

# SHOPPERS STOP

SEC/44/2023-24

July 24, 2023

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001. <b>Stock Code : 532638</b>	National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051. <b>Stock Symbol : SHOPERSTOP</b>
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Dear Sir / Madam,

**Sub.: Press Release and Investor Presentation for the quarter ended June 30, 2023**

Please find enclosed Press Release and Investor Presentation dated July 24, 2023 for the captioned subject.

This information is also being made available on the corporate website of the Company i.e. <https://corporate.shoppersstop.com/investors/>.

Kindly take the above on record.

Thank you.

Yours truly,  
For **Shoppers Stop Limited**

**Vijay Kumar Gupta**  
**Vice President- Legal, Company Secretary & Compliance Officer**  
ACS No: 14545  
Encl: A/a

**Shoppers Stop Limited**

Registered & Service Office : Umang Tower, 5<sup>th</sup> Floor, Mindspace, Off. Link Road, Malad (W), Mumbai 400 064, Maharashtra.  
T 022- 42497000 CIN : L51900MH1997PLC108798. Email : [customercare@shoppersstop.com](mailto:customercare@shoppersstop.com) Website: [www.shoppersstop.com](http://www.shoppersstop.com)  
Toll Free No.:1800-419-6648 (9 am to 9 pm).

# SHOPPERS STOP

## Shoppers Stop reports highest Q1 revenue of Rs 1241 Cr and EBITDA of Rs 58 Cr in Q1FY24

- Reports PBT of Rs.19 Cr in Q1 FY24; PAT at Rs 13 Cr
- Brands premiumization across categories resulted into strong Average Transaction Value growth of 8%
- Capex investment of Rs 43 Cr
  - Added 1 HomeStop and 6 Beauty stores
  - 5 Department stores under fit-out
  - Renovated 3 Department and 1 HomeStop Stores
- Shoppers Stop launched “Fashion For All” format under the brand “**Intune**”, which is 100% private brand. Opened 3 stores-2 at Hyderabad and 1 at Dombivali (Mumbai), 3 stores under fit out
- Beauty remained fastest growing segment recording sales of Rs 216 Cr, +13% YoY

**Mumbai, July 24, 2023:** Shoppers Stop Ltd. one of India’s leading premier fashion and beauty brands, has declared its results for the quarter ended 30<sup>th</sup> June 2023, for the fiscal year 2023-24.

### Key financial highlights for Q1 FY24

Rs in Cr.	Non-GAAP			GAAP		
	Q1FY24	Q1FY23	Growth%	Q1FY24	Q1FY23	Growth%
Sales	Rs 1241 Cr	Rs 1190 Cr	4%	Rs 982 Cr	Rs 942 Cr	4%
Gross Margin	38.1%	38.2%	-15 Bps	42.3%	42.2%	10 Bps
EBITDA	Rs 58 Cr	Rs 68 Cr	-15%	Rs 180 Cr	Rs 168 Cr	7%
PBT	Rs 19 Cr	Rs 32 Cr	-41%	Rs 20 Cr	Rs 32 Cr	-36%
PAT	Rs 13 Cr	Rs 23 Cr	-41%	Rs 15 Cr	Rs 22 Cr	-33%

### Management Comments:

**Mr. Venu Nair, MD & CEO at Shoppers Stop, commented on the Q1 FY24 results,** “Retail Sector is moving towards normalcy, with Beauty & non-apparel categories seeing strong growth. However, Apparel segment is witnessing moderation, and the operating environment remains challenging. In this context we have delivered a resilient and competitive performance. Our business model and its strategic pillars are driving sustainable growth. As a result, our revenue for Q1FY24 has grown by 4% compared with Q1FY23. We continue to revamp our older stores to upgrade their look and feel, offering fashionable brands for all age groups and customers. Our strategy of democratization of beauty for all segments of customers has driven growth. The 3P customer centric strategy about personalization, premiumization and private label has, resulted in Increased Average Transaction Value (ATV) Average Selling Price (ASP) by 8% and 5%.

“On the overall store expansion strategy, Shoppers Stop will open 12 new Department stores in 7 new cities by the end of FY24, apart from 15 Beauty stores. Recently, we launched “**Intune**” a “Fashion For

All” format, again one of the strategic initiatives to cater to the Young Families. We launched 3 stores, 2 at Hyderabad and 1 at Dombivli (Mumbai) and another 3 stores are under fit out.”

“Our customer engagement strategy through various offline and online activations like beauty makeovers, End of Season Sale (EOSS) witnessed a rebound of customers footfalls to our stores resulting in higher traction. For a more personalized experiences through AI, we have introduced ‘**Virtual Try On and Skin Analyzer**’ at SSBeauty stores for virtual try on make-up experience.”

#### **Performance of strategic pillars in Q1FY24:**

- **First Citizen Loyalty Customers** continue to choose us as their preferred brand of choice for their fashion and beauty needs. First Citizen base expanded to 9.2Mn loyal customers and contributed to 80% of offline sales and 42% of online sales. For our premium Black card members, the Average Transaction Value (ATV) was 2X and members spend was 4X of the First Citizen. We received 2X campaign response from our 450+ customer engagement activities with an increased ATV +26%.
- **Private Brands** – Private Brands Sales gave a contribution of 14% to the Sales and 21% on apparel. Indian wear category outperformed with “**HAUTE CURRY**” grew by 42% and “**KASHISH**” grew by 14%. Smart Casual wear for men under the brand “**FRATINI**” grew by 39%.
- **Beauty** – Beauty at Rs.216 Crs, grew by 13% contributing 16.4%. The strong customer engagement with 160K makeovers resulted into higher engagement and conversion. We have launched 23 new brands under the beauty category such as **Kilian Paris, Lancôme, Olaplex, Farmacy** etc. We introduced “**Virtual Try On and Skin Analyzer**” at SS Beauty store for virtual try on make-up experience, one of the unique propositions from Shoppers Stop to its customers.
- **Store Expansion** – We launched 1 HomeStop and 6 Beauty Stores in this quarter. We have 5 Department stores under fit-out and schedule to open this quarter. We renovated 3 departmental and 1 Homestop during the quarter. We also launched 3 Intune stores – 2 at Hyderabad and 1 at Dombivli (Mumbai) in this quarter. Our Capex investments were at Rs.43 Crs.

#### **Outlook**

In the near-term, Retail Industry will continue to witness rebalancing of price-volume growth equation and a gradual recovery in consumer demand. In this environment we will continue to provide superior value to our consumers and invest behind our Stores/Brands. We remain focused on driving our long-term strategic priorities including expansion into newer markets and building distinctive capabilities for the future.

**Note:**

We have published a detailed Non-GAAP and GAAP Income Statement. Our non-GAAP measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP.

**About Shoppers Stop Limited:** Shoppers Stop Ltd. is the nation's leading premier retailer of fashion and beauty brands established in 1991. Spread across 98 department stores, the Company also operates 7 premium home concept stores, 146 Specialty Beauty stores of M.A.C, Estée Lauder, Bobbi Brown, Clinique, Jo Malone, Too Faced, SS Beauty, 3 Intune and 22 Airport doors, occupying area of 3.9 M sq. ft. Shoppers Stop is home to one of the country's longest running and most coveted loyalty program 'First Citizen'. The Company's one-of-a-kind shopping assistance service, 'Personal Shopper' is revolutionizing the way Indian's shop, bringing more value, comfort, and convenience to customer experiences. The brand's diversified Omni channel offering spans over 800+ recognized and trusted brands across an incomparable range of products that together serve our overarching objective of delivering customer delight.

**Disclaimer**

*Certain statements in this release concerning our future growth prospects are forward-looking statements within the meaning of applicable securities laws and regulations, and which involve number of risks and uncertainties, beyond the control of the Company, that could cause actual results to differ materially from those in such forward-looking statements. These forward-looking statements reflect the Company's views at the time such statement were made with respect to future events and are not a guarantee of future performance or developments. The Company does not take any responsibility for any interpretations/ views/commentaries/reports which may be published or expressed by any media agency, without the prior authorization of the Company's authorized personnel.*

**For more information, contact:****Shoppers Stop Ltd**

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# SHOPPERS STOP

PERFORMANCE

HIGHLIGHTS

Q1 FY24



# 1 KEY HIGHLIGHTS

2 STRATEGIC PILLARS

3 FINANCIALS

# MARKET OUTLOOK



## Customer

- Consumers prefer unique, engaging, and immersive experiences
- Retailers are responding with entertainment, Food & Beverage, and social interaction spaces that are distinct, as opposed to traditional places

## Omni Channel

- More “Omni” than exclusive E.Com. Growth tapering with significant offline expansion
- Focus on unit economics, introduction of reverse logistics fees

## Industry

- Apparel demand continues to be muted post Diwali, partial revival from mid-June
- Higher discounting to expedite Inventory liquidation
- Expect demand to pick up during second half

## Expansion

- India is 5<sup>th</sup> Largest Worldwide Retail destination<sup>(1)</sup>
- High Demand for organized Retail Space. Leased space of 4.7M sq. ft. in 2022. Estimated to lease 6.8M sq. ft. in 2023<sup>(2)</sup>
- Brands continue to expand offline presence

1. Source: [www.ibef.org](http://www.ibef.org)

2. Source: CBRE

# Q1 HIGHLIGHTS

- Non-Apparel Category +13%, led by **travel and luggage** +50% and watches +9%
- Beauty +13%, led by **Fragrance** Category +16%; Strong Customer engagement with 160k **Makeovers**
- **First Citizen** mix at 80%, including repeat member 67%
- **ATV** +8%, grew for 13 consecutive quarters, **ASP** +5% led by premiumization
- Launched **Fashion For All** brand “**Intune**”; Opened 3 stores-2 in Hyderabad and 1 in Dombivali





# Q1 in Numbers

(Non GAAP)

## Financials

Revenue	Rs 1,241 Crs	+4%
EBITDA	Rs 58 Crs	5.3% of Net Sales
PBT	Rs 19 Crs	1.7% of Net Sales
PAT	Rs 13 Crs	1.2% of Net Sales

## Strategic Pillars

Private Brand	Rs 171 Crs	Flat
Beauty	Rs 216 Crs	+13% (+7% excl. Beauty Distribution)

## Expansion and Renovation

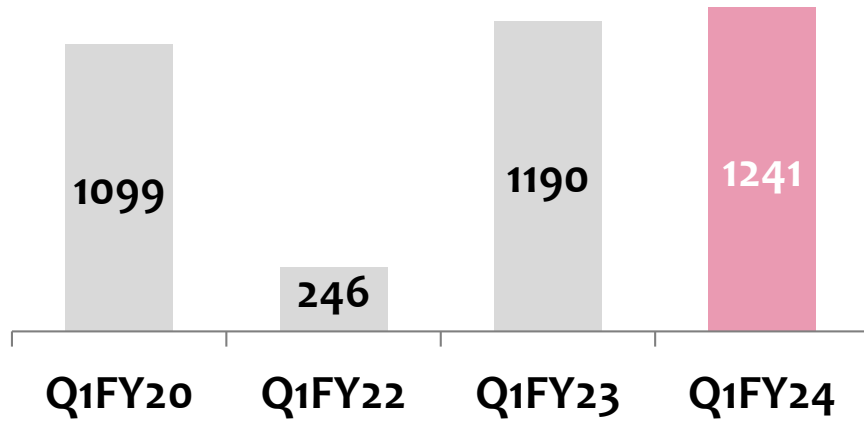
- Expansion  
1 HomeStop + 6 Beauty  
5 Department stores under Fit-out
- Renovation  
3 Department + 1 HomeStop
- Capex  
Rs 43 Crs



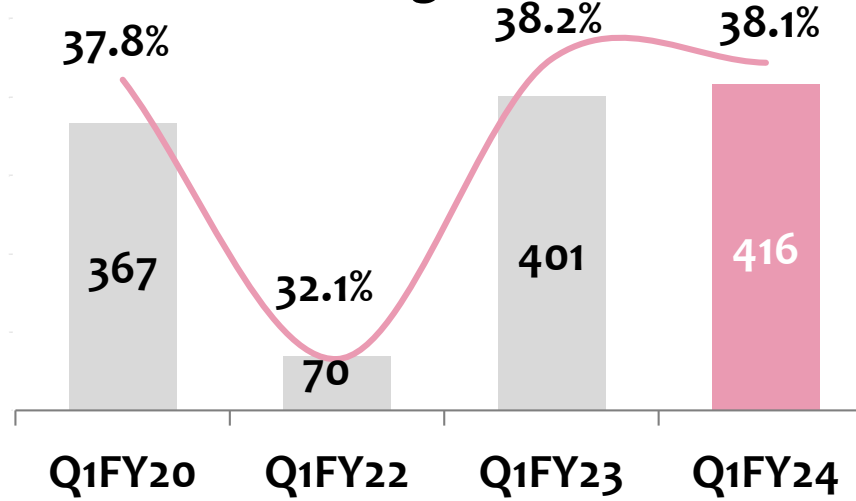
# QUARTERLY TREND (NON GAAP)

(Rs in Crs)

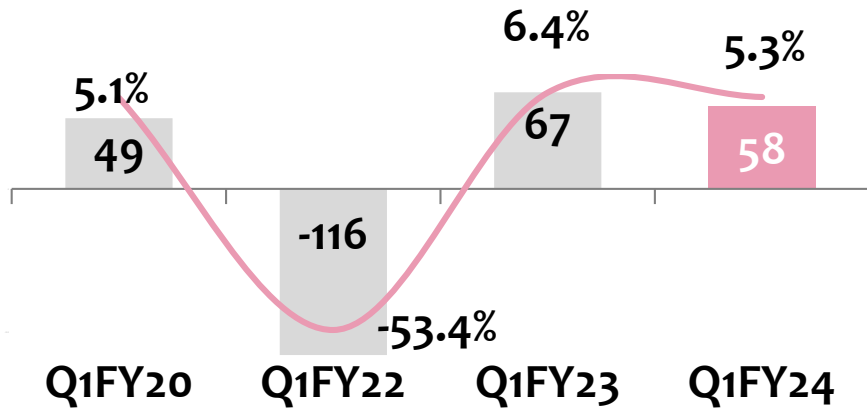
## Sales



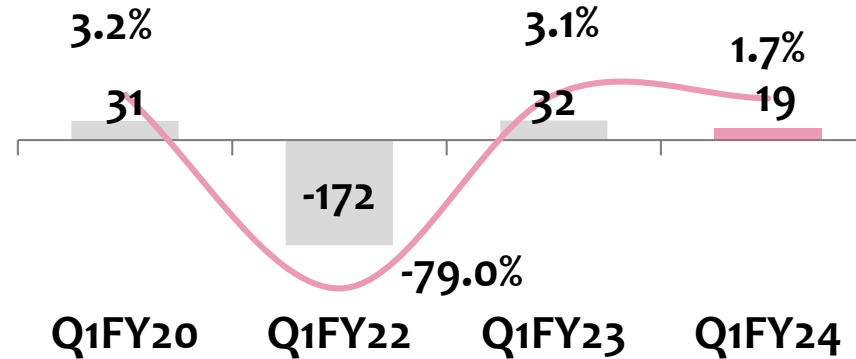
## Margin



## EBITDA



## PBT\*



% is on Sales (Net of tax)

\*Q1 FY24 includes ESOP charge of Rs. 3.8 Crs

\*Q1 FY20 includes gain of Rs. 14.8 Crs from sale of FRL shares

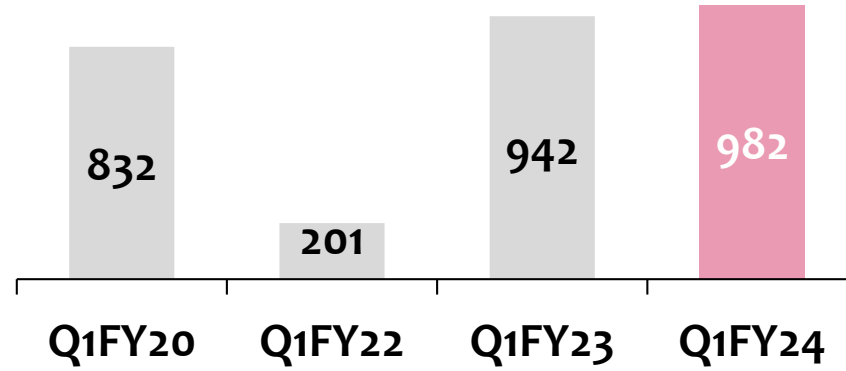




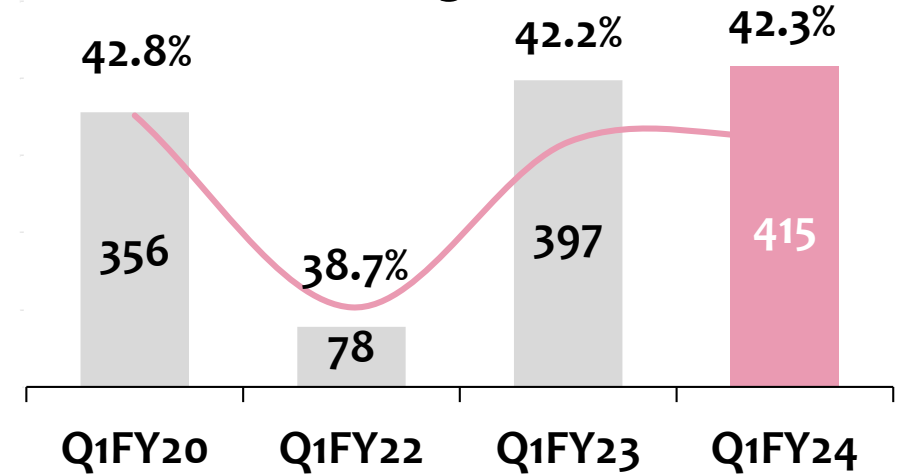
# QUARTERLY TREND (GAAP)

(Rs in Crs)

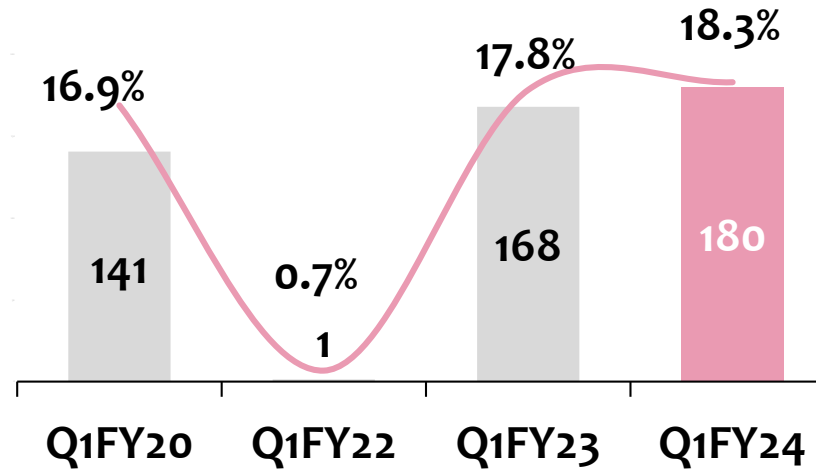
### Sales



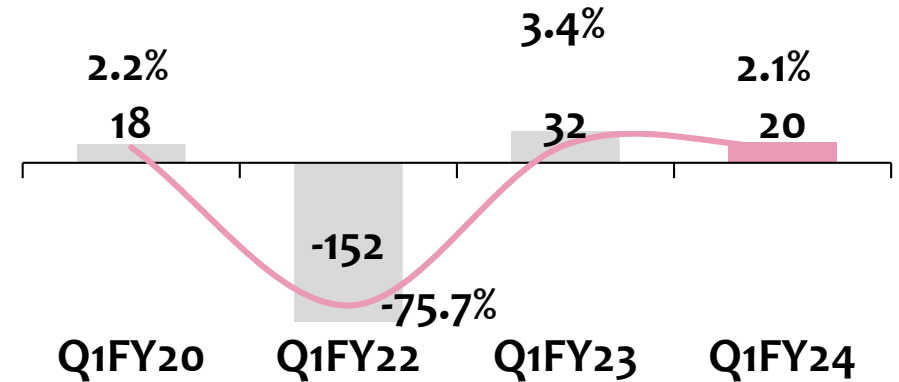
### Margin



### EBITDA



### PBT

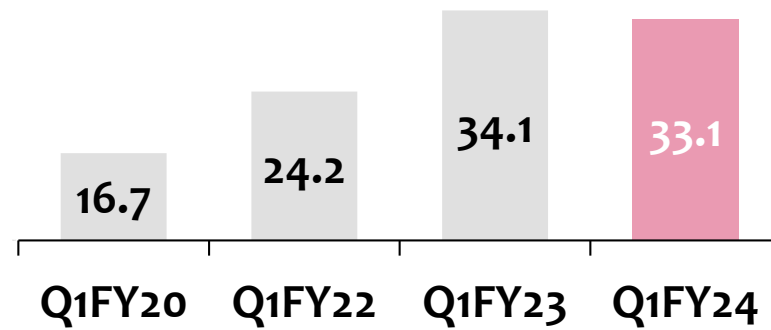




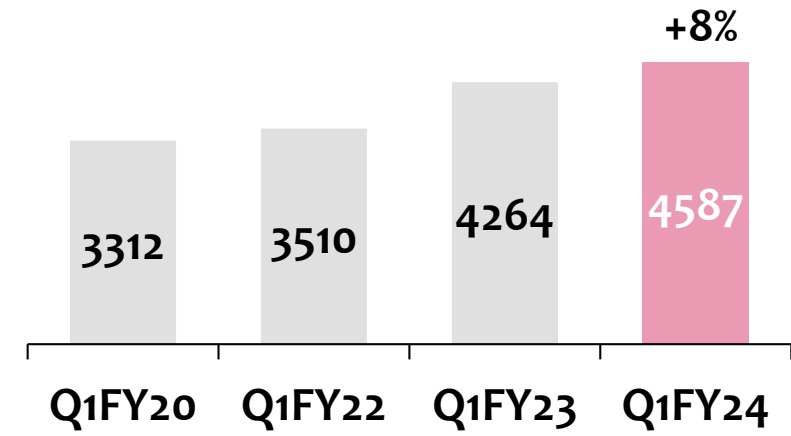
# OPERATIONAL KPIs

(Offline + Online)

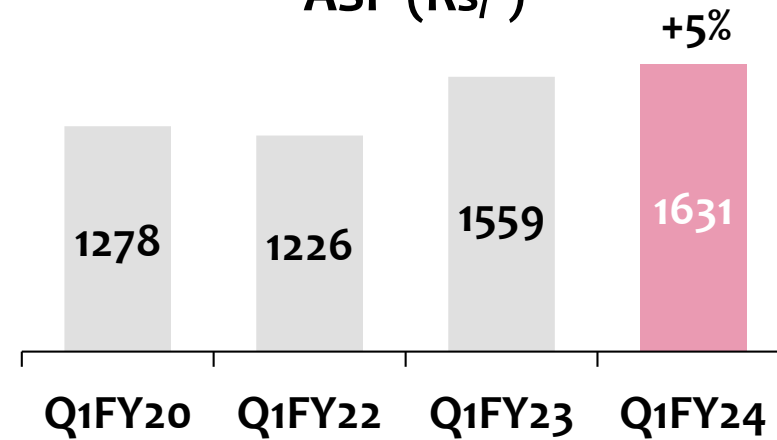
### Customer Visits (Mn)



### ATV (Rs/-)



### ASP (Rs/-)





1 KEY HIGHLIGHTS

2 STRATEGIC PILLARS

3 FINANCIALS

# STRATEGIC PILLARS

Growth Vs FY23

Additions in Q1



SALES CONTRIBUTION

# FIRST CITIZEN

## Sales contribution:

- Offline 80%, including New Member 13%
- Online 42%

## Black Card Members :

- Contribution 13% to Overall Sales
- ATV 2X of First Citizen
- Members Spend 4X of First Citizen

## Customer Engagement

- Members shopped base expanded +3%
- Repeat sales +11% , mix improved to 67% (+3%)
- First Citizen contribution at standalone beauty door @ 71%
- 2X campaign response from 450+ customer engagement activities with ATV +26%



# PRIVATE BRANDS

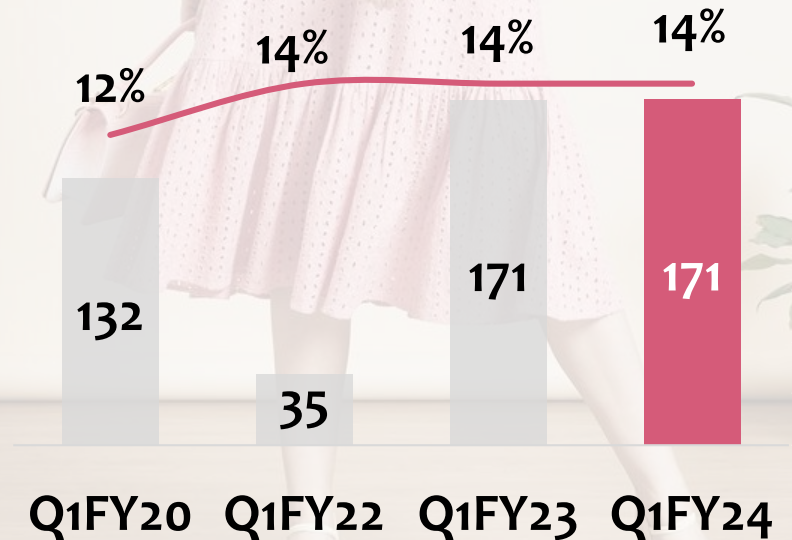
(Vs Q1 FY23)

## Sales

Rs.171 Crs

- PB Contribution
  - Overall 14%
  - Apparels 21%
- Launched Footwear range under “Fratini” and “Bandeya”
- Indianwear continues to out-perform
  - “HAUTE CURRY” +42%
  - “Kashish” +14%
- “Fratini” Mens +39%, led by Smart casuals

## Sales and Contribution %





- We launched **INTUNE** on June 2, 2023
- We offer Apparel, footwear & accessories across Men's, Women's and Kid's
- INTUNE stands for “**Fashion For All**” – from the trendy college-goer to the classically dressed young parent to the cute & energetic kid, INTUNE has something for everyone
- With its 100% in-house assortment, INTUNE brings to the fore fresh, quality fashion for the cool-spirited customers at shockingly accessible prices

## **OUR MISSION**

- One stop shop for fashion
- Fresh fashion @ unbeatable prices
- Offer a truly omni-channel shopping experience

## **PRESENT STATUS**

- Opened 3 stores
  - In DSL Mall and GSM Mall at Hyderabad
  - Xperia Mall, Dombivali
- Store size Avg 5,000 Sq ft
- Customer Profile – Young Families
- Expansion – 3 Stores under fit-out

# INTUNE – INSIDE THE STORE



# Intune @ DSL Mall, Hyderabad



# Intune @ GSM Mall, Hyderabad



# BEAUTY

(Vs Q1 FY23)

**Sales**                      **Rs.216 Crs.**                      **+13%**  
**Rs.204 Crs.**                      **+7% (excl. Distribution)**

- Strong customer engagement with 160K make-overs contributing 17%
- Fragrance outperformed, +16%
- Launched SSBeauty Store at Elante Mall, Chandigarh
- Introduced “Virtual Try On and Skin Analyzer” at SSBeauty store for virtual try on make-up experience
- Launched 23 brands across categories viz; KilianParis, Lancome, Olaplex and Farmacy

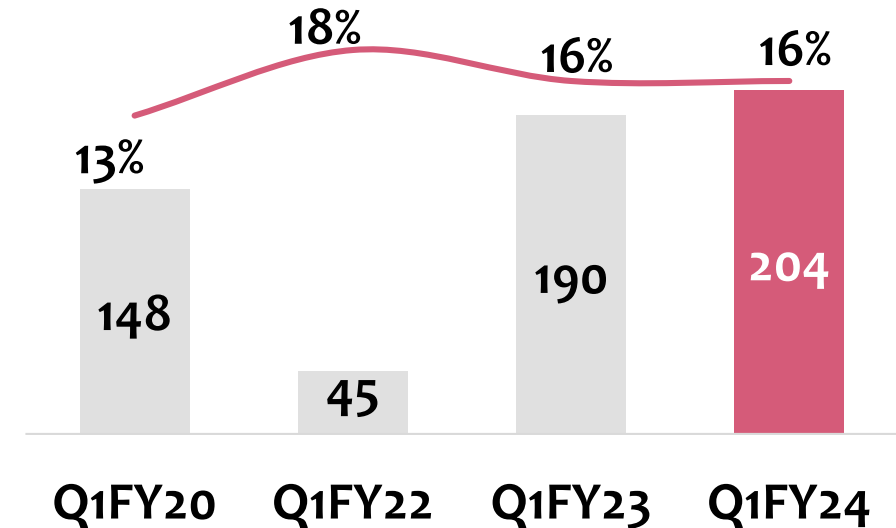
## Arcelia (Private Brand)

- 80 SKUs launched across categories; Portfolio of 500+ SKUs

## Network

Offline	count
Standalone	78
Shop in Shop	57
SSBeauty	11
<b>Total Offline</b>	<b>146</b>
<b>Online</b>	
Shoppersstop.com	
SSBeauty.com	

## Sales and Contribution %



# BEAUTY DISTRIBUTION

Sales Rs 15 Crs

- Retailers on boarded (Online + Offline) : 20
- Distribution network (No. of Doors) : 266
- Brands portfolio expanded with onboarding;
  - Marquee Makeup brand “**Armani**” (L'Oréal Group)
  - Perfume brands “**Tumi**” and “**Banana Republic**” (Park Fragrances group)



# KEY BEAUTY CAMPAIGNS



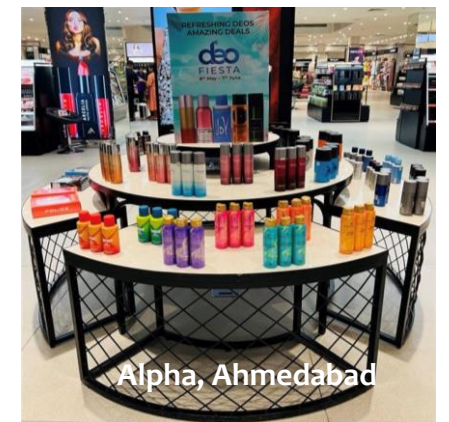
Select Saket, New Delhi



Vashi, Mumbai



Logix, Noida



Alpha, Ahmedabad

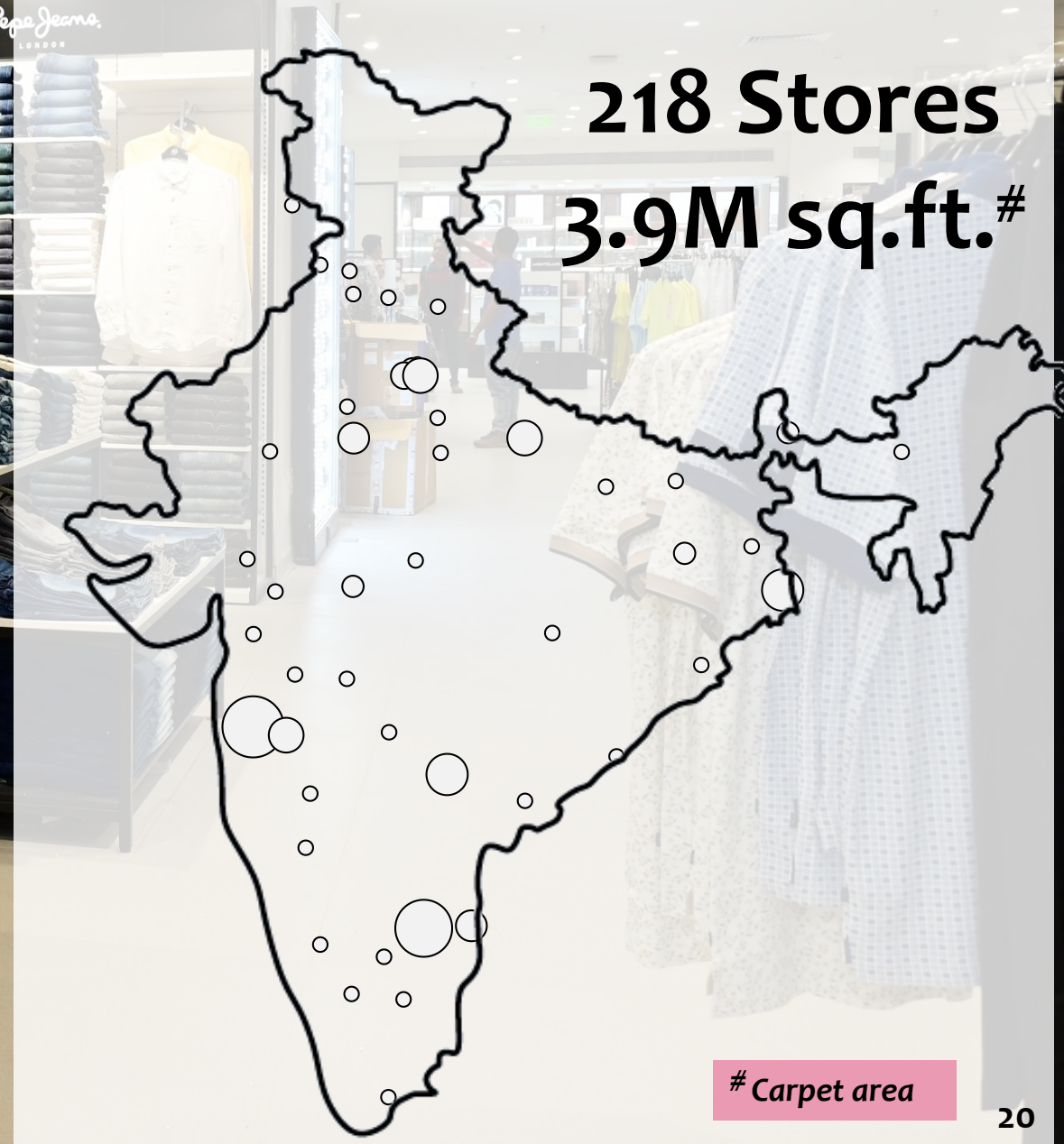
# EXPANSION

## Store Footprint as on 30<sup>th</sup> Jun23

Format	Store count
Department Stores	98
Home Stop	7
Beauty Stores	89*
Intune	2
Airport Doors	22

\*excludes 57 Shop in Shop

Investments (Rs In Crs)	Q1 FY24
New Stores and Renovation	28
Technology/Others	15
<b>Total</b>	<b>43</b>





# New Store – HomeStop @ Unison Mall, Dehradun



# New Store – SSBeauty @ Elante Mall, Chandigarh



# New Beauty Stores @Phoenix Mall, Ahmedabad



# New MAC Stores



Phoenix, Indore



Kanakpura, Bangalore

# Renovation – HomeStop @ Select Saket



# Renovation – Department Stores



**Prozone Mall, Aurangabad**



**Metro Junction, Kalyan**



**City Centre, Siliguri**



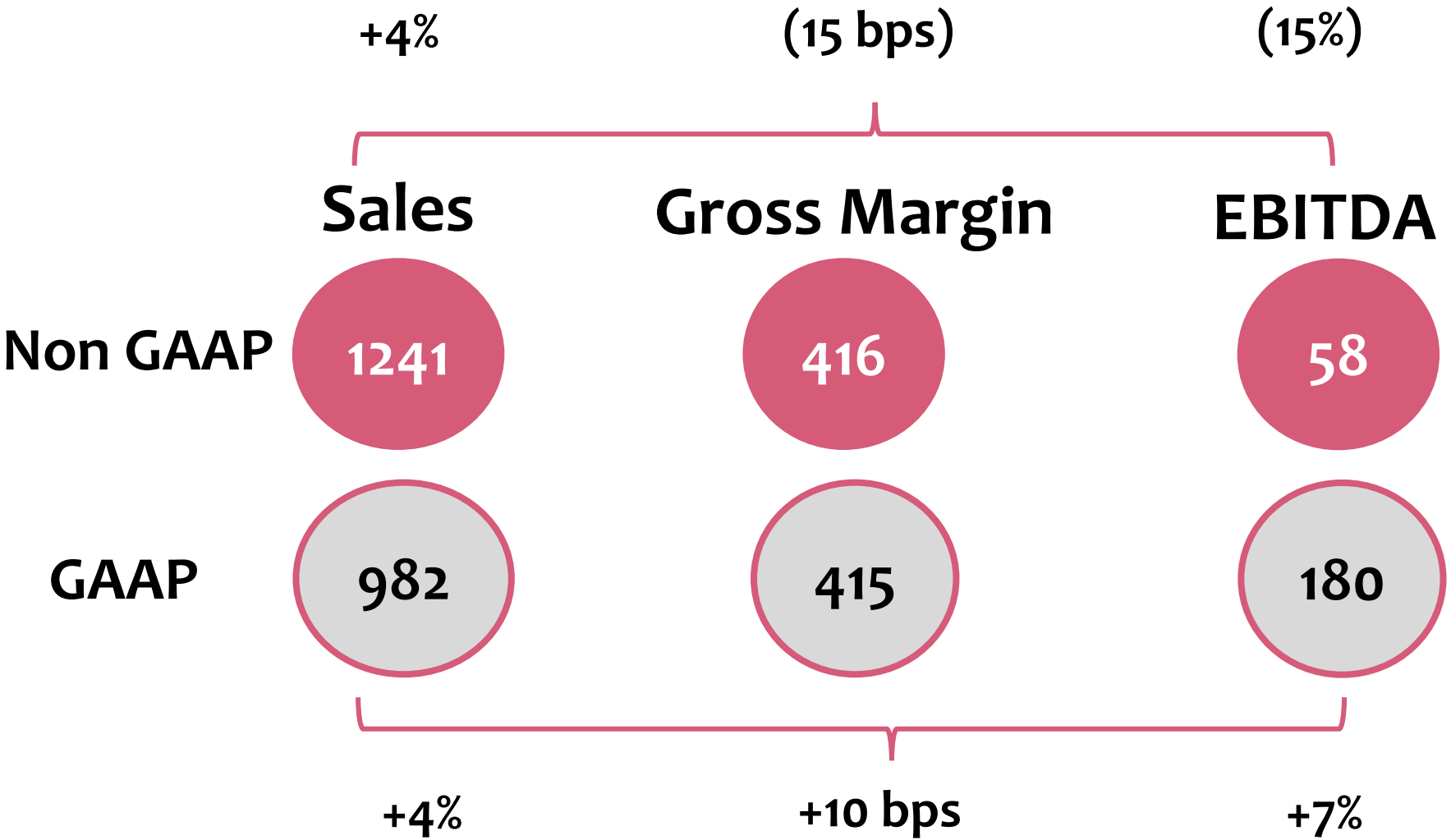
1 KEY HIGHLIGHTS

2 STRATEGIC PILLARS

**3 FINANCIALS**

# KPI PERFORMANCE – Q1

Vs Q1FY23



(Rs Crs)





# FINANCIALS Q1 FY24

Particulars	Non - GAAP Financials			GAAP Financials		
	FY24	FY23	Gr%	FY24	FY23	Gr%
Gross Revenue	1241	1190	4%	1103	1058	4%
Net Revenue	1093	1048	4%	982	942	4%
Other Income	23	16	44%	7	6	29%
<b>Total Revenue</b>	<b>1116</b>	<b>1064</b>	<b>5%</b>	<b>989</b>	<b>948</b>	<b>4%</b>
Margin	416	401	4%	415	397	4%
Margin%	38.1%	38.2%	-15 Bps	42.3%	42.2%	10 Bps
Operating Exp.	382	350	9%	243	235	3%
<b>EBITDA</b>	<b>58</b>	<b>67</b>	<b>-15%</b>	<b>180</b>	<b>168</b>	<b>7%</b>
Depreciation	32	30	7%	105	85	24%
Finance Cost	3	6	-46%	54	51	6%
<b>PBT</b>	<b>23</b>	<b>32</b>	<b>-30%</b>	<b>20</b>	<b>32</b>	<b>-37%</b>

Previous years numbers are regrouped/rearranged wherever necessary

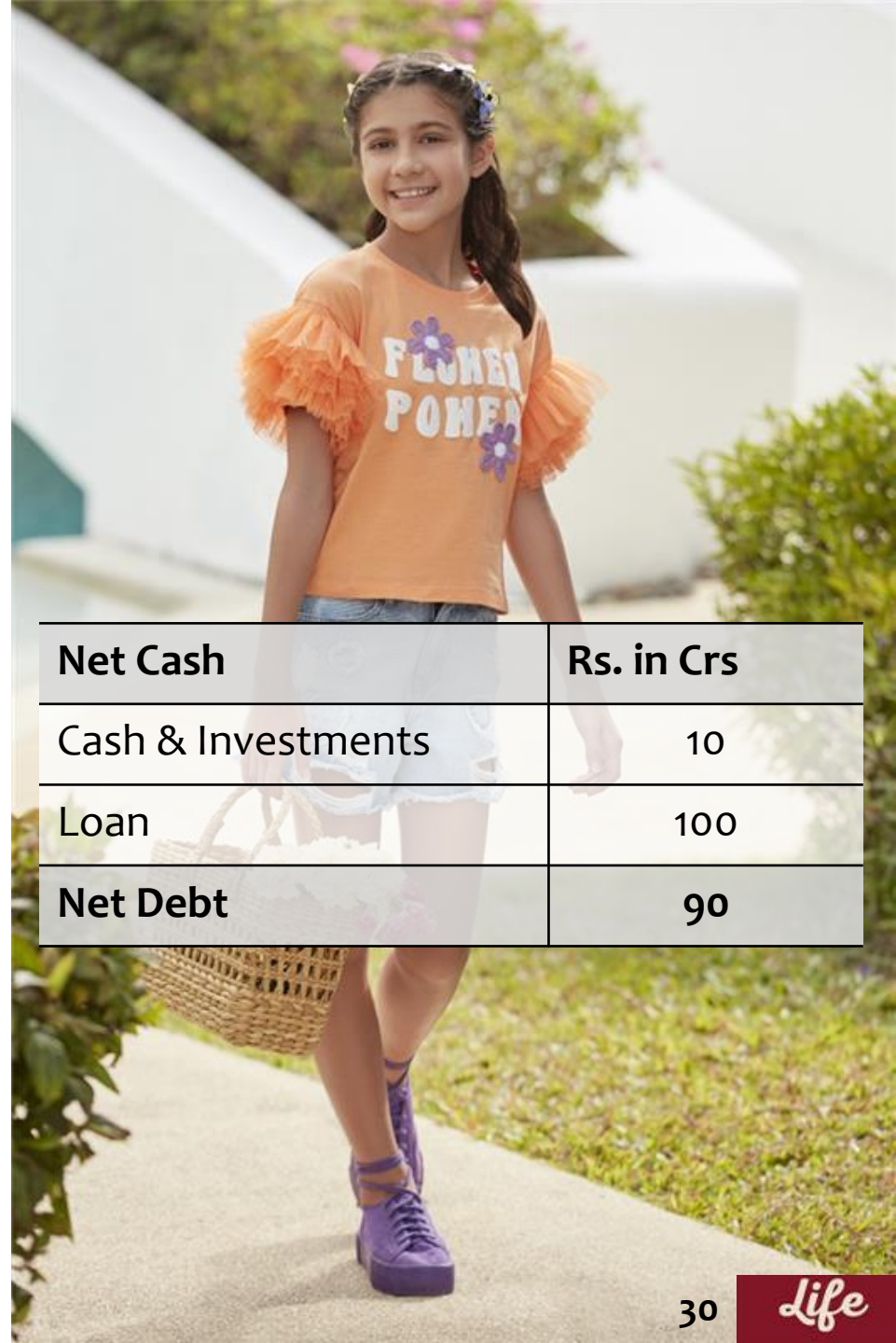


# BALANCE SHEET

Particulars (Rs. In Crs.)	Jun'23	Mar'23
Net worth	779	765
Loan Fund	100	104
<b>Total Liabilities</b>	<b>879</b>	<b>869</b>
Fixed Assets + Lease Deposit	816	795
Investments	34	77
Inventory	1486	1488
Other Assets	511	525
<b>Total Current Assets</b>	<b>1877</b>	<b>1883</b>
Trade Creditors Goods	1532	1539
Others	437	475
<b>Total Current Liability</b>	<b>1968</b>	<b>2015</b>
<b>Net Current Assets</b>	<b>-92</b>	<b>-131</b>
<b>Total Assets</b>	<b>879</b>	<b>869</b>

Previous years numbers are regrouped/rearranged wherever necessary

**\*Includes ROR Inventory and Creditors of Rs. 1343 Crs in FY24**



Net Cash	Rs. in Crs
Cash & Investments	10
Loan	100
<b>Net Debt</b>	<b>90</b>

# CASH FLOW

Particulars	Jun'23	Mar'23
Cash Profit from Operations (after tax)	53	-17
Changes in Working Capital	-51	124
<b>Cash generated from Operations</b>	<b>2</b>	<b>106</b>
Fixed Assets /Reduction in Capex Creditors*	-54	-120
<b>Cash generated from Operations</b>	<b>-52</b>	<b>-13</b>
Redemption of Investments (Net)	43	-24
<b>Cash post Investing Activities</b>	<b>-9</b>	<b>-37</b>
ESOP	0	2
Interest & Finance Cost	-3	-19
Loans Repayment	-4	44
<b>Net Increase/(decrease) in Bank Balance</b>	<b>-16</b>	<b>-9</b>

\*Includes Security Deposit of Rs. 12 Crs for New stores



# Way Forward

## Customer

- Continue transition from transactional connect to experiential
- Enhance Shoppers Stop as Gifting destination

## Brands

- Introduction of new brands across categories + curated Brand Mix
- Premiumization of brands in Non Aps

## Expansion

- 5 dept Stores under fit-out
- Launch of SSBeauty Bangalore International Airport (BIAL) T2 store

## Beauty

- Monsoon Love: Flagship Skincare campaign to leverage topicality of Monsoon
- Launch SSBeauty app

## Omni

- Seamless Online Customer Journey
- Customer Loyalty – Pricing and Community Building

## Global SS Beauty

- Launch Armani flagship brand
- Launch marquee beauty brand NARS

# **ANNEXURES**

# FINANCIALS Q1 FY24

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<b>PBT</b>	<b>23</b>	<b>32</b>	<b>-30%</b>	<b>20</b>	<b>32</b>	<b>-37%</b>
Exceptional Item/OCI*	4	0		0	0	
<b>PBT(Adj.)</b>	<b>19</b>	<b>32</b>	<b>-41%</b>	<b>20</b>	<b>32</b>	<b>-36%</b>
Tax	5	9	-42%	5	9	-42%
<b>PAT</b>	<b>13</b>	<b>23</b>	<b>-41%</b>	<b>15</b>	<b>22</b>	<b>-33%</b>

Previous years numbers are regrouped/rearranged wherever necessary

\* Q1 FY24 includes ESOP charge of Rs. 3.8 Crs

Adjustment in Net Profit	GAAP Adj.
<b>PBT (as per Non GAAP)</b>	<b>19</b>
Lease Rent (Non-GAAP)	-119
Finance costs	51
Depreciation on ROU Assets	70
Remeasurement of leases life	-4
Others	0
<b>PBT (as per GAAP)</b>	<b>20</b>



**218<sup>(1)</sup>**

Stores

**9.2M**

FIRST CITIZENS

**800+**

BRANDS

**14% Mix**

PRIVATE BRANDS

**16% Mix**

BEAUTY

**3.9 M**

SQUARE FEET  
AREA

**52**

CITIES

**33 Mn**

CUSTOMER VISITS in Q1

**18.5K<sup>(2)</sup>**

TALENT POOL

As at 30<sup>th</sup> Jun'23

1. Excludes 57 Shop in Shops  
2. Includes Brand staff

# DISCLAIMER

Certain statements in this release concerning our future growth prospects are forward-looking statements within the meaning of applicable securities laws and regulations, and which involve number of risks and uncertainties, beyond the Control of the company, that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding Fluctuations in earnings, our ability to attract and retain highly skilled professionals, political instability, legal cost advantage, wage increases, our ability to attract and retain highly skilled professionals, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and General economic conditions affecting our industry.

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