



VAIBHAV GLOBAL LIMITED

Ref: VGL/CS/2021/99

Date: 30th July, 2021

**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

Scrip Code: 532156

Subject: Financial Results Presentation

Dear Sir / Madam,

Pursuant to regulation 30(6) of the SEBI (LODR) Regulations, 2015 please find enclosed Financial Results Presentation of Q1 FY2022.

Kindly take the same on record.

Thanking you,

Yours Truly,

For Vaibhav Global Limited

Sushil Sharma

Company Secretary



DELIVERING JOY

Global Retailer of Fashion Jewellery, Accessories and Lifestyle Products on Home Shopping TV and e-Commerce Platforms

Vaibhav Global Limited

Q1 FY22 - Financial Results Presentation





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 affiliated 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



Mr. Sunil Agrawal
Managing Director, Vaibhav Global Limited

"We are pleased to start the year on a strong note with robust performance in Q1. Retail revenues improved by 22.8% and EBITDA increased by 26.2% YoY. This growth came on the back of deep value proposition, expanding product portfolio, and growing presence on various sales platforms in our core markets of US and UK. We generated Rs. 68 crore of operating cash flows and reported strong ROCE of 60%. I am excited to share that the first quarter marked our foray into the Germany market. We will operate with a similar value proposition and cater to a similar customer profile as the US and UK. The plan is to fully operationalize the Germany business on TV, Web, Marketplaces, Social and OTT during the year.

*The **4Rs** framework comprising of **Reach**, **Registrations**, **Retention** and **Repeat** purchases, forms the basis for driving operating performance. Vertically integrated model and a ~30 countries strong supply chain network is the back-bone of our business. And technology is the catalyst. Most importantly, our highly motivated teams, make it all come together to truly deliver joy to customers. Also, these are areas where we have been investing judiciously for long term growth.*

We stepped into the year with renewed commitment to all stakeholders. Towards afforestation, 13,000 saplings were planted for developing a Miyawaki forest. Under our flagship CSR initiative 'Your Purchase Feeds...' we have now provided 55 million meals to school going children. The program offers more than just a meal, it also helps feed hearts, minds, and futures of children. At VGL, we are inspired by the idea of Humanocracy and are implementing some of these principles across the organization. For shareholders, we continue with quarterly pay-outs. An interim dividend of Rs. 1.5 per share (face value Rs. 2 per share) has been declared by the Board.

We believe, VGL is at an important point in its journey of becoming a global leader in electronic retailing of fashion jewelry and lifestyle products. We are excited by the opportunities that lie ahead and are confident that we have right strategy to drive sustainable growth and create value for all stakeholders."

Q1FY22 – Key Highlights



Robust **22.8%** Y-o-Y growth in retail revenues



EBITDA grew by a strong **26.2%** Y-o-Y (excluding Germany: 34.2%); margins improved 30 bps to **14.4%** Y-o-Y(excluding Germany: margins improved 120 bps to 15.3%)



Strong return ratios with ROCE at **60%** and ROE at **31%** (TTM basis)



Operating Cash Flows at Rs. **68** crore and Free Cash Flows at Rs. **32** crore



Unique Customers (TTM basis) improved to **4,72,278** from 4,25,921 in the same period previous year



Expansion of retail footprint to **Germany** (Shop LC GmbH)



Declared interim dividend of Rs. **1.5** per equity share (face value Rs. 2 per share)



100% power requirement at manufacturing units in Jaipur (India) will be met through 3.23 mw solar power capacity



Provided **55** million meals since the inception of the one-for-one meal program 'Your Purchase Feeds...'

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Business Background Details

Vaibhav Global Limited (VGL) at a Glance



VISION

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

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



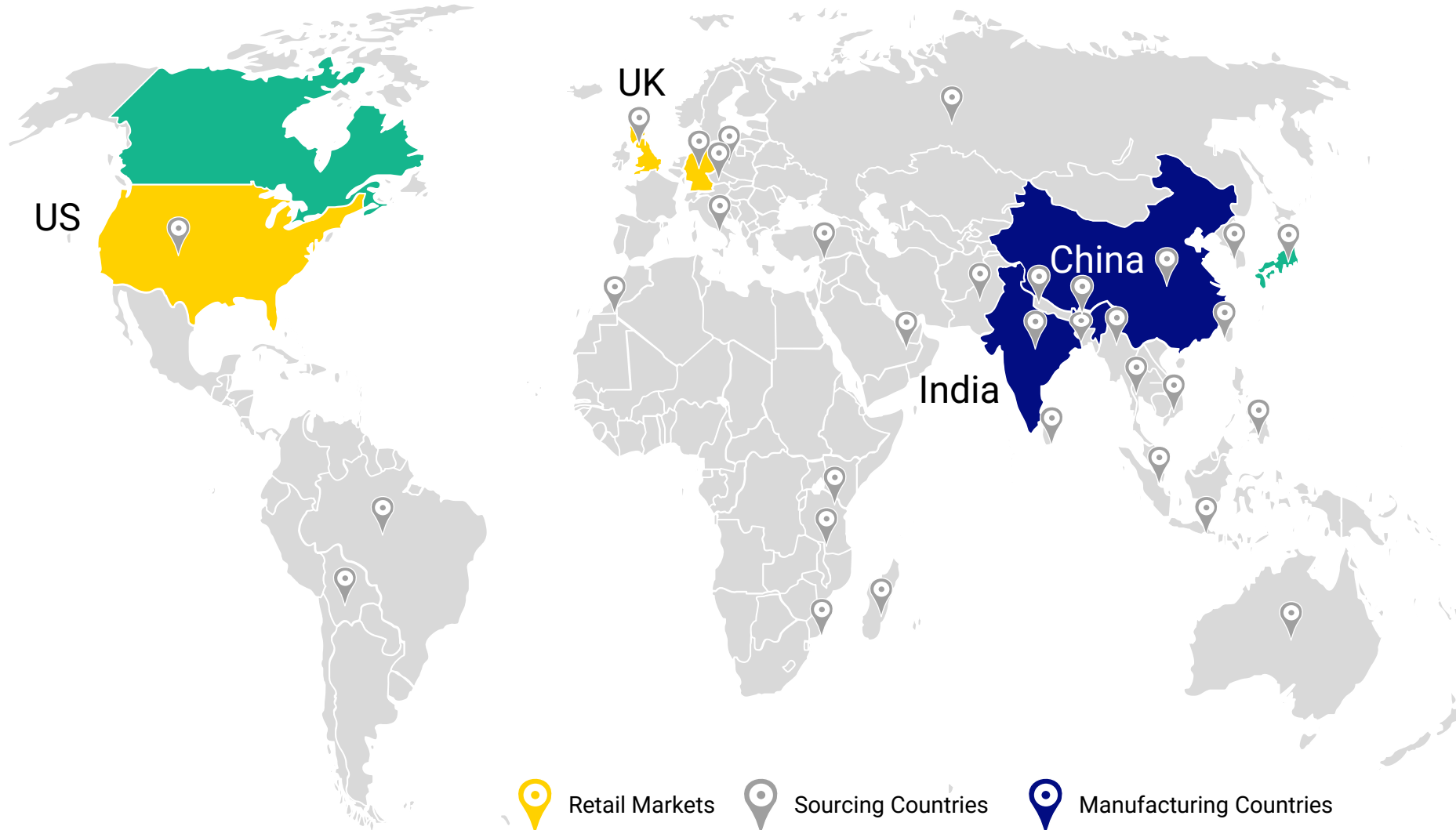
Positive Attitude



Commitment



Our Global Presence



Retail Markets
 Shop LC | Shop TJC | Shop LC
 (US) (UK) (Germany)

Operate Through Marketplaces
 Canada | Japan

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

Manufacturing Countries
 India | China



Vertically-integrated fashion retailer on electronic retail platforms

- > End-to-end B2C business model
- > Presence on
 - Proprietary TV home-shopping
 - Proprietary e-commerce platforms
 - Social
 - Third-party Marketplaces



Shop LC (US) & Shop TJC (UK) are brands with strong customer visibility

- > TV Homes accessed (*FTE) – 102.5 million
- > Growing online presence
- > Improving customer engagement metrics



Strong management and governance

- > Professional management team
- > Strong and Independent Board
- > B S R & Co. LLP – Global Auditor
- > Deloitte – Internal Auditor



Exceptional one for one social program – 'Your Purchase Feeds...'

- > Every piece sold results in one meal for a school-going child
- > Provided 55 mn meals across India, US & UK



Solid infrastructure backbone

- > Investments in customer interface, production, warehousing facilities, supply chain, CRM & ERP
- > Scalable model with limited capex requirement



Robust customer engagement

- > Omni-channel B2C retail presence
- > Growing recognition of deep value fashion jewellery enables scaling to adjacent categories

4R's of Customer Engagement



102.5_{mn}

TV -
Linear / OTA

Web -
Browsers / Mobile Apps /
Social Media /
Market-places / OTT

Reach



2.9_{lakh} (TTM)

Diverse Products

Deep value proposition

Engrossing Content

Registrations



45.7% (TTM)

Enduring relationships

Convenience

Digitalization/AI

Retention



30*_(TTM)

Expanding wallet share

Cross-selling

Repeat Purchases



Our Omni-Channel Sales Platform



Shop LC (US)



Shop LC Proprietary TV channels – 77.5 mn HH including 18.6mn OTA* HH*

Shop LC live TV stream on shoplc.com, YouTube, Facebook and Amazon Live



Proprietary web platform

www.shoplc.com

Shop LC mobile app available on



Marketplaces



Social retail of targeted products on



OTT* platforms



Product Information Management



Targeted Campaign Management



Customer Experience Management



UGC and Influencer Marketing Platform



Note:
OTA – Over the Air; OTT – Over the Top; HH - Households

Our Omni-Channel Sales Platform



Shop TJC (UK) ● ● ●



Shop TJC Proprietary TV channels – 25 mn HH including 17 mn OTA* HH*

Shop TJC live TV stream available on tjc.co.uk, YouTube and Facebook



Proprietary web platform

www.tjc.co.uk

Shop TJC mobile app available on



Marketplaces



Social retail of targeted products on



Instagram

facebook

OTT* platforms

Roku TV



Targeted Campaign Management



Customer Experience Management

Medallia

UGC and Influencer Marketing Platform



Note:
OTA – Over the Air; OTT – Over the Top; HH - Households

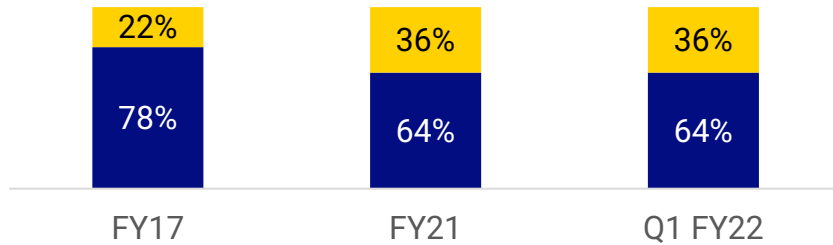
Business Transition Dashboard



B2C Revenues by Format



■ TV revenues ■ Web revenues

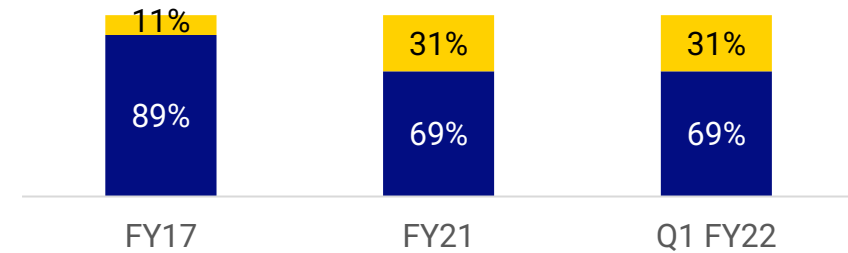


56% of web revenues in Q1 FY22 were from Mobile platform (mobile app + mobile web browser)

B2C Revenues by Product Category



■ Jewellery ■ Non-jewellery revenues

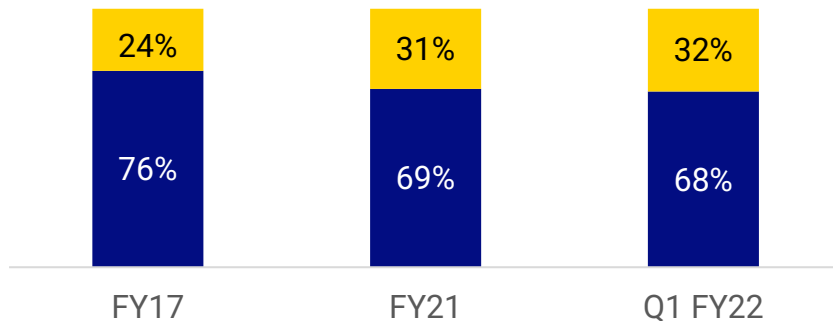


Jewellery revenues: Fashion jewellery;
Non-jewellery revenues: Fashion accessories and lifestyle products

B2C Revenues by Geography



■ US ■ UK

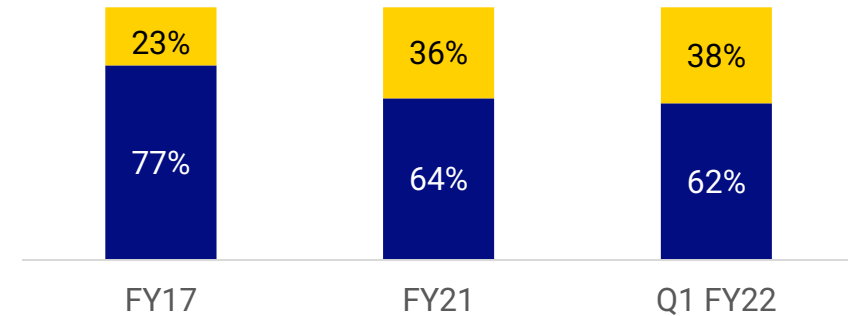


Breakup based on revenue in USD million

Budget Pay penetration of B2C Revenues



■ Non-Budget Pay revenues ■ Budget Pay revenues



Budget Pay revenues refer to products offered on EMI basis

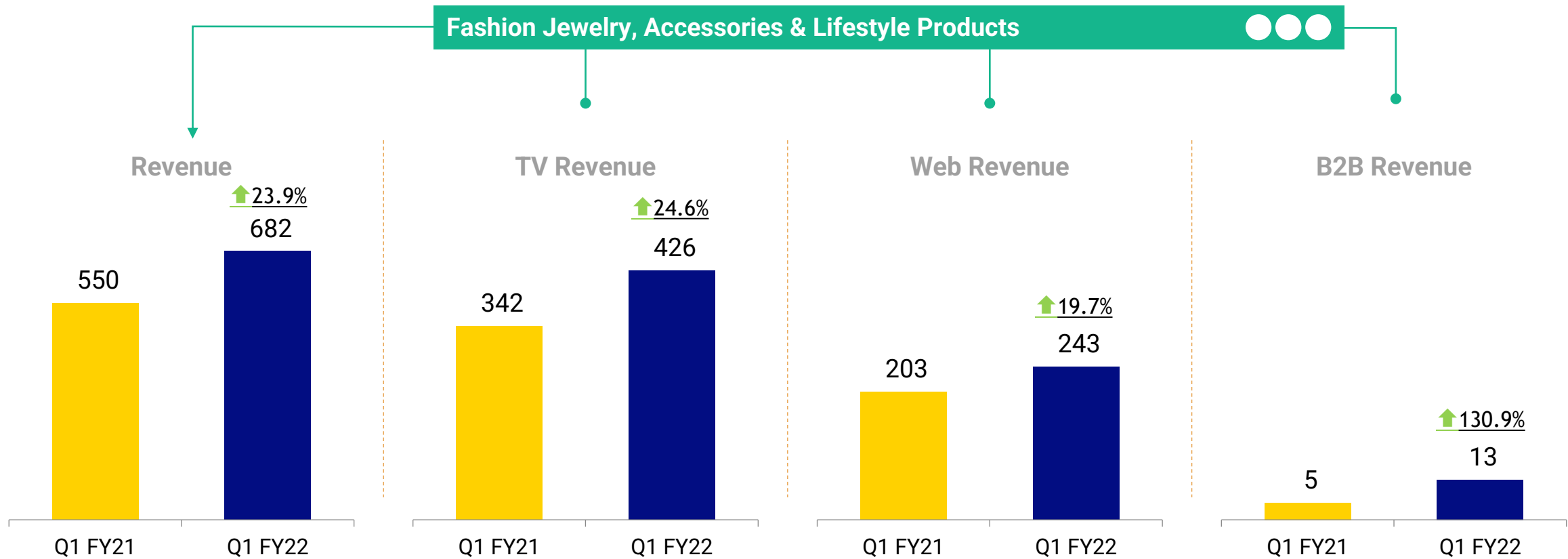


Q1 FY22 Financial Performance

Financials – Q1 FY22 Performance



Revenue Breakdown – (Rs. crore)



Note:
B2B has been a non-core and opportunistic business segment

Financials – Q1 FY22 Performance

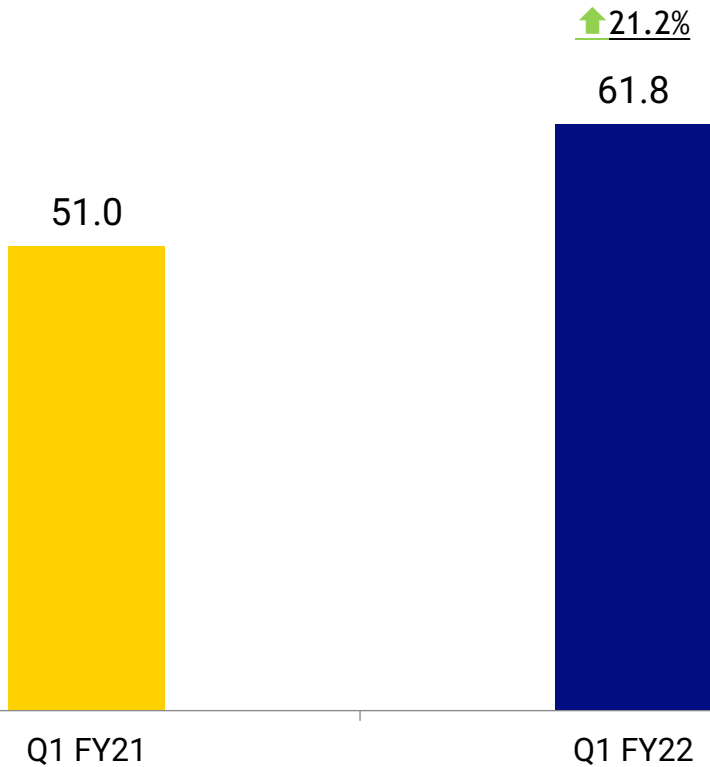


Revenue Breakdown – (Local Currency)

Shop LC (US)



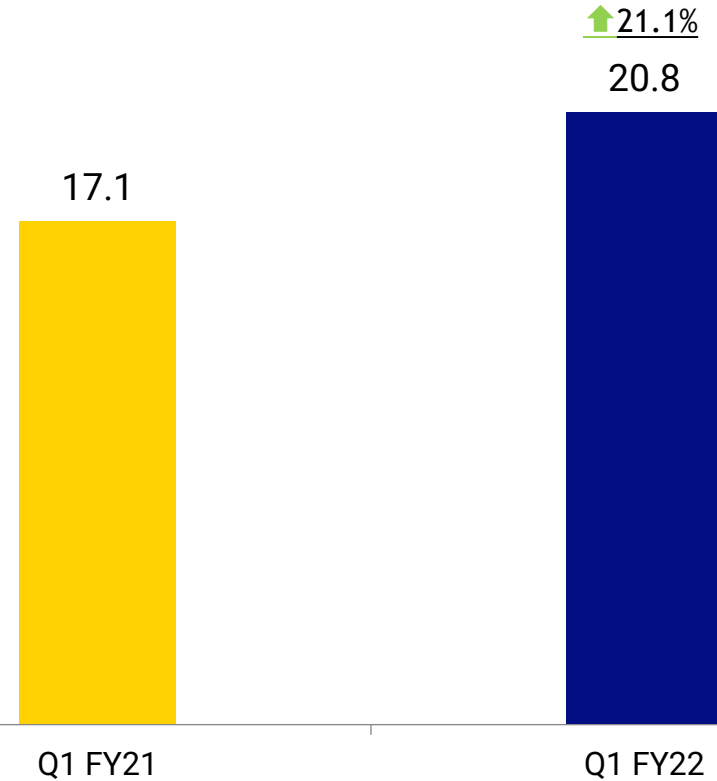
(USD million)



Shop TJC (UK)



(GBP million)



Retail Performance Trends – Q1 FY22



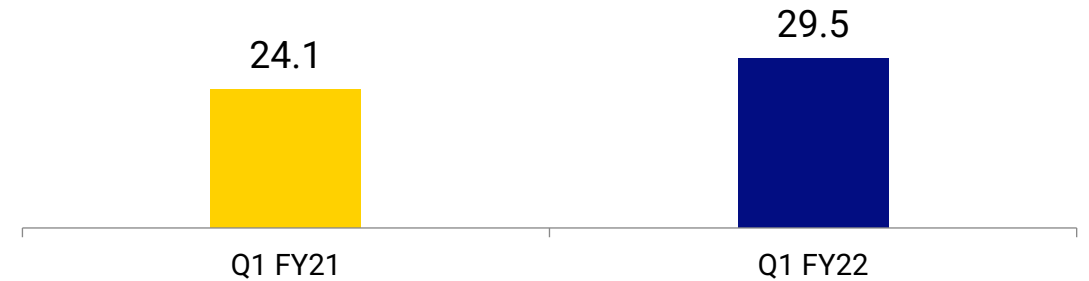
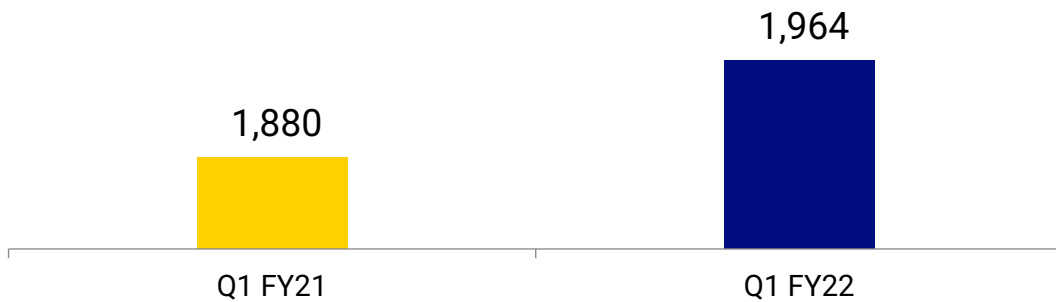
Volume and ASP

TV Sales



Sales Volume ('000s)

Average Selling Price US\$

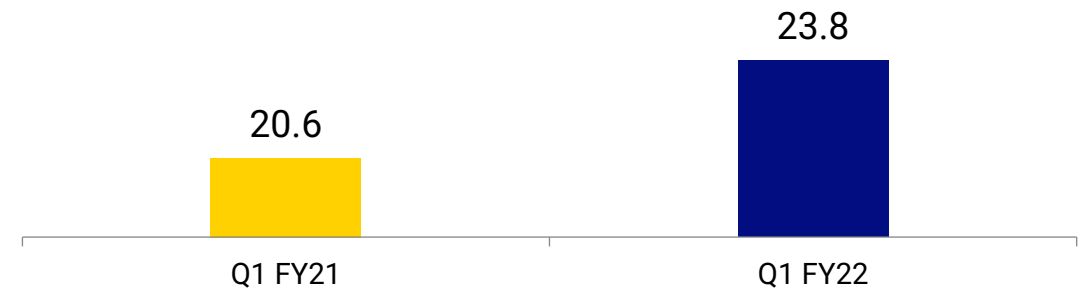


Web Sales



Sales Volume ('000s)

Average Selling Price US\$

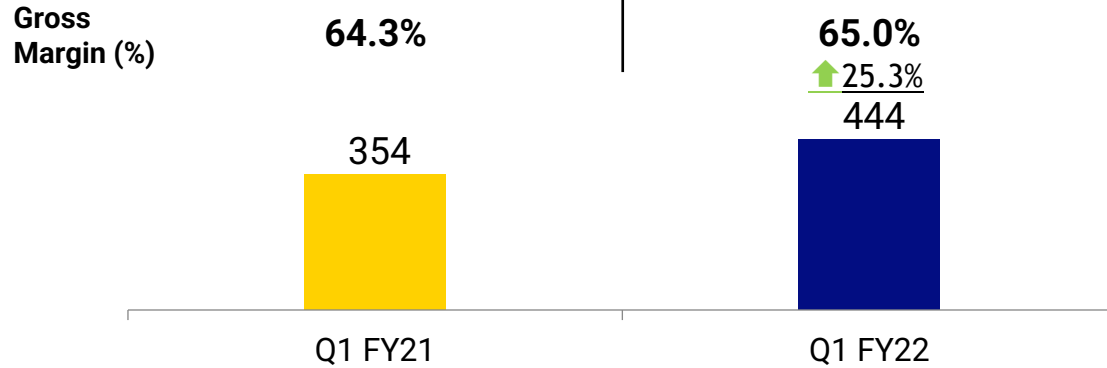


Financials – Q1 FY22 Performance

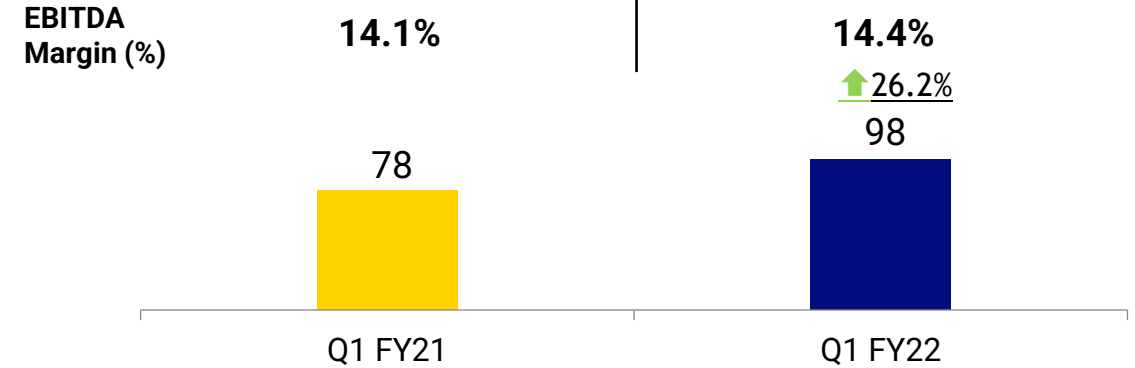


Profits – (Rs. crore)

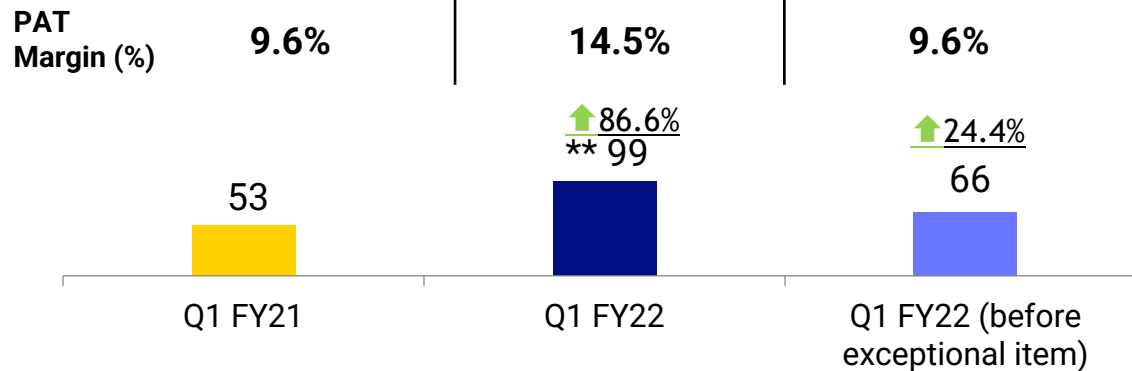
Gross Profit



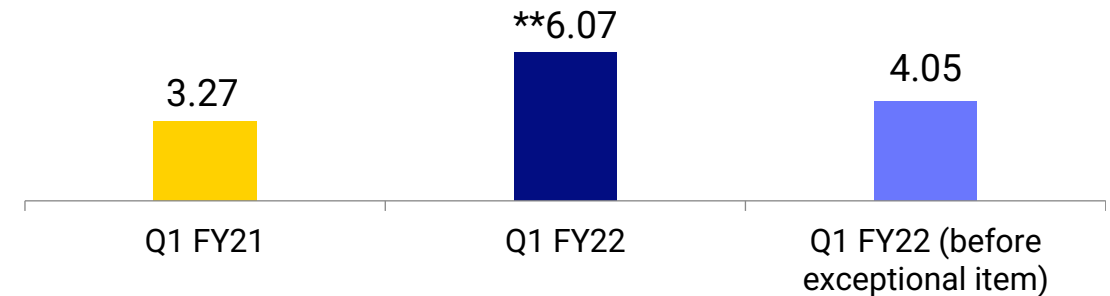
*EBITDA



***PAT



***EPS (Rs.) – Post split



Note: Q1FY22:

*Excluding Germany - EBITDA growth: 34.2% Y-o-Y; EBITDA margins: 15.3%

**PAT includes exceptional item related to waiver of PPP loan (net of expenses) amounting to Rs. 32.90 crore;

***Excluding Germany & exceptional item: PAT growth: 36.2%; PAT margin: 10.6%; EPS – Rs. 4.43

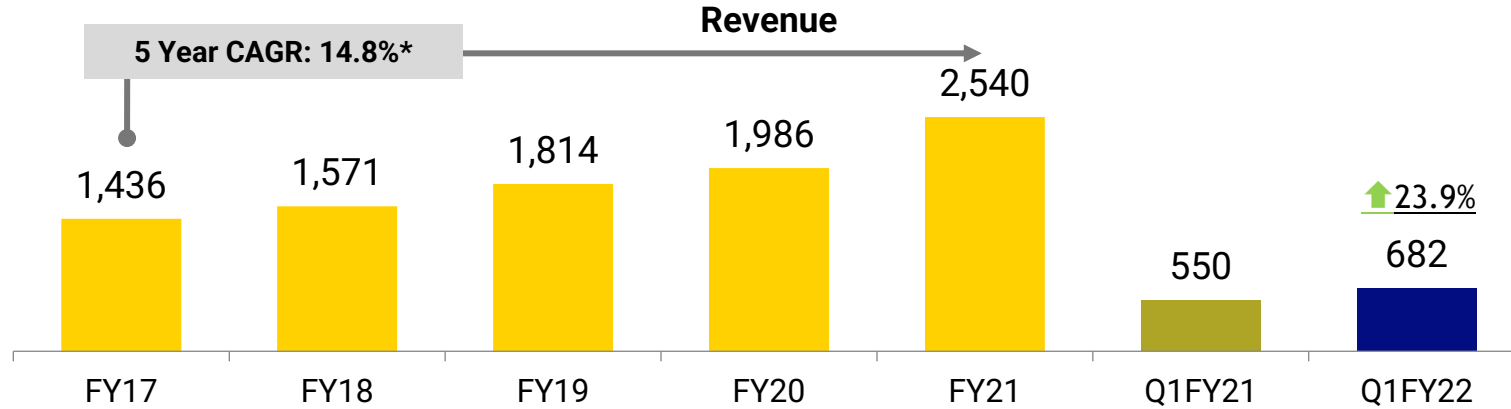


Financial Performance Trends

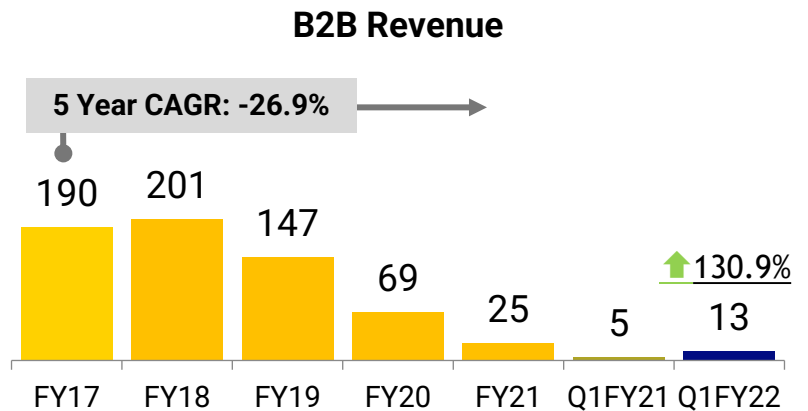
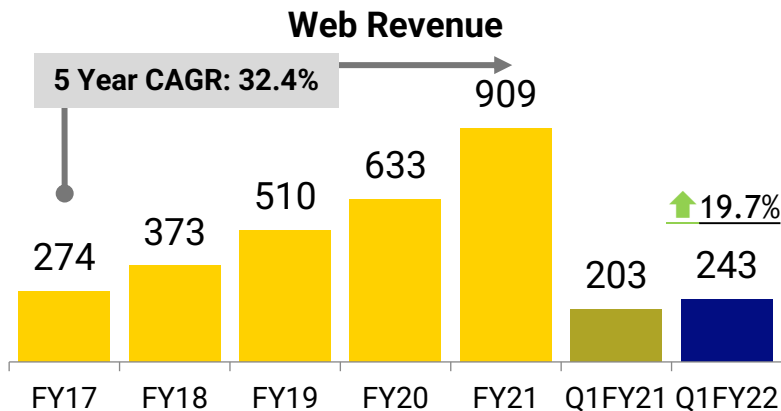
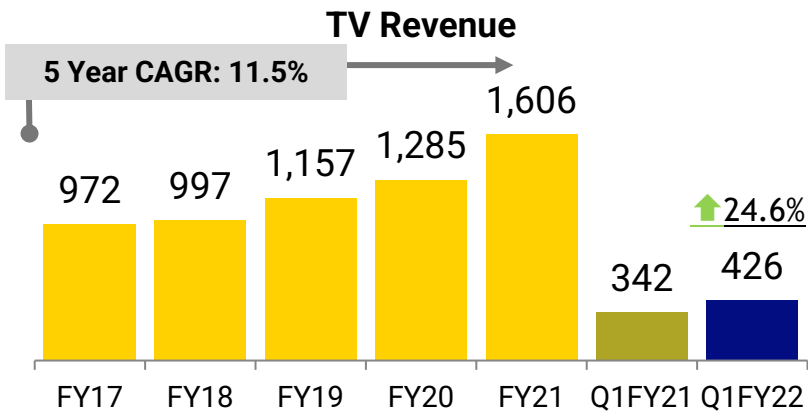
Financial Performance Trends



Revenue Breakdown – (Rs. crore)



Fashion Jewelry, Accessories & Lifestyle Products



Note: B2C Revenue CAGR – 16.9%

Retail Performance Trends

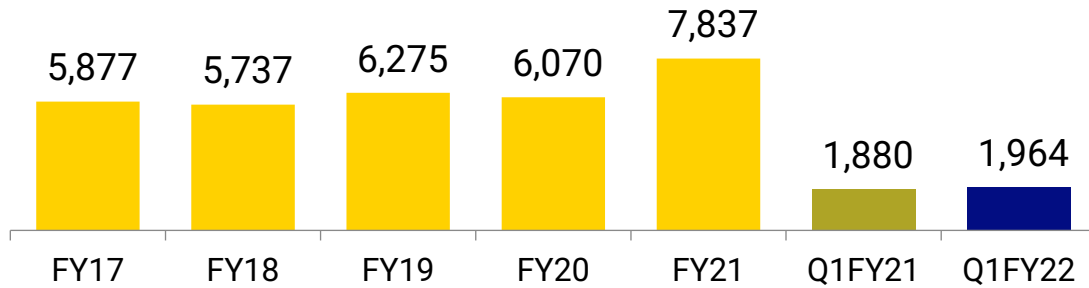


Volume and ASP

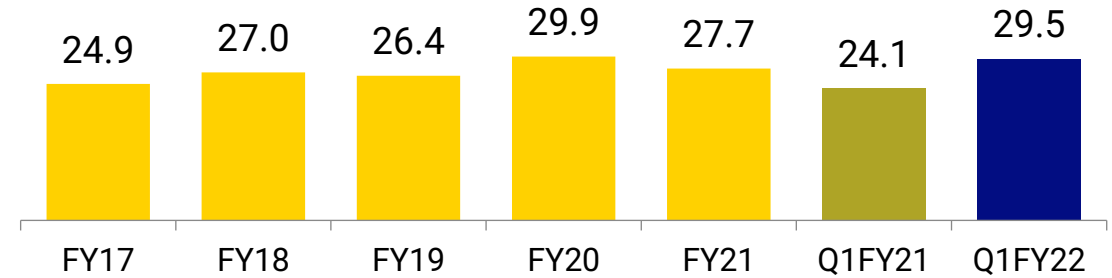
TV Sales



Sales Volume ('000s)



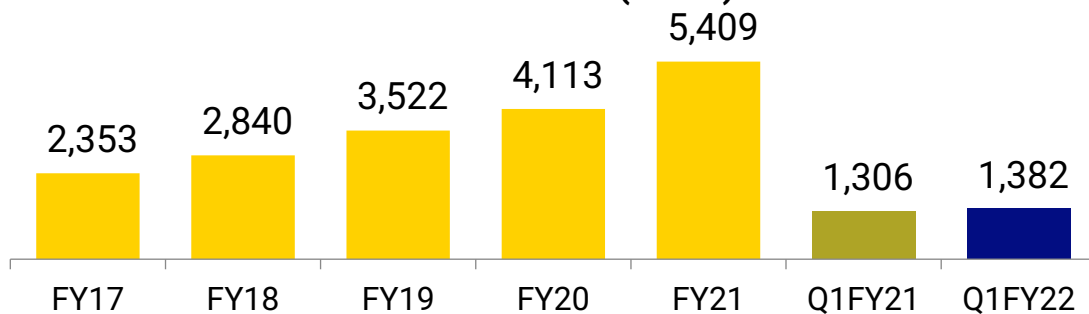
Average Selling Price US\$



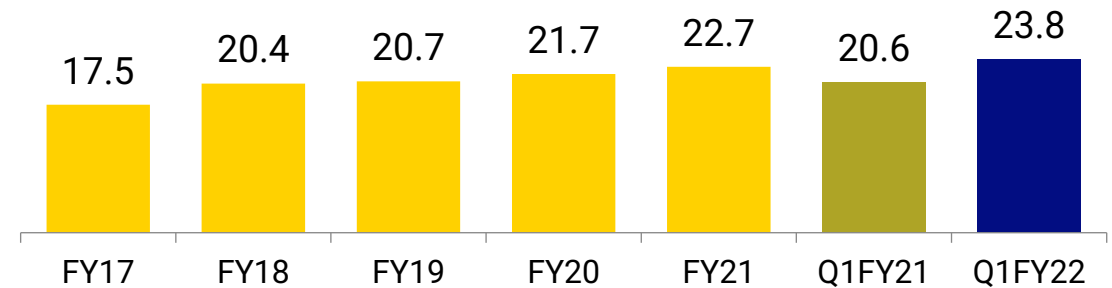
Web Sales



Sales Volume ('000s)



Average Selling Price US\$

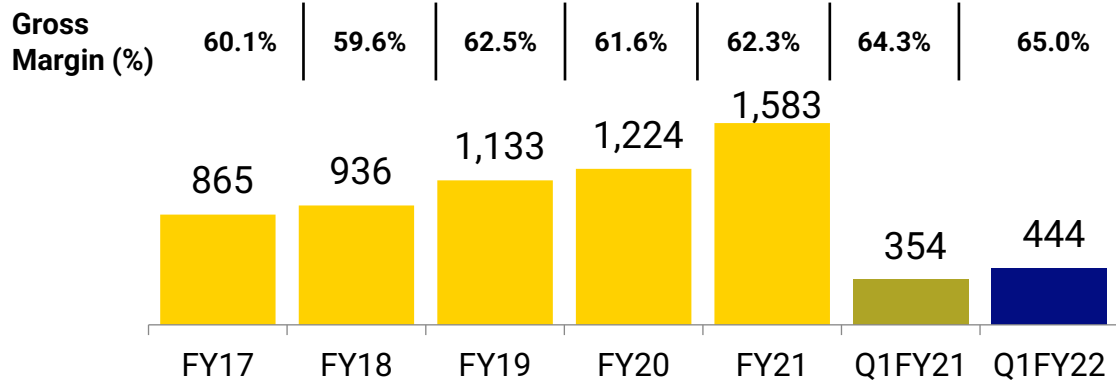


Financial Performance Trends

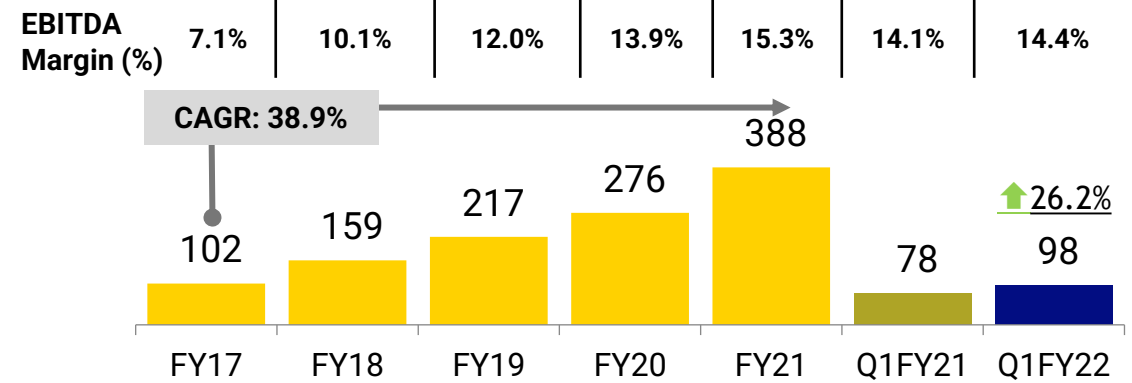


Profits – (Rs. crore)

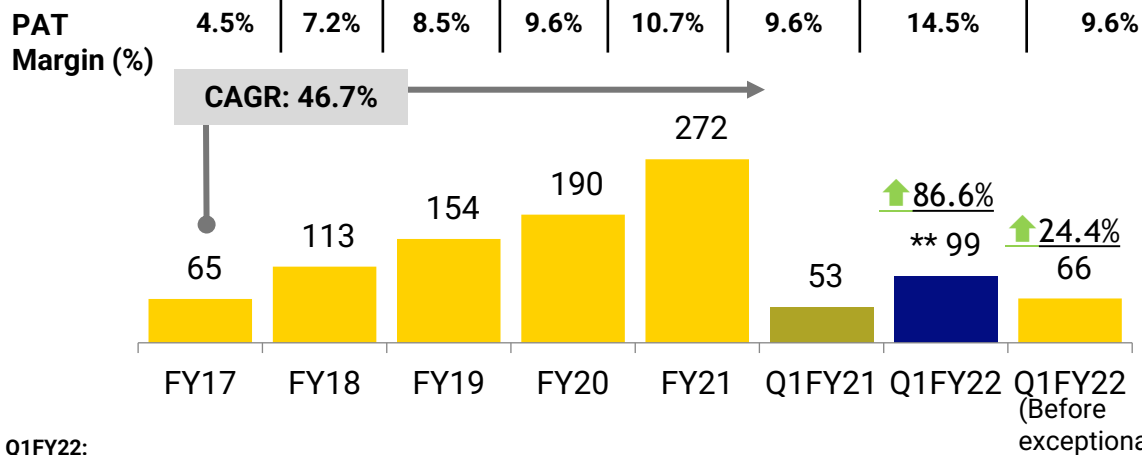
Gross Profit



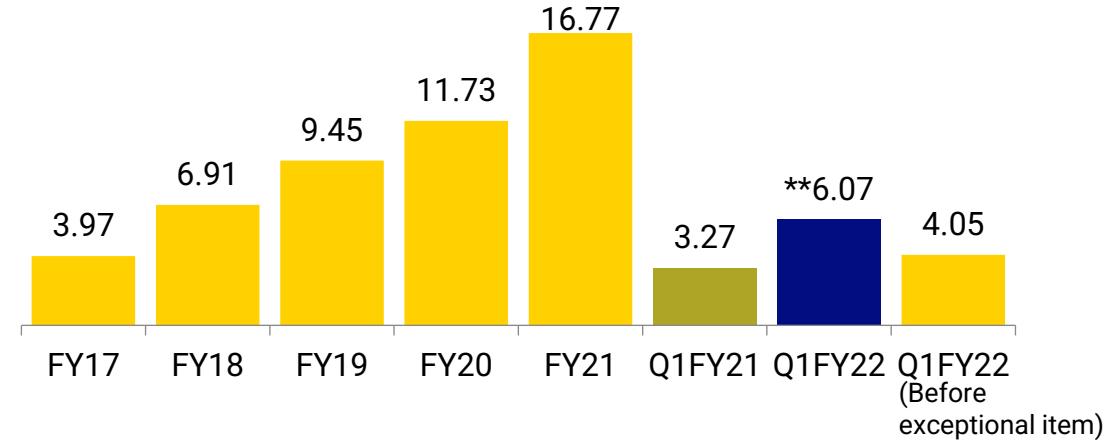
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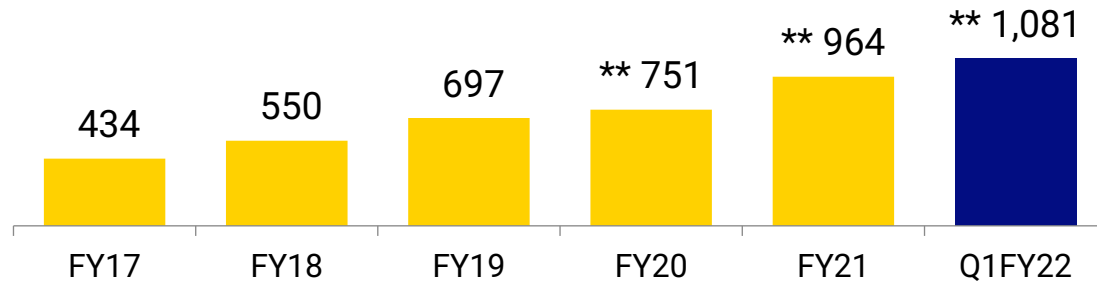
***Excluding Germany & exceptional item: PAT growth: 36.2%; PAT margin: 10.6%; EPS – Rs. 4.43

Financial Performance Trends

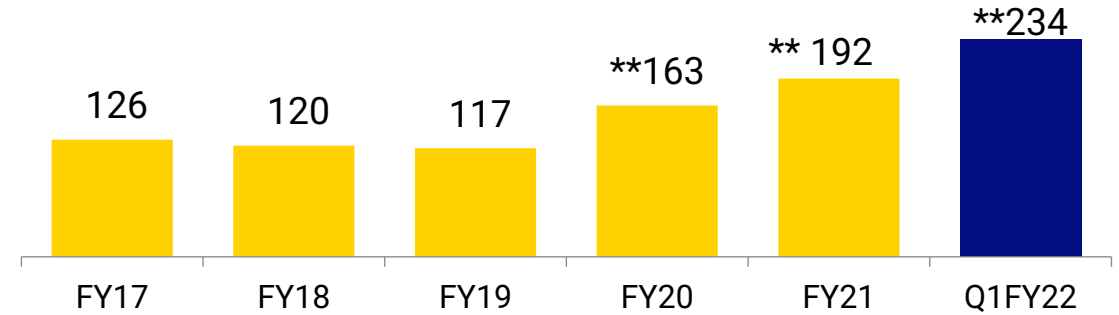


Balance Sheet – (Rs. crore)

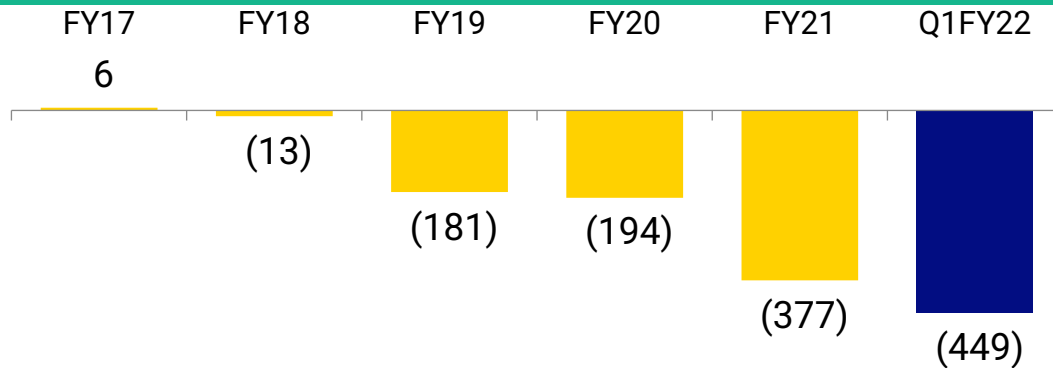
Shareholders' Equity



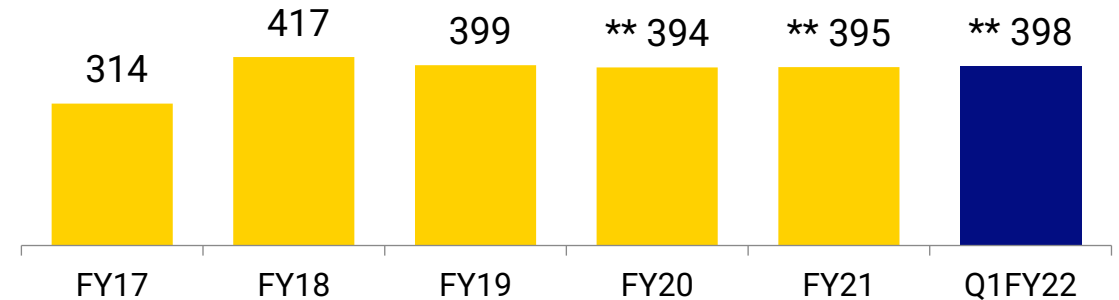
Fixed assets including intangibles



Net Debt



Net Assets ***



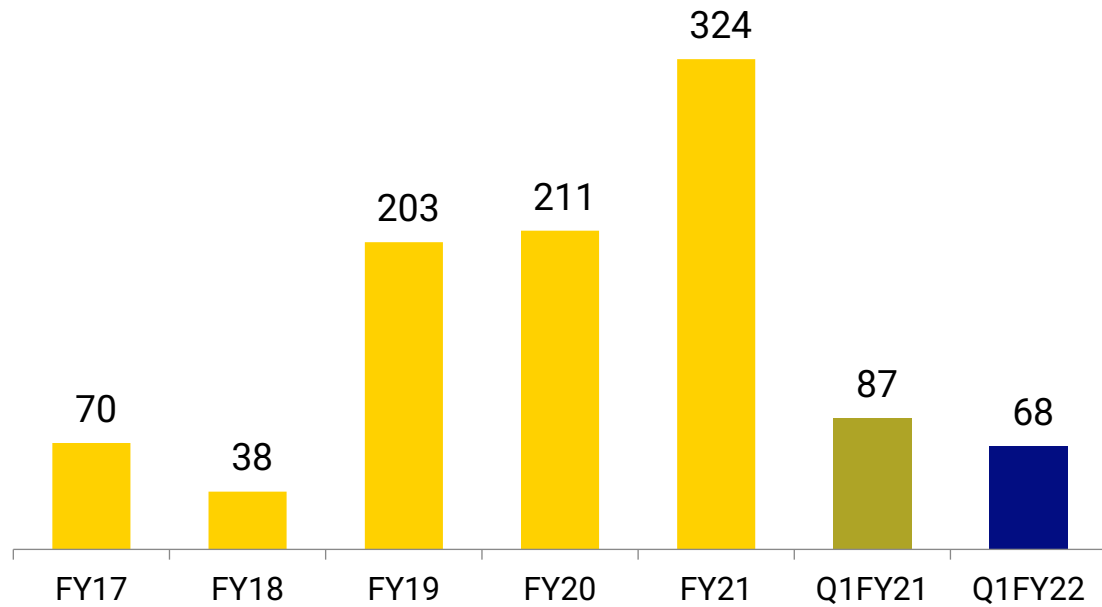
Note:
 ** Ind AS 116 – Leases, has become effective beginning 01 April 2019. The Group has adopted the standard beginning 01 April 2019.
 *** Net Assets is the balancing figure arrived at by excluding shareholders equity, net debt, and fixed assets including intangibles

Financial Performance Trends

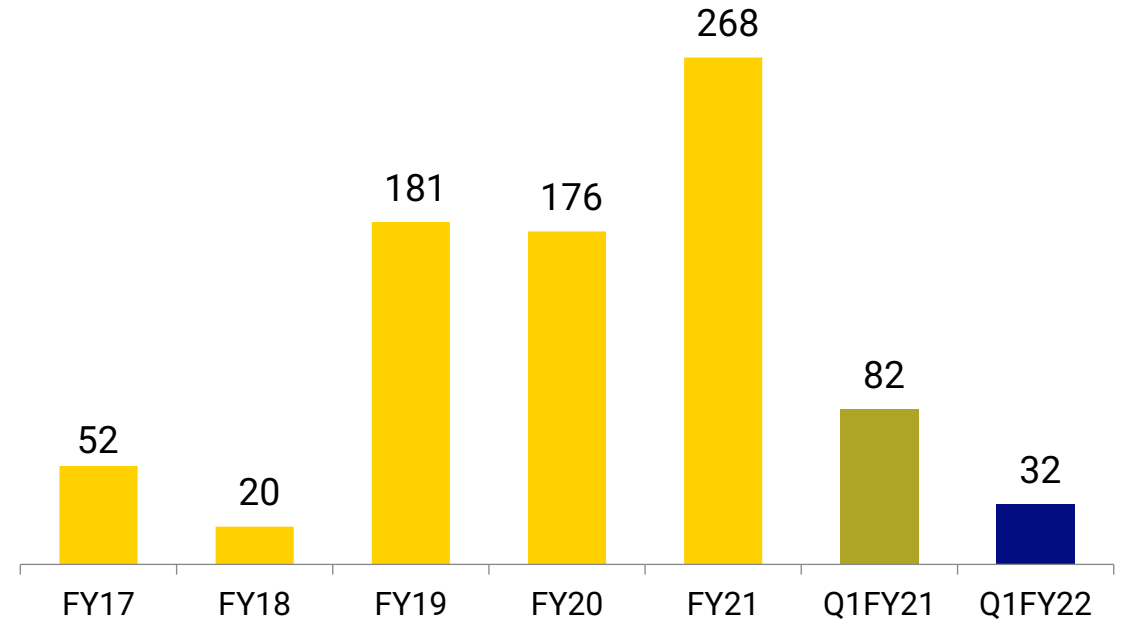


Cash Flow – (Rs. Crore)

Operating Cash flow



Free Cash Flow

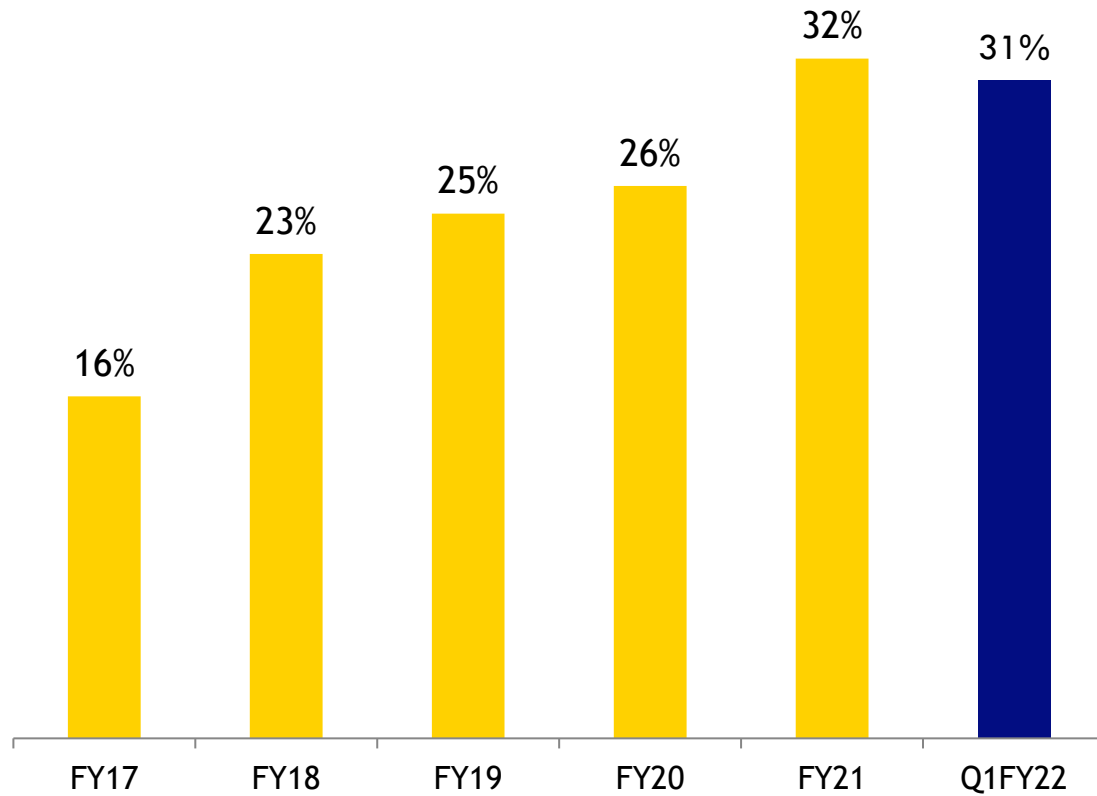


Financial Performance Trends

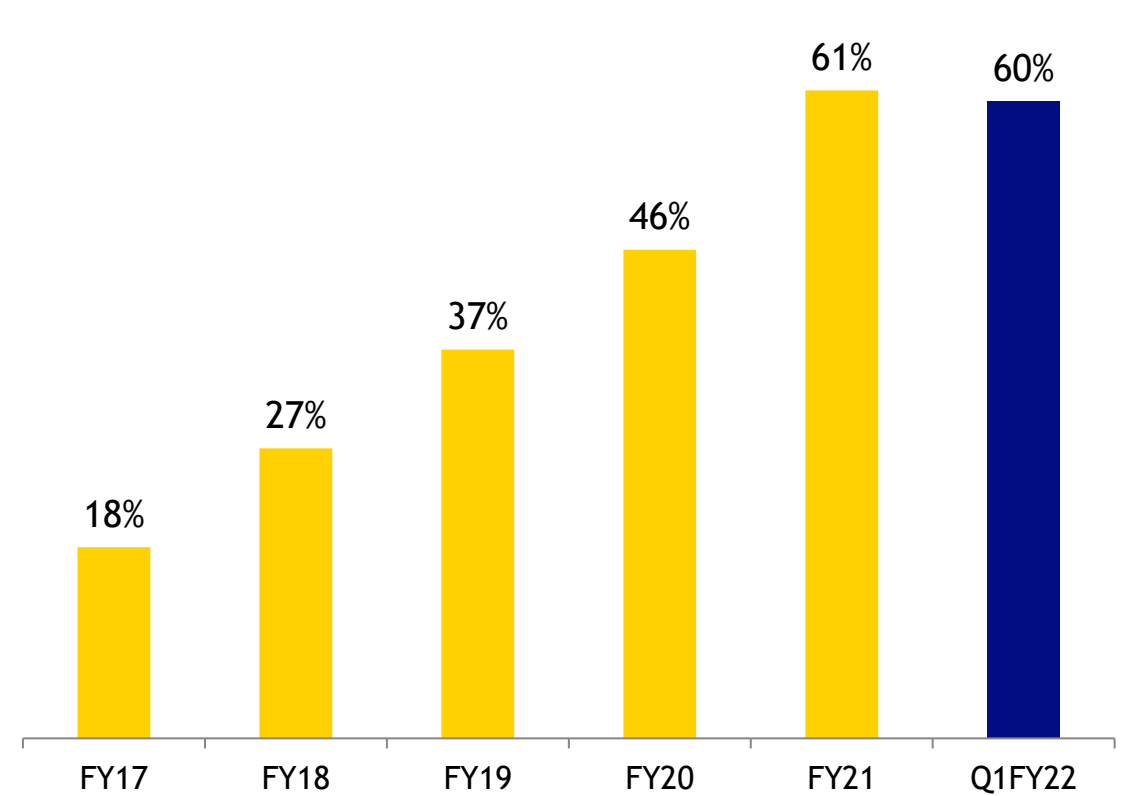


Key Ratios

ROE (TTM)



ROCE (TTM)



Note -
ROE – based on average net worth
ROCE – based on average capital employed



Annexures

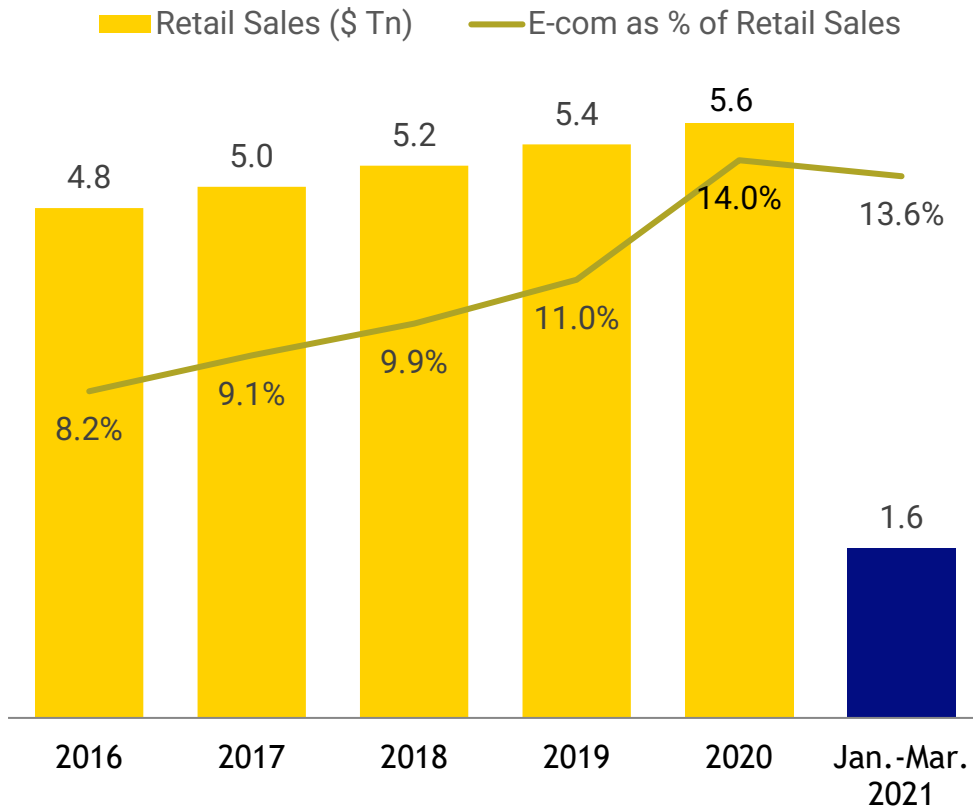
Growth in Digital Commerce



Industry

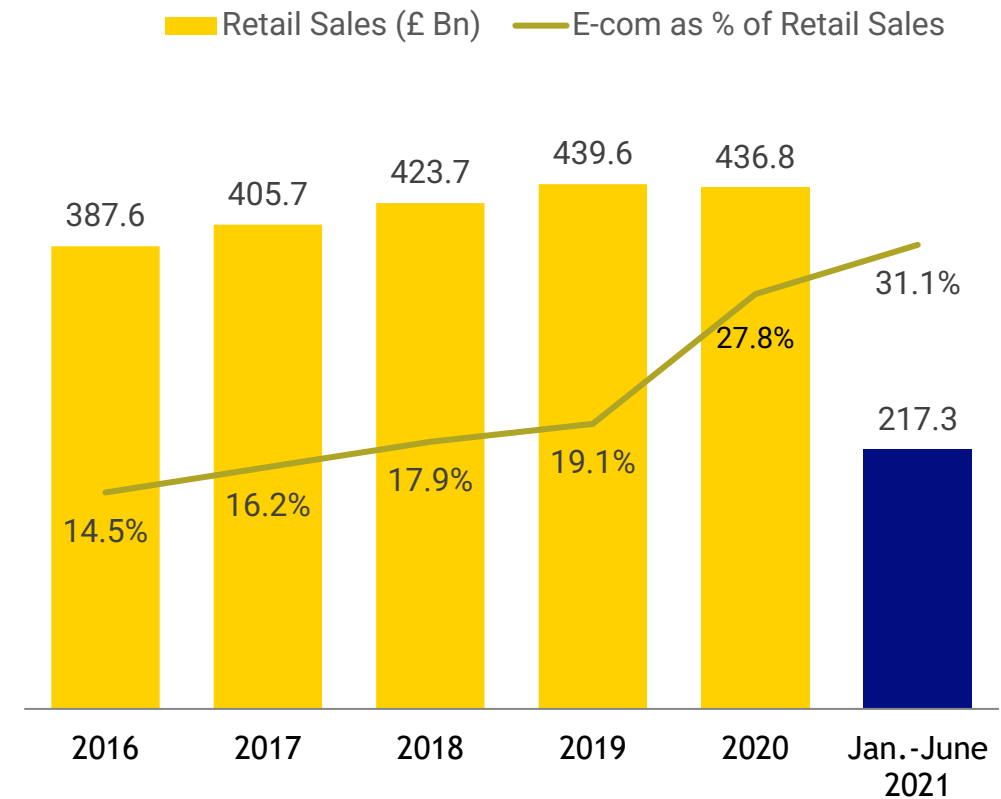


US Retail & E-com Sales



Source: United States Census Bureau www.census.gov

UK Retail & E-Com Sales



Source: Office for National Statistics www.ons.gov.uk



Q1 FY22

Rs. 24.5_{cr}

Dividend (interim dividend)

Dividend Payout Policy

- > 20-30% of consolidated free cash flow
- > Higher payout in special circumstances
- > Balance between resource conservation and shareholder reward

Best Governed Company

Award at ICSI National Awards for Excellence in Corporate Governance in Jan 21



B S R & Co. LLP

Statutory Auditors

DELOITTE

Internal Auditors

ICRA A
(Stable Outlook)

CARE A
(Stable)

Credit Rating – Long-term

ICRA A1

CARE A1

Credit Rating – Short-term

Environmental Initiatives



ENERGY

3.23
mw

Solar power capacity meets 100% power requirement at manufacturing units in Jaipur

LEED
Platinum

certified unit at SEZ in Jaipur, Rajasthan



*Reduce,
Recycle, Reuse
and Reclaim*

WATER

52 lac ltrs.

Rainwater harvested per annum

5 kl

Water saved per day with the installation of low LPM faucets

43 kl

water recycled per day, which equals 15,000 kl. per year

BIODIVERSITY

~13,000

Saplings planted for developing a Miyawaki forest

~5,100

Additional saplings planted till date



WASTE

100%

conversion of bio-degradable waste (vegetables, food, leaves) into manure

Community Giveback



- > Served **55 million** meals to underprivileged children through flagship One for One Program, **Your Purchase Feeds...**
- > Local charity partners
 - Akshaya Pātra in India
 - No Kid Hungry and Backpack Friends in US
 - Magic Breakfast & Felix Project in UK



Covid-19 Key Initiatives

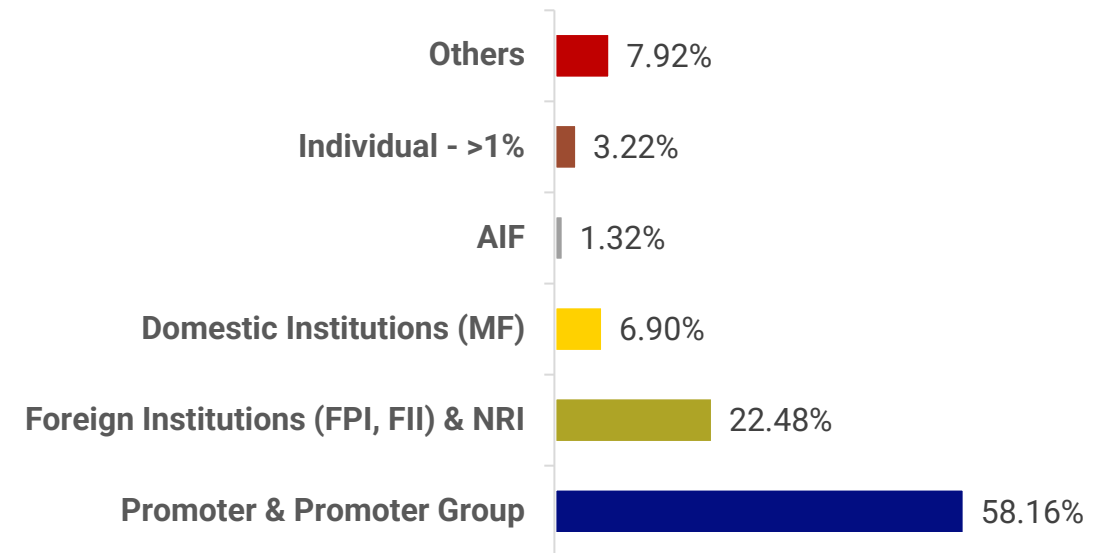
- > Donated an Oxygen plant to Santokba Durlabhji Memorial Hospital in Jaipur, Rajasthan. This plant has a total capacity of generating 30 cubic meter oxygen per hour
- > Distribution 117 Oxygen concentrators, 36 BIPAP, 4 ventilators

VGL Shareholder Base – As on 30-June-2021



Key Shareholders (Holding 1%+)	Holding as on 30-June-21
Promoter & Promoter Group	58.16%
Nalanda India Fund Limited (FII)	10.29%
Motilal Oswal Flexi Cap Fund (MF)	6.86%
Malabar India Fund Limited (FPI)	5.60%
Vijay Kedia (Individual)	1.84%
Ashish Kacholia (Individual)	1.38%

Shareholding Pattern



Management Team



Mr. Sunil Agrawal
Managing Director, VGL Group



Mr. Vineet Ganeriwala
CFO, VGL Group



Mr. Amit Agarwal
President, Shop LC (US)



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



Mr. Jay Chandran
*Chief Technology Officer,
VGL Group*



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



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



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



THANK YOU

For more information please contact:

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