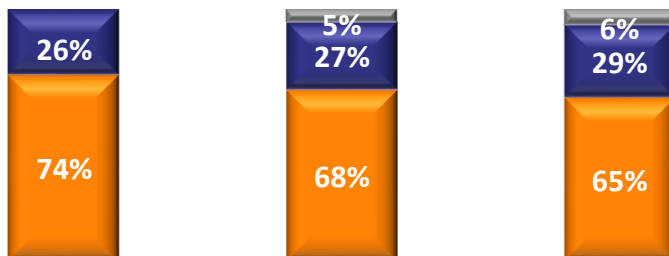
9M FY24

Jewellery : Fashion Jewellery, Gemstones and Accessories

Lifestyle : Home Décor, Beauty & Hair Care, Apparels & Accessories

B2C Revenues by Geography

■ US ■ UK ■ Europe



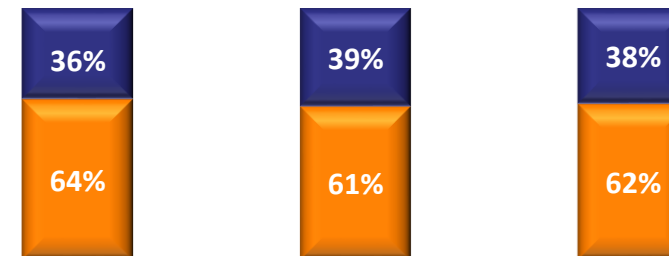
FY18

FY23

9M FY24

Budget Pay penetration of B2C Revenues

■ Non-Budget Pay revenues ■ Budget Pay revenues



FY18

FY23

9M FY24

Budget Pay revenues refer to products sold on EMI basis

Revenue breakup based on figures in USD million



An update on recent acquisitions





Ideal world



Operational update

- Started live broadcasting on 29th Sep 2023
- Airing on all ~27mn households in UK
- Unique customers for the quarter: ~41k

Financial update

- Healthier gross margins at ~60%
- Profitable in Q3 on direct cost basis
- To achieve profitability on full cost allocation basis in next 9 months

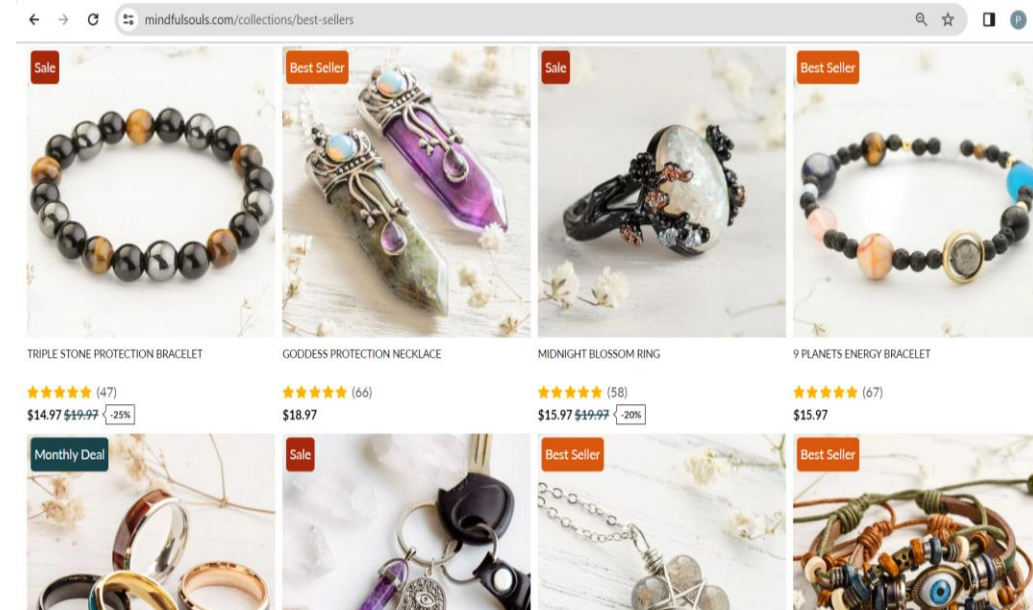


Operational update

- Successful assimilation of business with VGL Group
- Q3 customers: ~55K
- To leverage VGL's supply chain from FY25 onwards

Financial update

- Q3 revenue at \$ 4.7 million
- Robust gross margins over 70%
- PBT margins of 10%



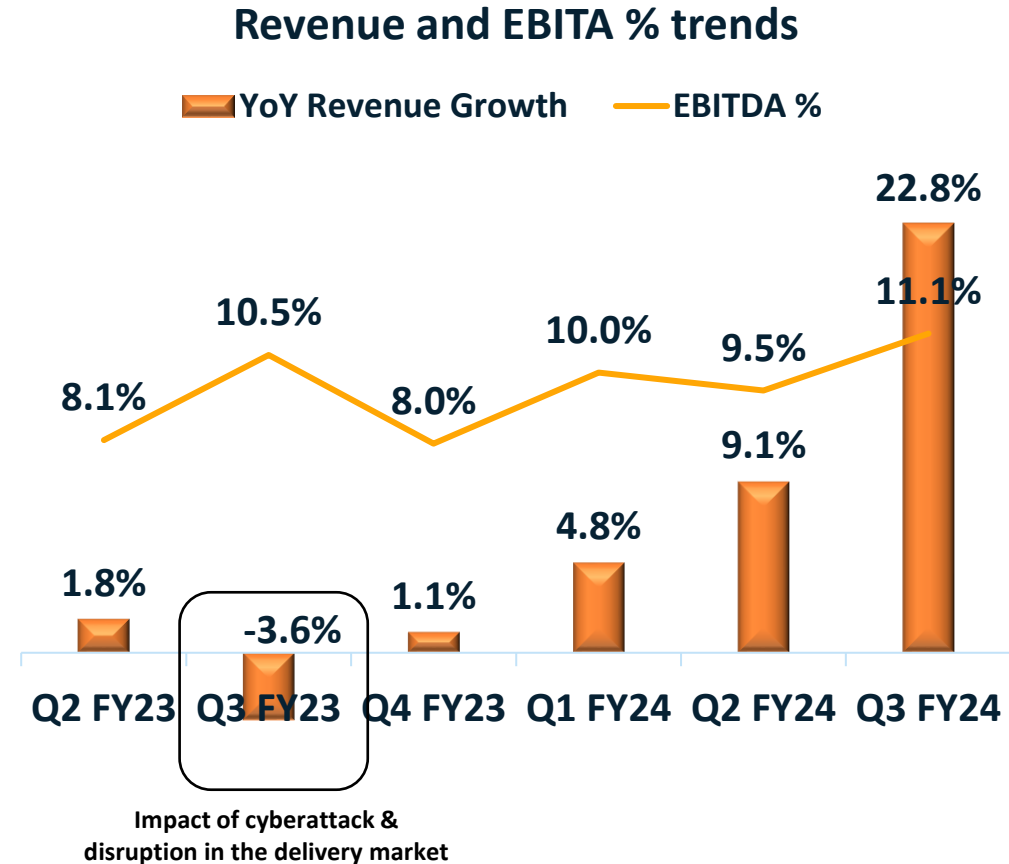


Q3 & 9M FY24
Operational &
Financial Highlights

Being Resilient



- Negative macros easing out from their peaks
- Consumer sentiments trending positive
- Market share gains
- Positively biased for future
- Improvement in EBITDA owing to
 - better gross margins
 - operational leverage





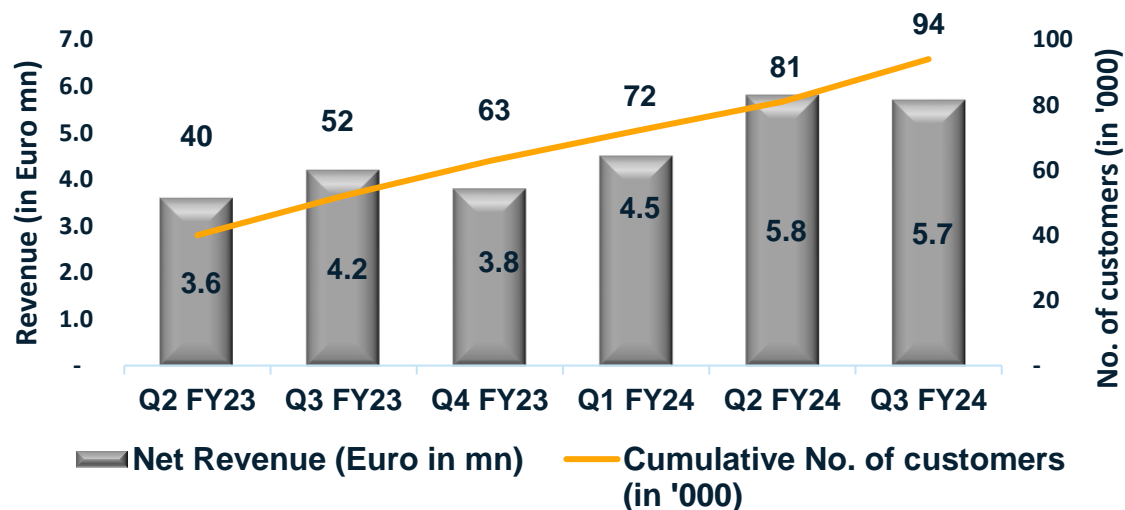
An update on Germany

Germany venture increase in TAM (immediate addressable market) by ~20%

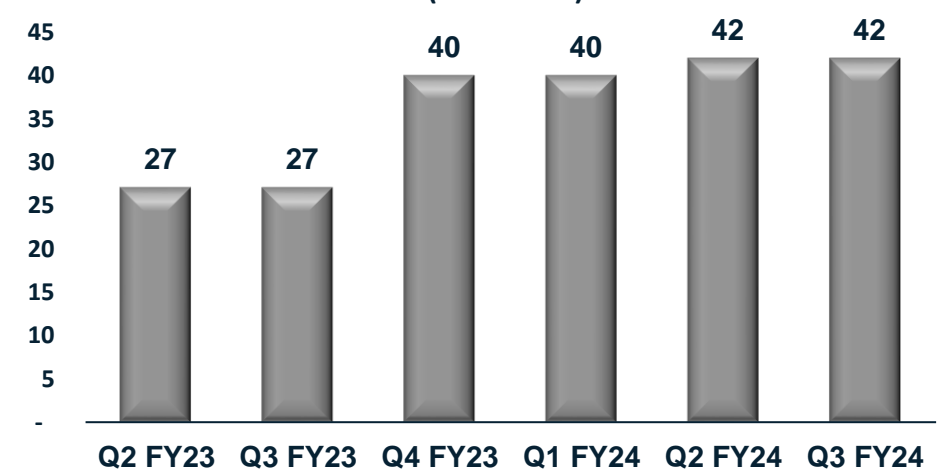
- Now clocking monthly revenue of Euro 1.9 mn+ at 62%+ gross margins
- Omni-channel presence (digital is now 28%)
- Presence in 42 million households (95% penetration)
- Dispatching 4k+ pieces/day



Revenue and Customer Trend



No. of HH (in millions)



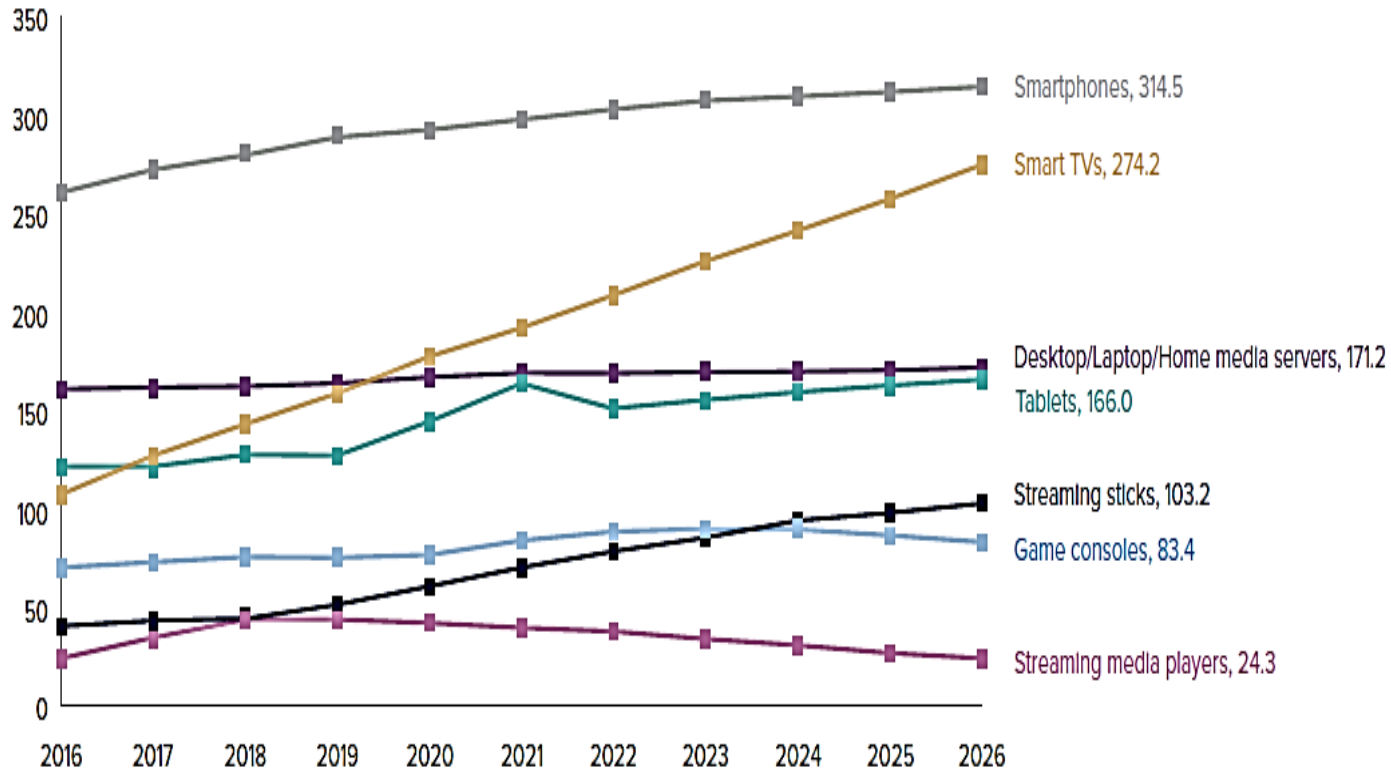
Widening Digital Presence

OTT: Huge Growth opportunity



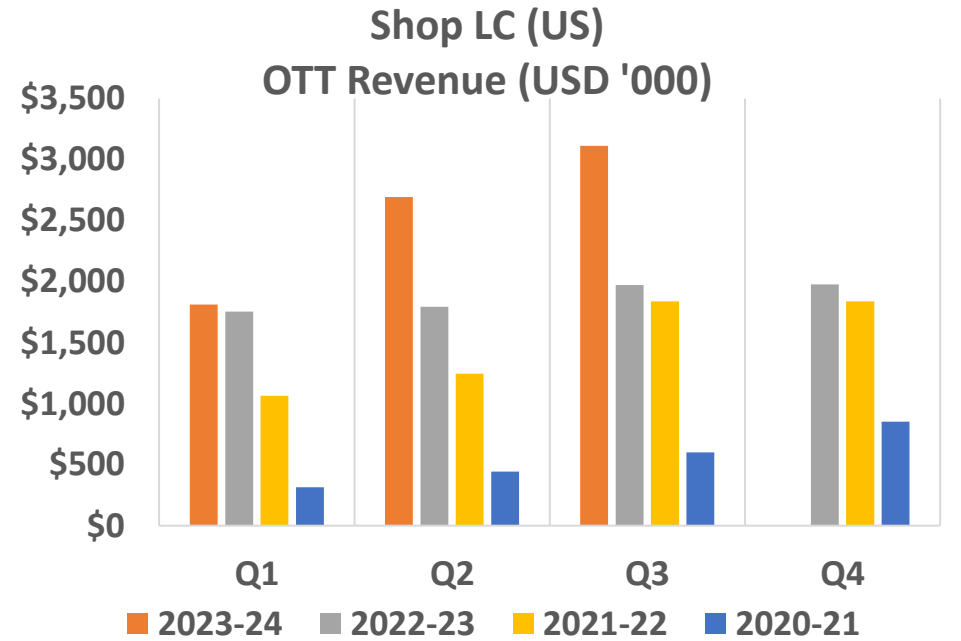
In US, OTT's are projected to be the fastest growing video distribution medium

US internet connected device installed base, 2016 to 2026



Source: Industry estimates

Live & Interactive Apps

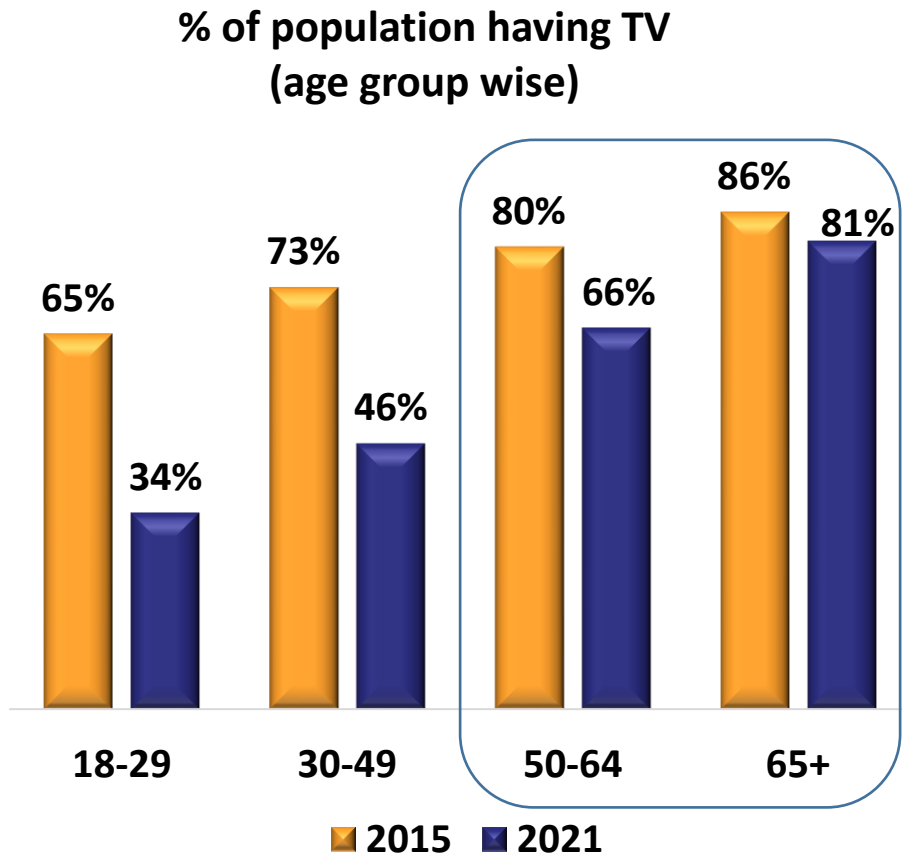


By 2026, there would be 1.1 bn connected devices in US, implying 3 devices per person- 'A HUGE OPPORTUNITY FOR OTT'



Capitalizing Cord Shifting through OTA

Our target demographics prefer watching traditional Pay-TV



Expanding presence through OTA

Total OTA HH in US:
23mn

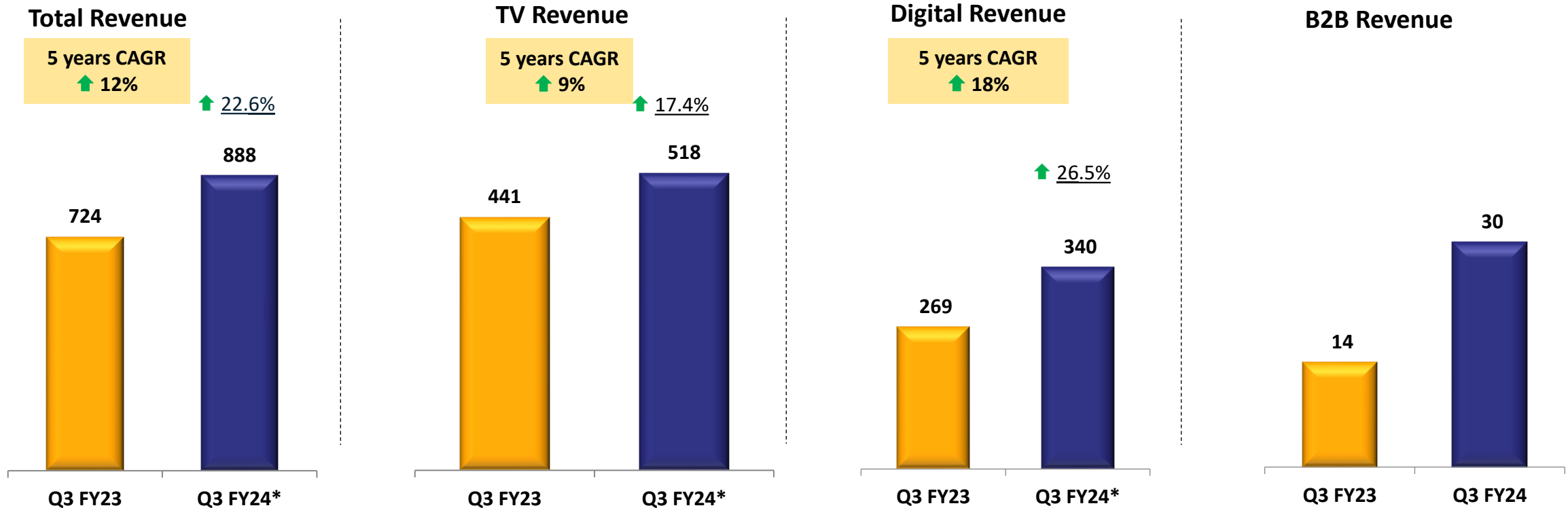
Shop LC's Presence
Low Power: ~18mn HH
Full Power: ~5mn HH

Revenue Mix
~31% of TV revenue



Financial Highlights – Q3 FY24 Performance

Fashion Jewellery, Lifestyle Products & Accessories (Rs. Cr)

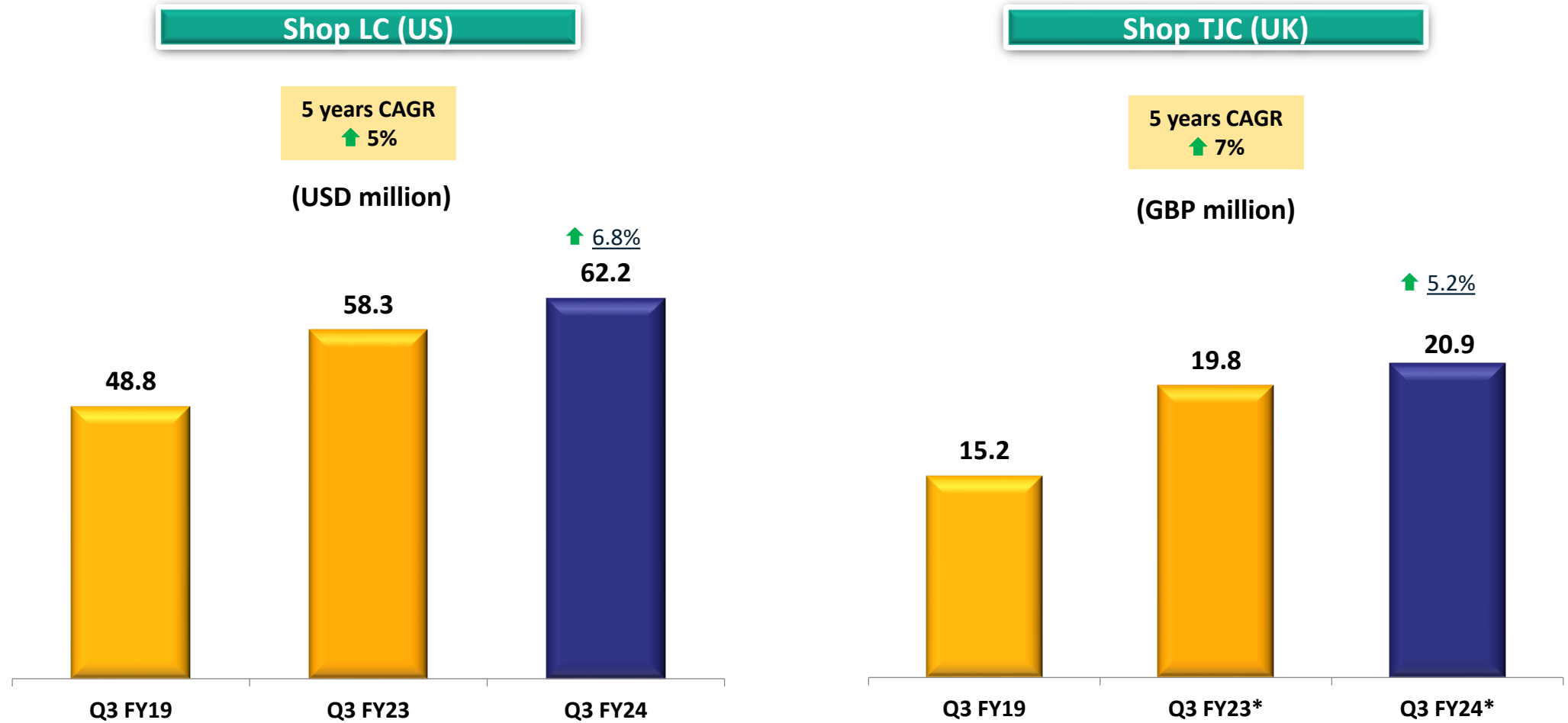


Note: B2B has been non-core and opportunistic business segment *incl. revenue share from recent acquisitions



Financial Highlights – Q3 FY24

Revenue – (Local Currency)



*excl. impact of Ideal World and TJC Beauty



Retail Performance Trends – Q3 FY24

TV Sales



Digital Sales

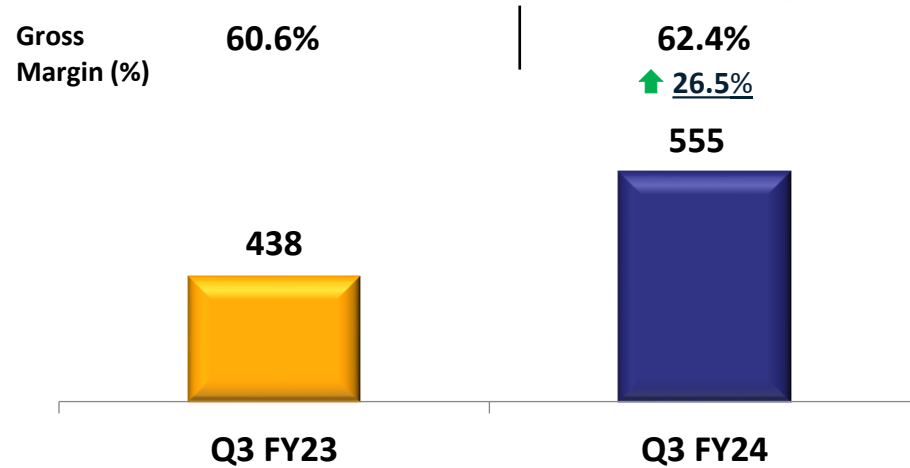


**incl. revenue share from recent acquisitions. Excl. acquisitions, TV and Digital's volume growth was 10% and 3% respectively*

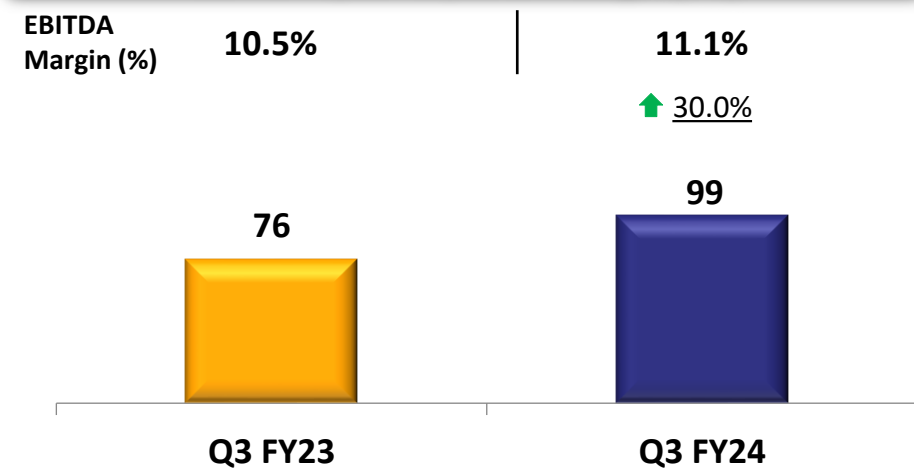


Financials – Q3 FY24 Performance

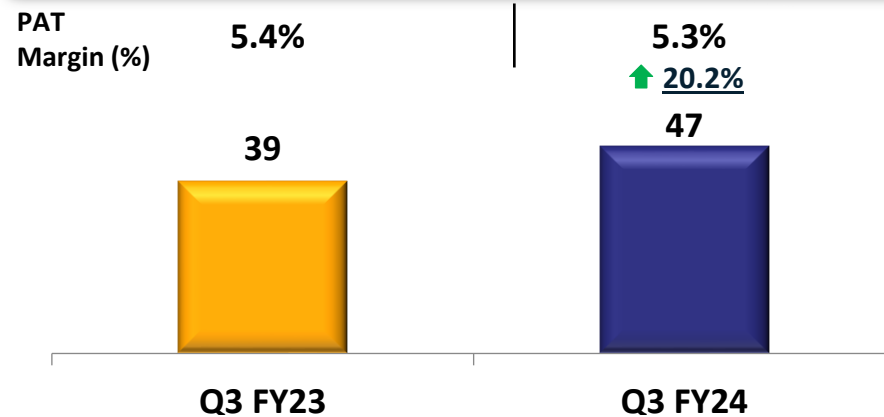
Gross Profit (Rs. Cr) and Margin (%)



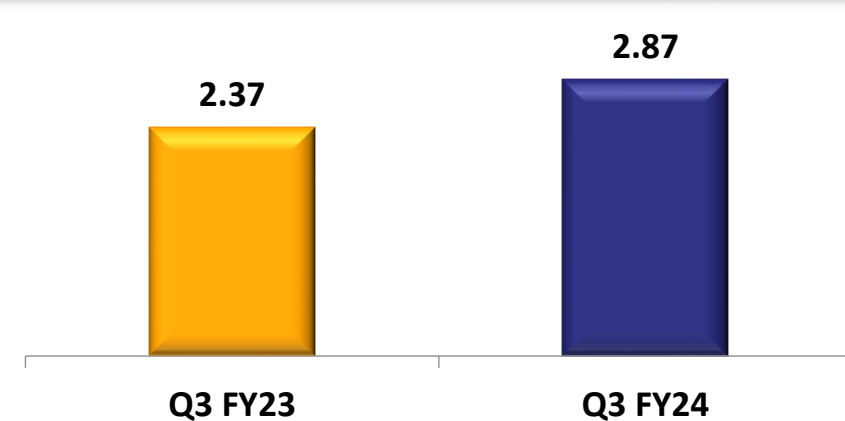
EBITDA (Rs. Cr) and Margin (%)



PAT (Rs. Cr) and PAT Margin %



EPS (Rs.)





EBITDA Margin Walk

Particulars	% to Revenue	Remarks
EBITDA Q3 FY23	10.5%	
Gross Margin	↑ 1.9%	Impact of better realisation
Broadcasting expenses	↓ 1.4%	Pertains to recent tie-ups in Germany & US
Other operational expenses	↑ 1.3%	Operating leverage
Foreign exch. income	↓ 1.2%	Favourable currency movement in Q3 FY23
EBITDA Q3 FY24	11.1%	

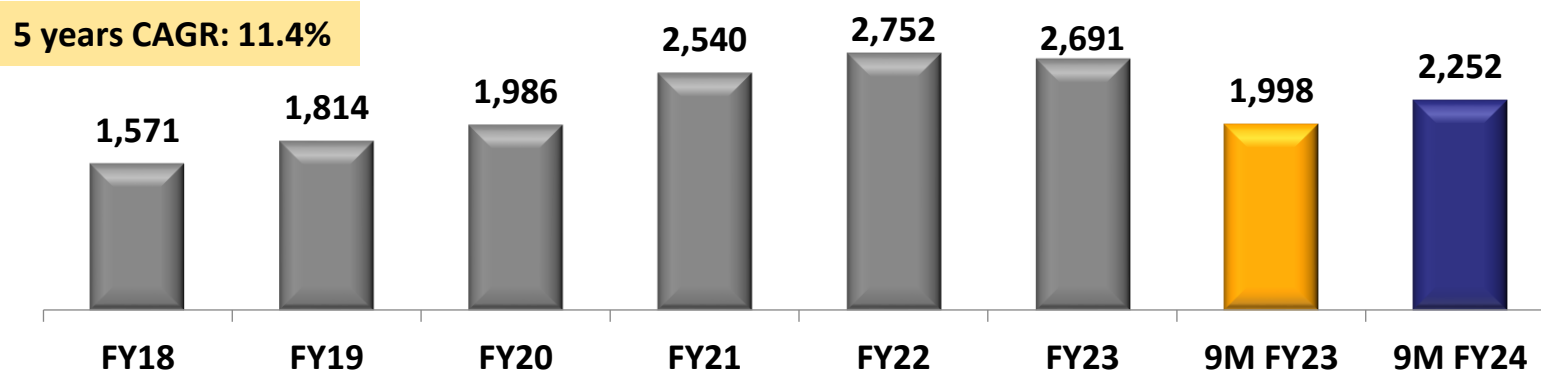


Financial Performance Trends



Financial Performance Trends

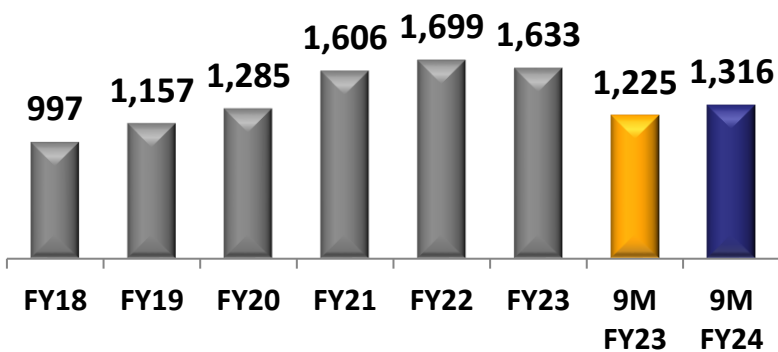
Revenue Breakdown – (Rs. crore)



Fashion Jewelry, Accessories & Lifestyle Products (Rs. Crore)

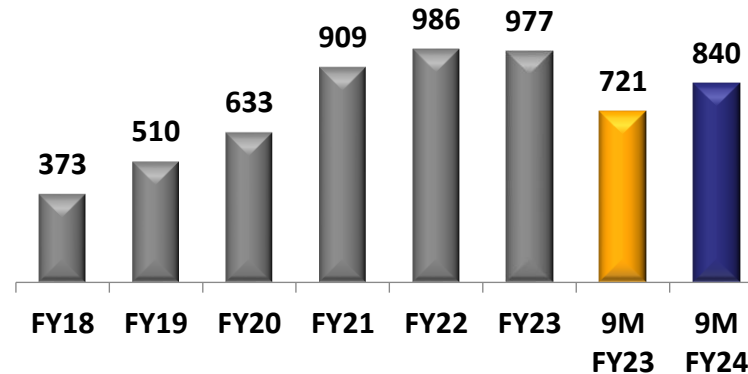
5 years CAGR: 10.4%

TV Revenue

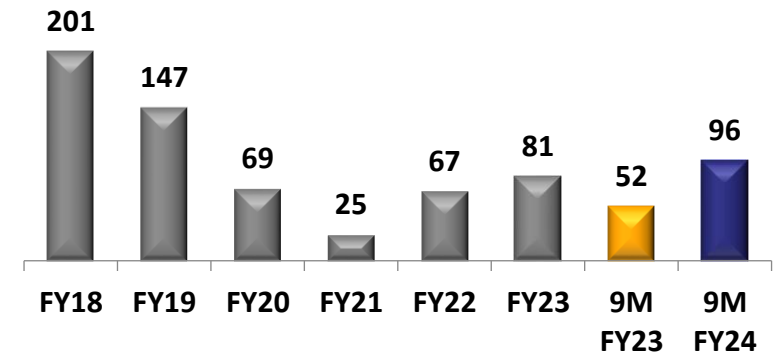


5 years CAGR: 21.2%

Digital Revenue



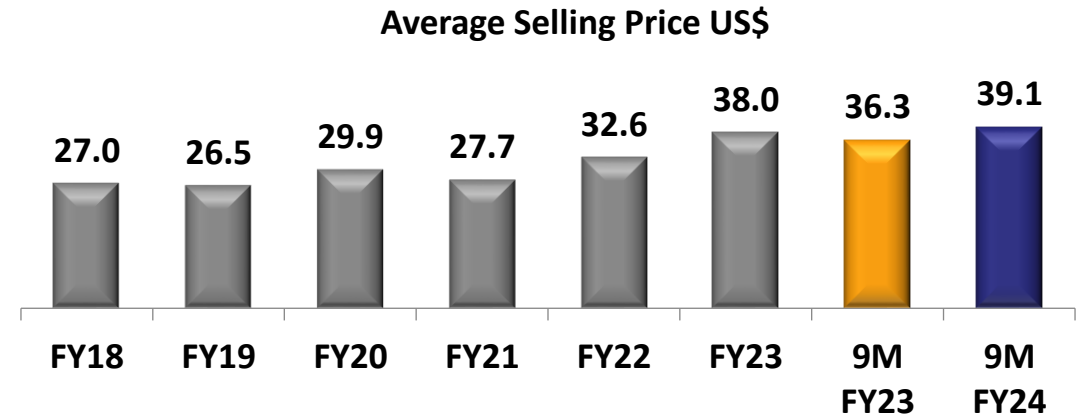
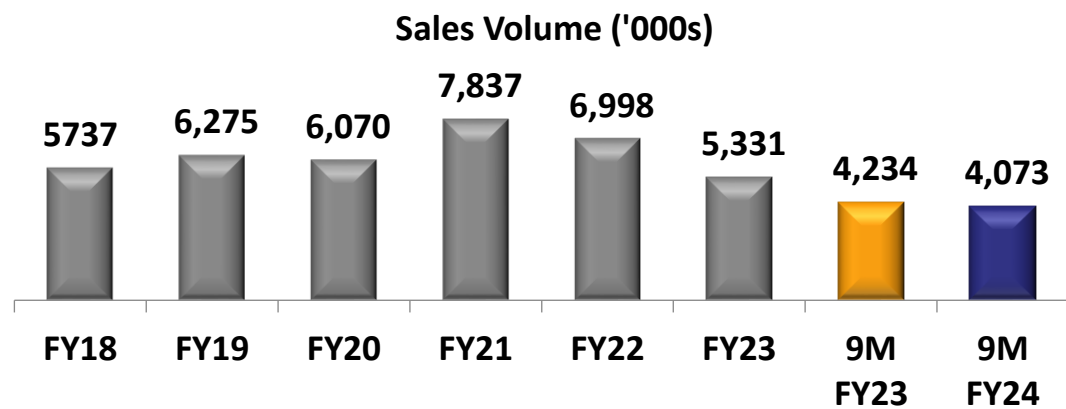
B2B Revenue



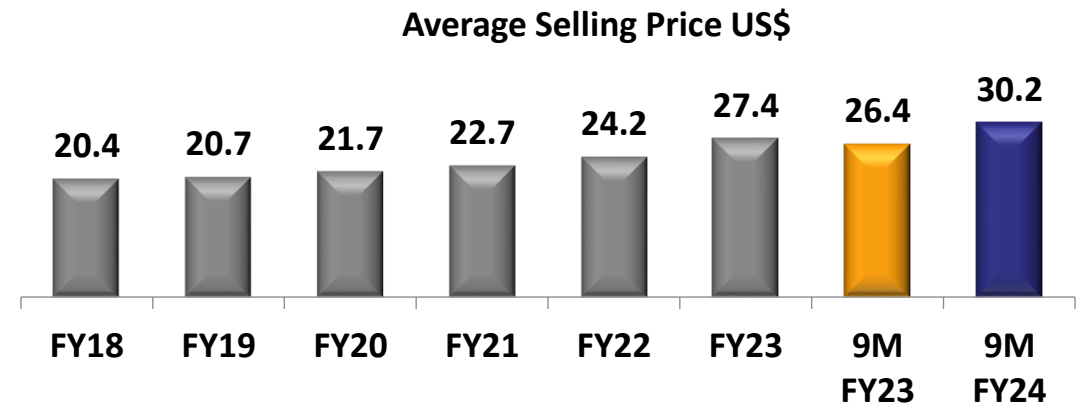
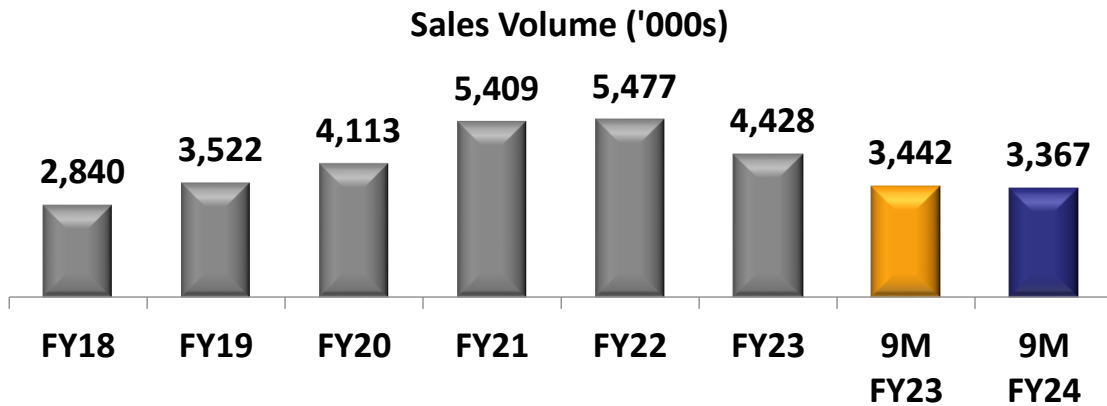


Retail Performance Trends

TV Sales



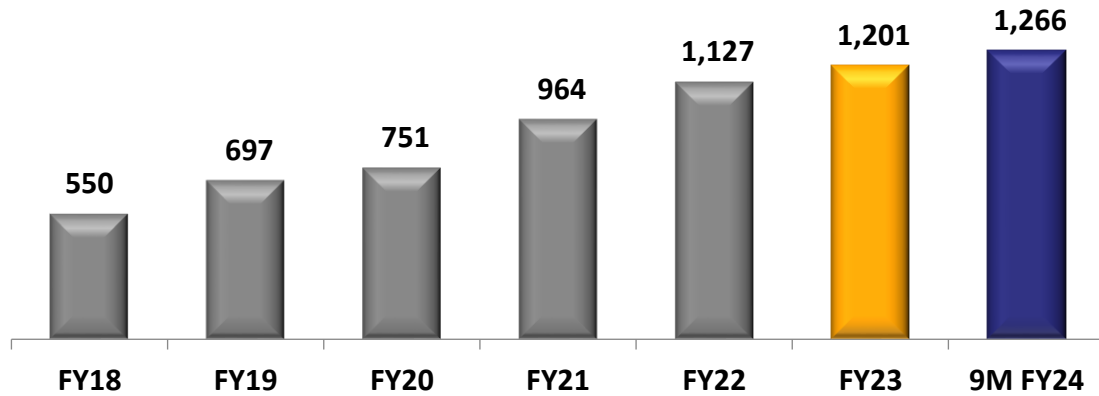
Digital Sales



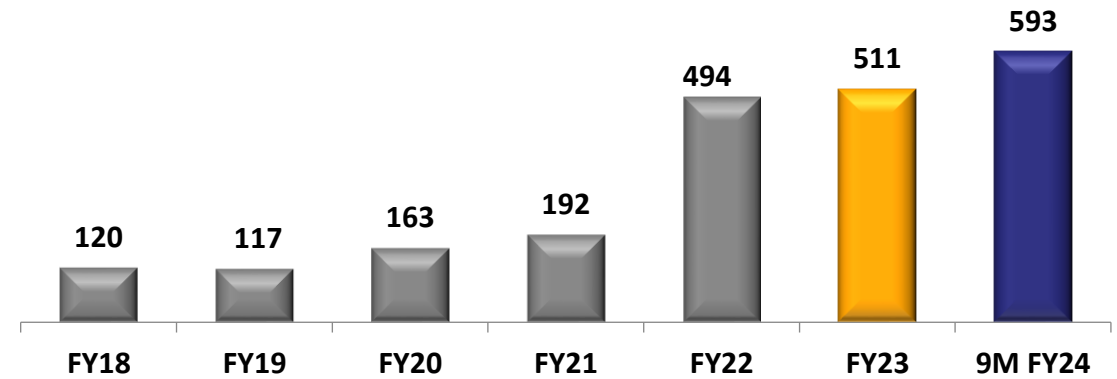


Financials – Annual Financial Performance

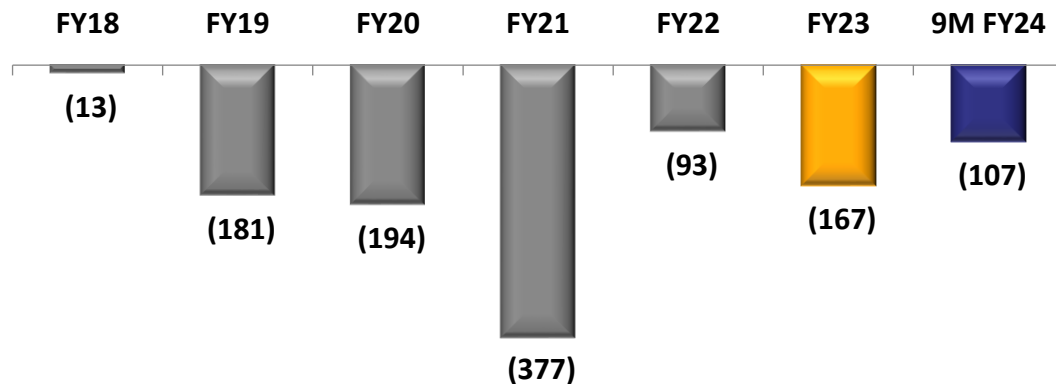
Shareholders' Equity (Rs. Cr)



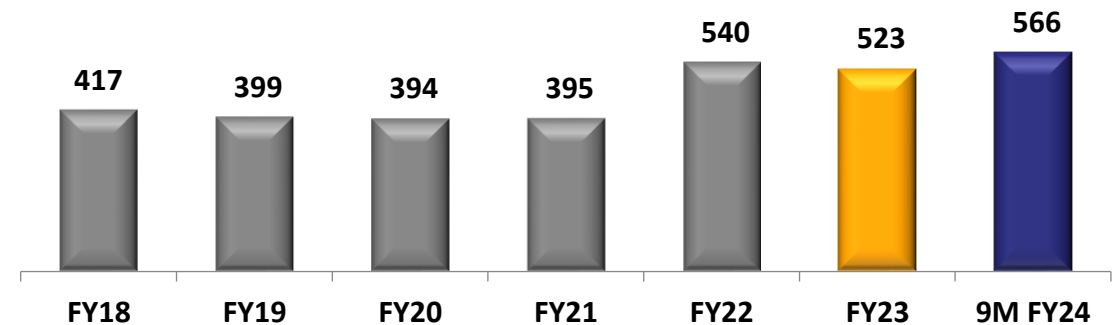
Fixed assets including intangibles (Rs. Cr)



Net Debt (Rs. Cr)



Net Assets* (Rs. Cr)



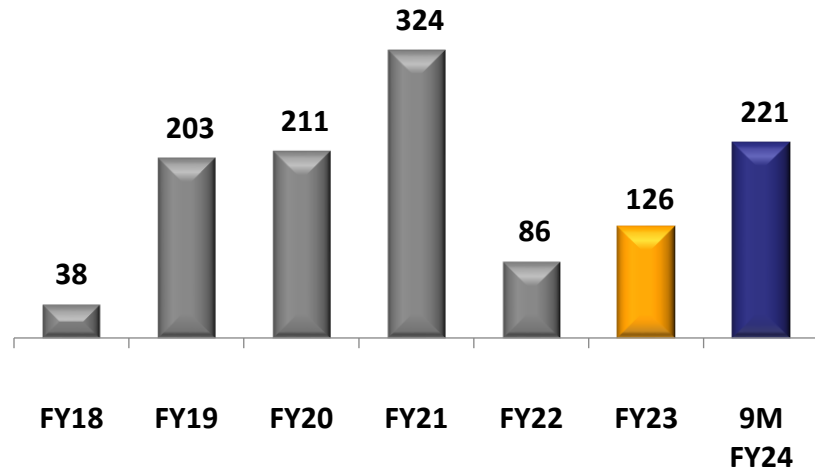
Note: Negative net debt even after recent acquisitions reflects strength of our balance sheet and robust cash generating business model

Net Assets is balancing figure arrived at by excluding shareholders equity, net debt, and fixed assets including intangibles

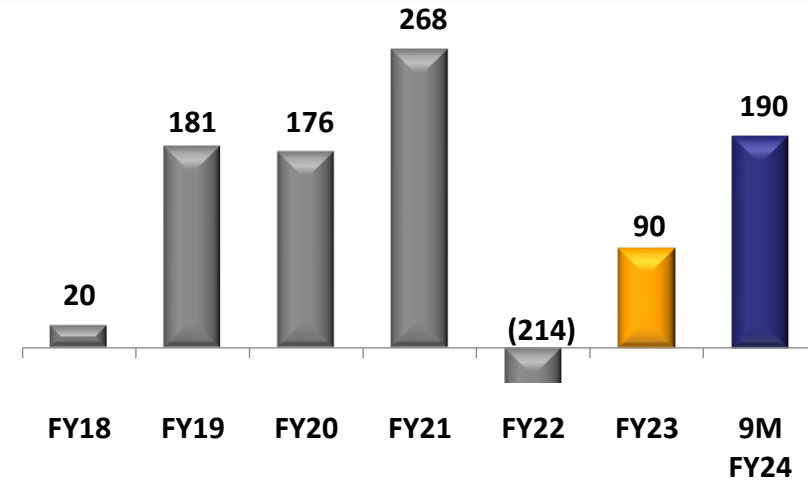


Financials Performance Trends & Ratios

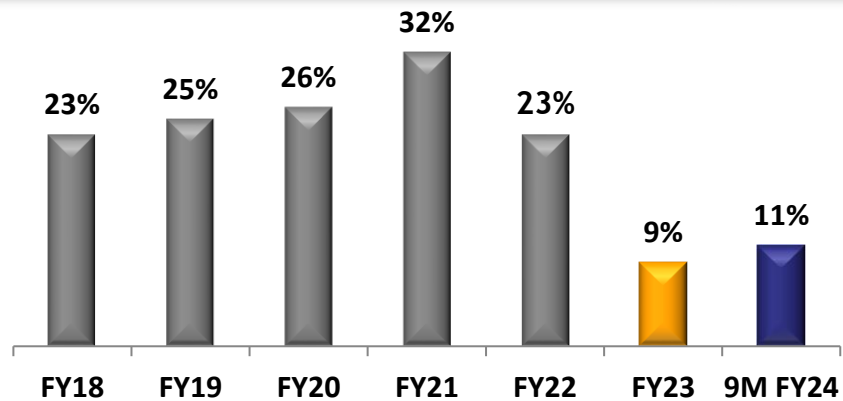
Operating Cash flow (Rs. Cr)



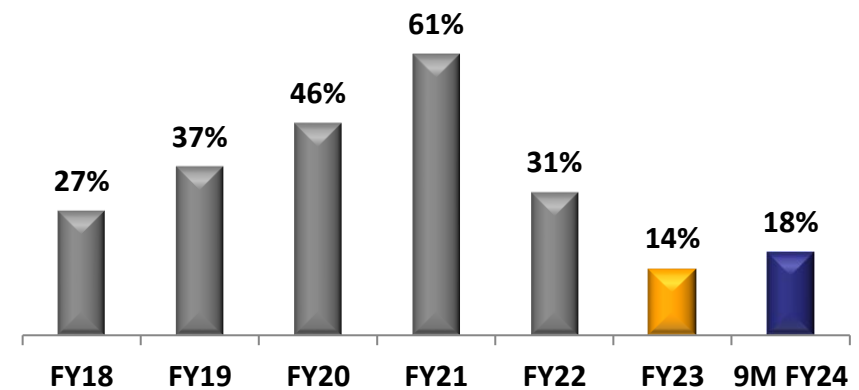
Free Cash Flow (Rs. Cr)



ROE (TTM)



ROCE (TTM)





Annexures

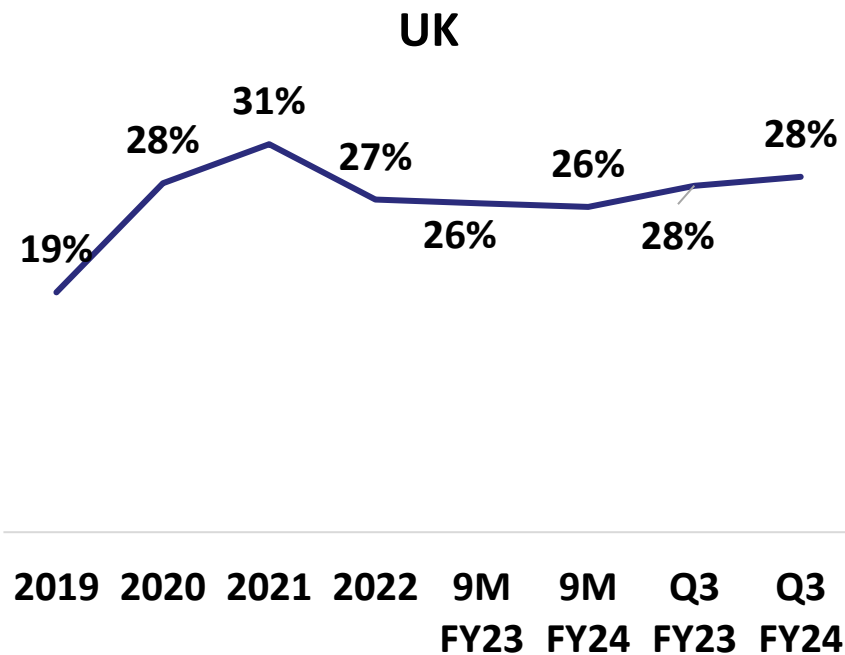


Growth In Digital Commerce Markets

Broader macro challenges tapering down

UK

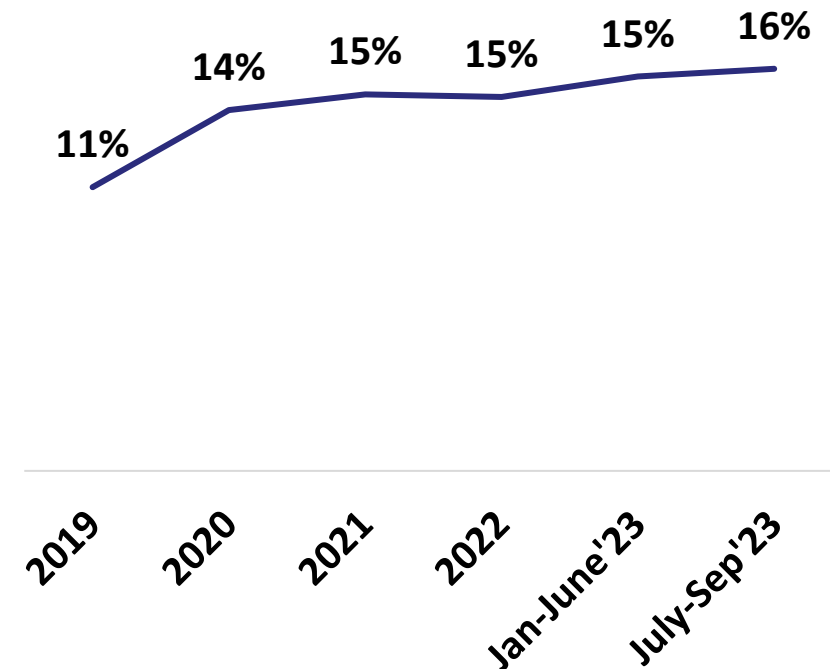
- Demand trending upwards gradually
- Consumers are still cautious



US

US

- Positive consumer sentiments driving the consumption
- Market leading growth continues



E-com sales mix (as a % to total retail sales)



Robust Corporate Governance

9M FY24

~Rs. 74 crores

Interim Dividends

Dividend Payout Policy

- 20-30% of consolidated free cash flows
- Balance between resource conservation and shareholder reward

BSR & Co. LLP
Statutory
Auditors

DELOITTE
Internal Auditors

Credit Rating
Long-term
ICRA A
(Stable Outlook)

CARE A
(Stable)

Credit Rating
Short-term
ICRA A1

CARE A1

Awards & Accolades

India Risk Management Award
from ICICI Lombard & CNBC-TV18



ICSI National Award for Excellence
in Corporate Governance



LEED's PLATINUM &
GOLD Certification



'Net Zero Energy Building' certified



India, US, UK & China GPTW®
Certified





Strong & Experienced Management



Mr. Sunil Agrawal
Managing Director, VGL Group



Mr. Nitin Panwad
Group CFO, VGL Group



Mr. Vineet Ganeriwala
President, Shop LC (US)



Mr. Srikant Jha
*Managing Director,
Shop TJC (UK)*



Mr. Deepak Mishra
*Managing Director,
Shop LC (Germany)*



Mr. Ankur Sogani
*Vice President, Commercial,
Shop LC (US)*



Mr. Deepak Sharma
*Vice President, Operations,
Shop LC (US)*



Mr. Raj Singh
*Vice President, Supply Chain,
VGL Group*



Mr. Pushendra Singh
*Vice President, Human
Resources, VGL Group*



Mr. Mohammed Farooq
Group Chief Technology officer



Mr. Ashish Dawra
Vice President, Global IT



Sustainability Initiatives



ENERGY

Solar 3.23 mw

Solar power capacity meets 100% power requirement at manufacturing units in Jaipur. Generated 14.5 Mn KWH units since inception.

EV

184 two-wheelers & 3 four-wheelers for employees' commute. Replaced 12 buses till date.

BIODIVERSITY

~28,000

Saplings planted for developing 2 Miyawaki forests

~7,500

Additional saplings planted till date in office premises, RIICO Garden and Government Schools

WATER

6100 KL Rainwater harvested per annum

500 KL Rainwater Storage Tank commissioned

WASTE

100% Conversion of bio-degradable waste (vegetables, food, leaves) into manure

2,200 Kg E-waste recycled till date

~1,800 Kg Plastic waste recycled till date

To Become Carbon Neutral in Scope 1 and 2 GHG emissions by 2031



Growth With Responsibility



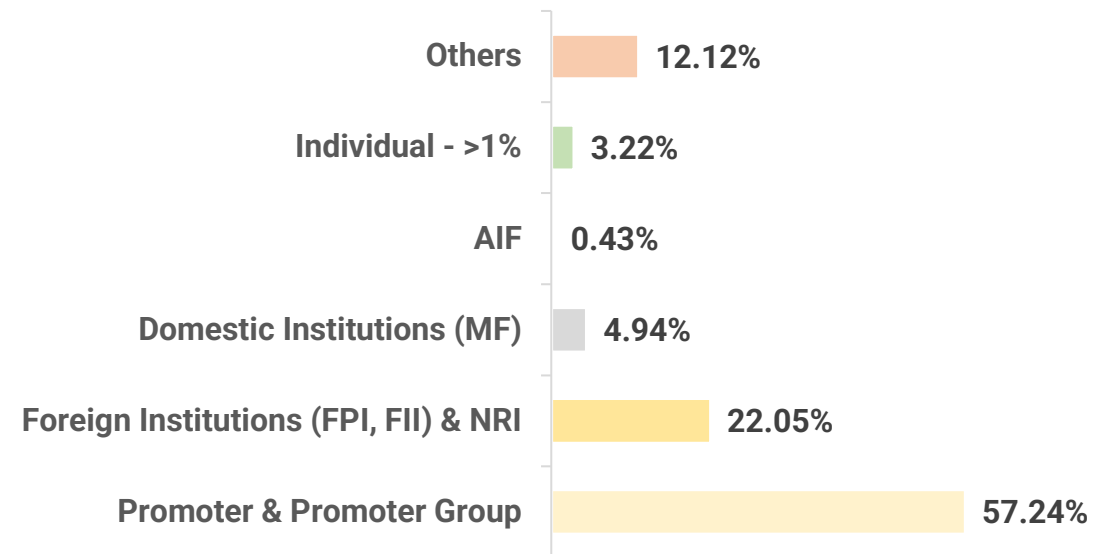
- Till date Served **84 million** meals to underprivileged children through flagship One for One Program, ***'Your Purchase Feeds...'***
- Local charity partners
 - ✓ Akshaya Patra in India
 - ✓ No Kid Hungry and Backpack Friends in US
 - ✓ Magic Breakfast & Felix Project in UK
- Serving ~66k meals every school day
- To serve 1 million meals per day by FY31



Shareholding Pattern: As on 31st December 2023

Key Shareholders	Holding as on 31st-Dec-23
Nalanda India Fund Limited	9.33%
Malabar India Fund Limited	6.44%
Motilal Oswal Flexi Cap Fund	4.90%
Vanguard	1.45%
Taiyo Greater India Fund	2.78%
Vijay Kedia	2.01%
Ashish Kacholia	1.21%
Government Pension Fund Global	0.32%

Shareholding Pattern





VAIBHAV GLOBAL LIMITED

Company:

Vaibhav Global Limited

Nitin Panwad, Group CFO

Nitin.panwad@vlggroup.com

Prashant Saraswat

Head-Investor Relations

Prashant.saraswat@vlggroup.com

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Investor Relations Advisors:

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Disha Shah

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