



# Vaibhav Global Limited

Financial Results Presentation

Q3 & 9M FY21

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



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, governmental 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



*Our Q3 results mark another quarter of relentless execution by VGL. Headline financial takeaways from the holiday season quarter are - Retail revenues, EBITDA and PAT increased by 30%, 37% and 41% respectively on Y-o-Y basis resulting in sustained margins expansion. Capital light model and low debt structure enable higher return ratios - reported ROE & ROCE at 30% & 56% respectively on TTM basis. Our net cash position improved with operating cash flows at Rs. 198 crore and free cash flows at Rs. 166 crore for 9MFY21. We maintained our recent trend of quarterly dividends and have announced a payout of Rs. 7.50 per share, the third interim dividend this year.*

*We remain closely aligned with the continuously evolving customer preferences especially in the times of Covid-19, resulting in strong traction across our omni-channel retail presence. Our vertically integrated model has delivered seamlessly from over 20 source countries to our expanding customer base in the US and UK. In a quarter normally expected to bear the impact of TV viewers focusing extensively on the U.S. Presidential elections, we sustained the momentum of the previous quarters. On the overall, unique customer number at 4.7 lac is progressively inching towards the half million mark.*

*Our 4R's strategy that underlies our operating model and provides an objective assessment framework to the business is focused on Reach, Registrations, Retention and Repeat Purchase to deepen customer engagement and fulfillment. Further, we continue to undertake several customer-oriented initiatives to drive sustained improvements on each of these parameters.*

*At VGL, we are guided by our belief in holistic approach towards sustainability, social responsibility, employee well-being, regulatory compliance, and transparent functioning. I am pleased to share that Vaibhav Global, was recently conferred '**Best Governed Company**' (Listed Segment: Emerging Category) by ICSI. We also believe that such framework creates the guardrails for our prospects for long term sustainable growth."*

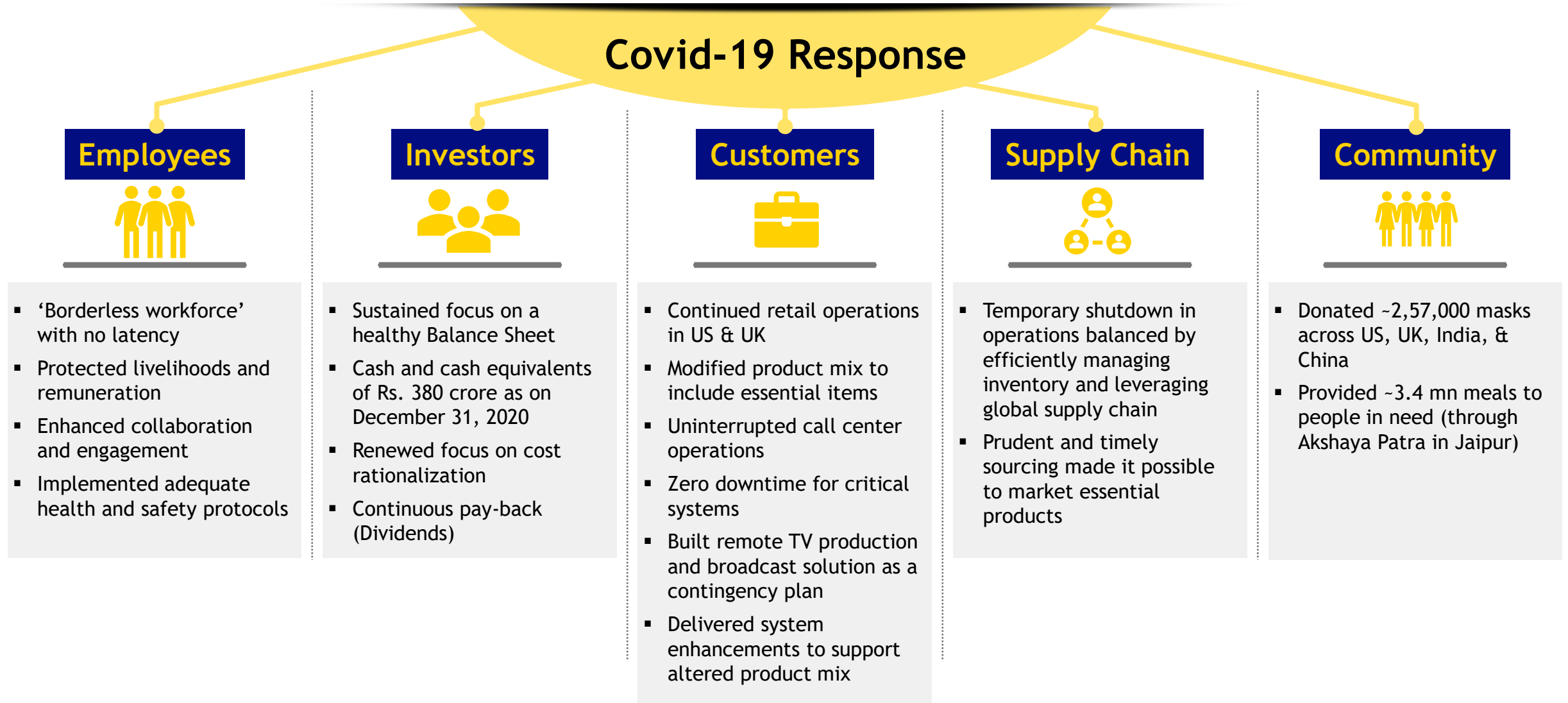


**Mr. Sunil Agrawal**

*Managing Director, Vaibhav Global Limited*

Commenting on Q3 FY21 Performance

# Covid-19: Continuous Response





# Q3FY21 - Key Highlights



Robust **30%** Y-o-Y growth in retail revenues



EBITDA grew by a strong **37%** Y-o-Y with margins at **17.4%**.



Further improvement in return ratios with ROCE expanding to **56%**(TTM basis)



9MFY21 Free Cash Flows enhanced to Rs. **166** crore



Declared interim dividend of Rs. **7.50** per share taking 9MFY21 dividend to Rs. 17.50 per share



Significant Y-o-Y jump of **33%** in Unique Customers (TTM basis) to **4,70,985**



Launched TJC Plus in UK; Shop LC, now on Amazon, eBay, and Walmart in Canada



Conferred '**Best Governed Company**' at the 20th edition of the ICSI National Awards for Excellence in Corporate Governance



Provided **47.3** million meals since the inception of the One for One program

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- 2 Q3 & 9M FY21 Financial Performance
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## Business Background Details

# Vaibhav Global Limited (VGL) at a Glance



Team-Work



Honesty



Passion



Positive Attitude

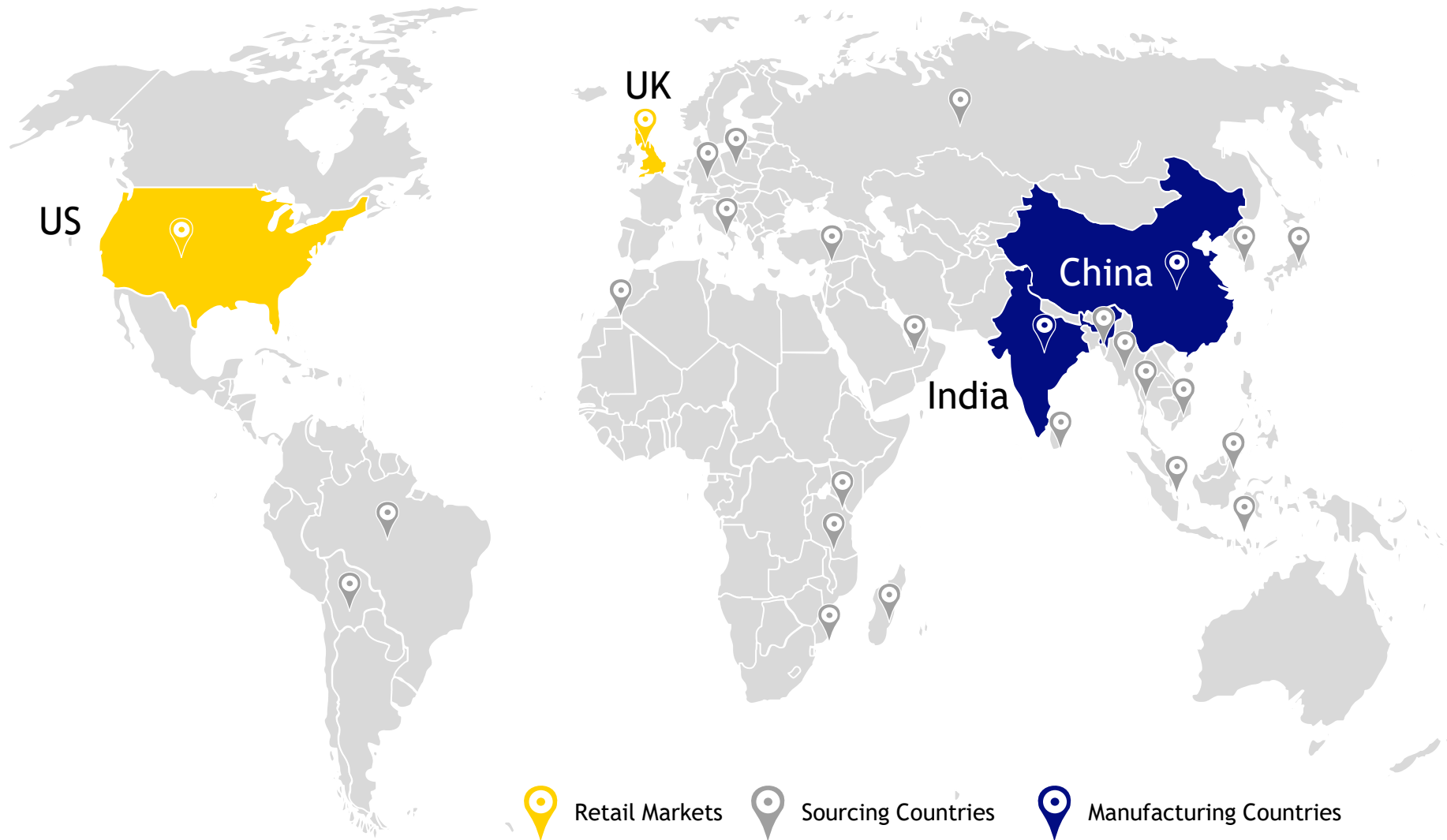


Commitment





# Our Global Presence



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

- Sourcing**
- |               |               |
|---------------|---------------|
| ▪ India       | ▪ Sri Lanka   |
| ▪ China       | ▪ US          |
| ▪ Thailand    | ▪ UK          |
| ▪ Indonesia   | ▪ Mozambique  |
| ▪ Tanzania    | ▪ Germany     |
| ▪ Russia      | ▪ Italy       |
| ▪ Morocco     | ▪ Turkey      |
| ▪ Myanmar     | ▪ Poland      |
| ▪ Madagascar  | ▪ Singapore   |
| ▪ Bolivia     | ▪ UAE         |
| ▪ Kenya       | ▪ Japan       |
| ▪ South Korea | ▪ Bangladesh  |
| ▪ Vietnam     | ▪ Philippines |
| ▪ Brazil      |               |

**Manufacturing Countries**  
India | China

# Corporate Overview



## 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 (FB & Instagram)
  - Third-party Marketplaces



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

- TV Homes accessed (\*FTE) - 99 million
- Growing online presence
- Improving customer engagement metrics



## Strong management and governance

- Professional management team
- Strong and Independent Board
- KPMG - Global Auditor
- Deloitte - Internal Auditor



## Exceptional One for One social program

- Every piece sold results in one meal for a school-going child
- Provided ~47.3 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



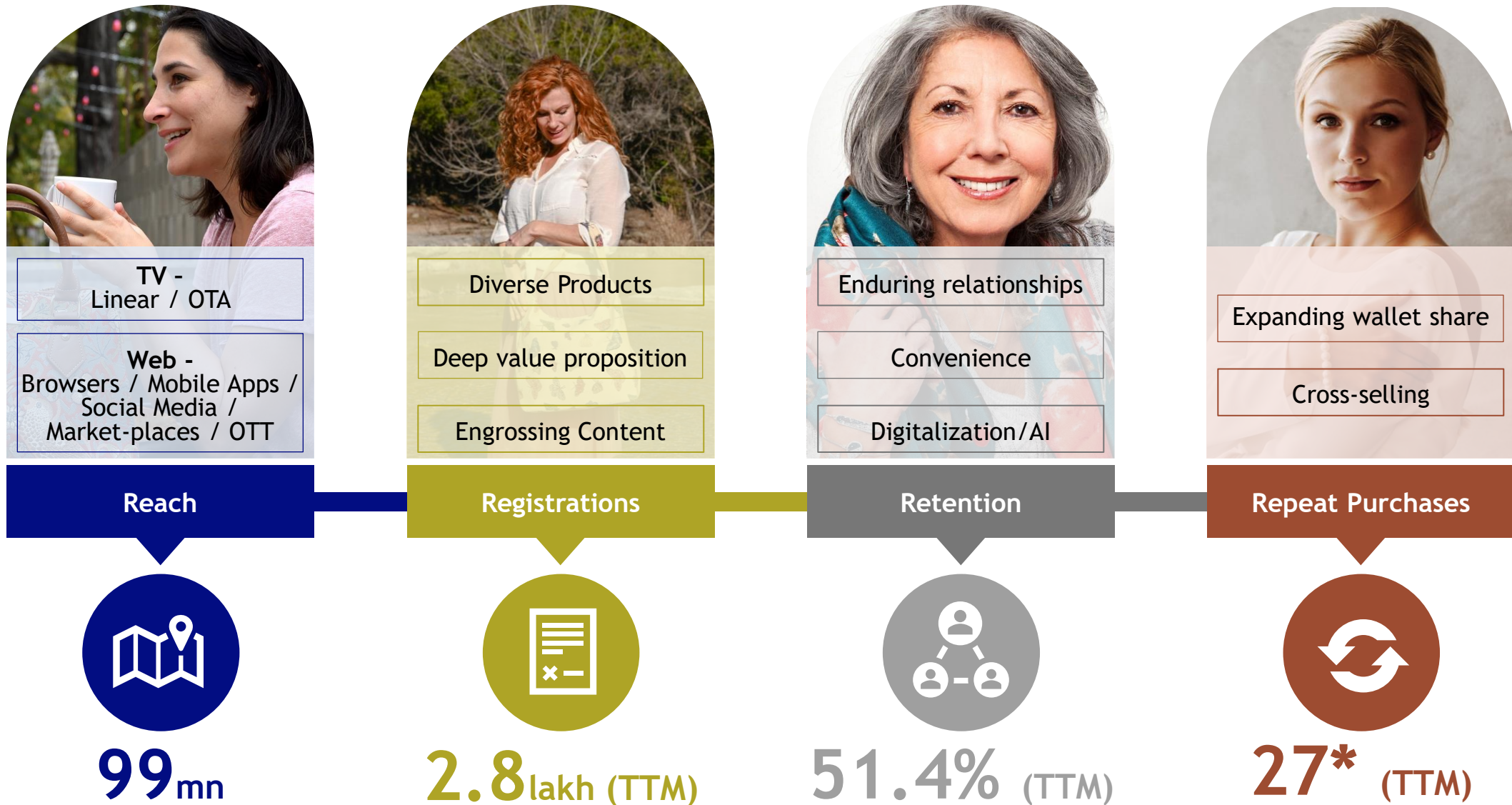
## Robust customer engagement

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





# 4R's of Customer Engagement



Note: TTM - Trailing Twelve Months | \*pieces per customer

# Our Omni-Channel Sales Platform



## Shop LC (US)

Shop LC Proprietary TV channels - 74 mn HH including  
17.5 mn OTA\* HH\*

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



Proprietary web platform

[www.shoplc.com](http://www.shoplc.com)

Shop LC mobile app  
available on



Marketplaces



Social retail of targeted  
products on



Instagram



OTT\* platforms

androidtv

Roku TV



amazon fireTV

LG Smart TV

xumo

VIZIO



Digital Experience Platform

**PIMCORE**  
Own the Digital World

Targeted behavioural marketing



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](http://www.tjc.co.uk)

Shop TJC mobile app  
available on



Marketplaces



Etsy



wayfair

Social retail of targeted  
products on



Instagram

facebook

OTT\* platforms

Roku TV



Targeted behavioural marketing



UGC and Influencer Marketing Platform



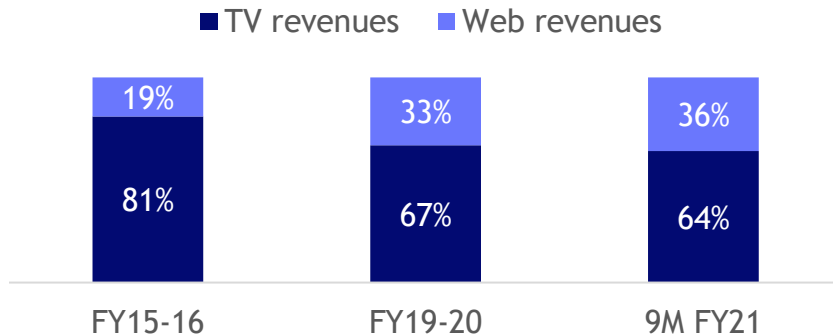
### Note:

OTA - Over the Air; OTT - Over the Top; HH - Households

# Business Transition Dashboard

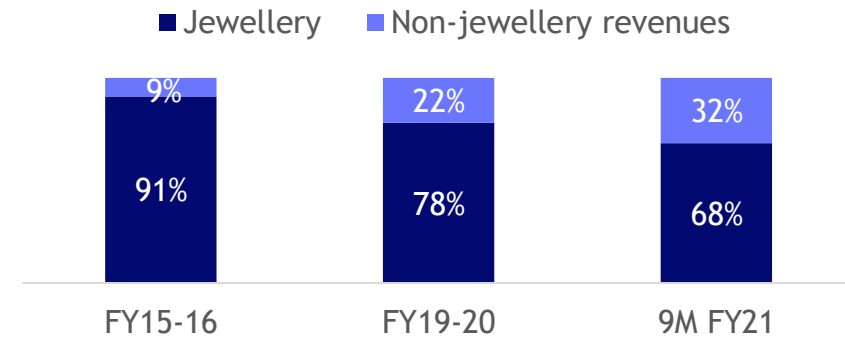


## B2C Revenues by format



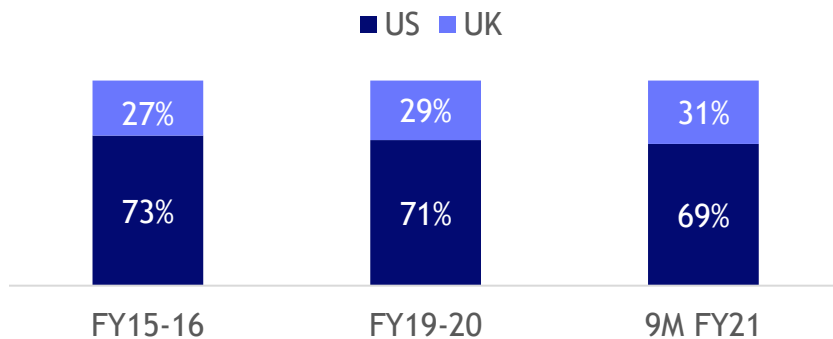
59% of web revenues in 9MFY21 were from Mobile platform (mobile app + mobile web browser)

## B2C Revenues by product category



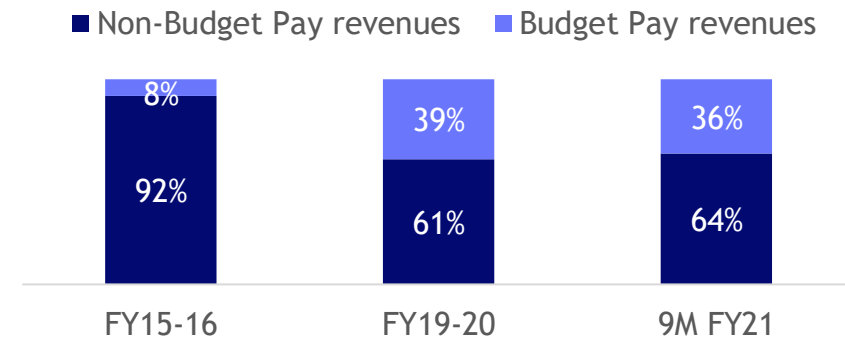
Jewellery revenues: Fashion jewellery;  
Non-jewellery revenues: Fashion accessories and lifestyle products

## B2C Revenues by Geography



Breakup based on revenue in USD million

## Budget Pay penetration of B2C Revenues



Budget Pay revenues refer to products offered on EMI basis



The background image features a light-colored leather bag with a black strap, lying on a patterned rug. The bag is decorated with a vibrant, abstract, and stylized illustration. The design includes various shapes and colors: a large green circle, a blue and orange abstract shape, a red and yellow abstract shape, and a white abstract shape with a black outline. The overall style is reminiscent of mid-century modern or bohemian art. A semi-transparent green banner with white text is overlaid across the center of the image.

## Q3 & 9M FY21 Financial Performance





# Financials - Q3 & 9M FY21 Performance

Revenue Breakdown - (Rs. crore)



**Note:**

B2B has been a non-core and opportunistic business segment  
In view of strong growth opportunities in B2C, the Company has been scaling down B2B



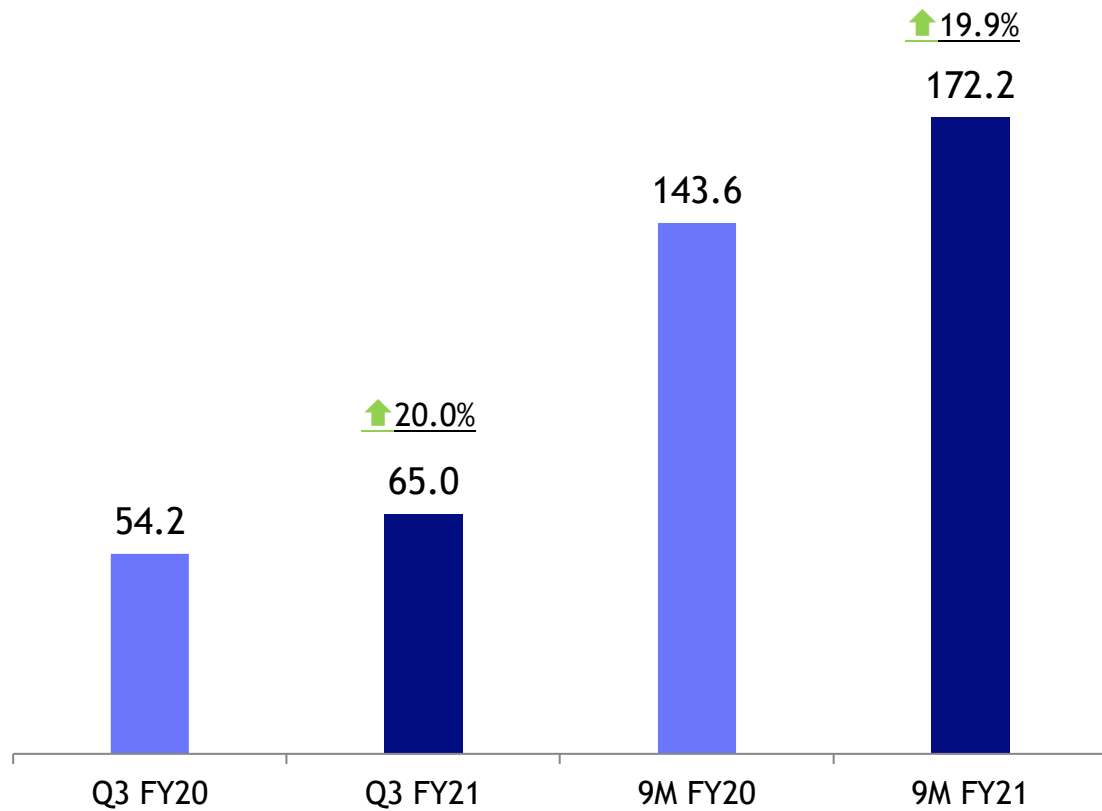


# Financials - Q3 & 9M FY21 Performance

Revenue Breakdown - (Local Currency)

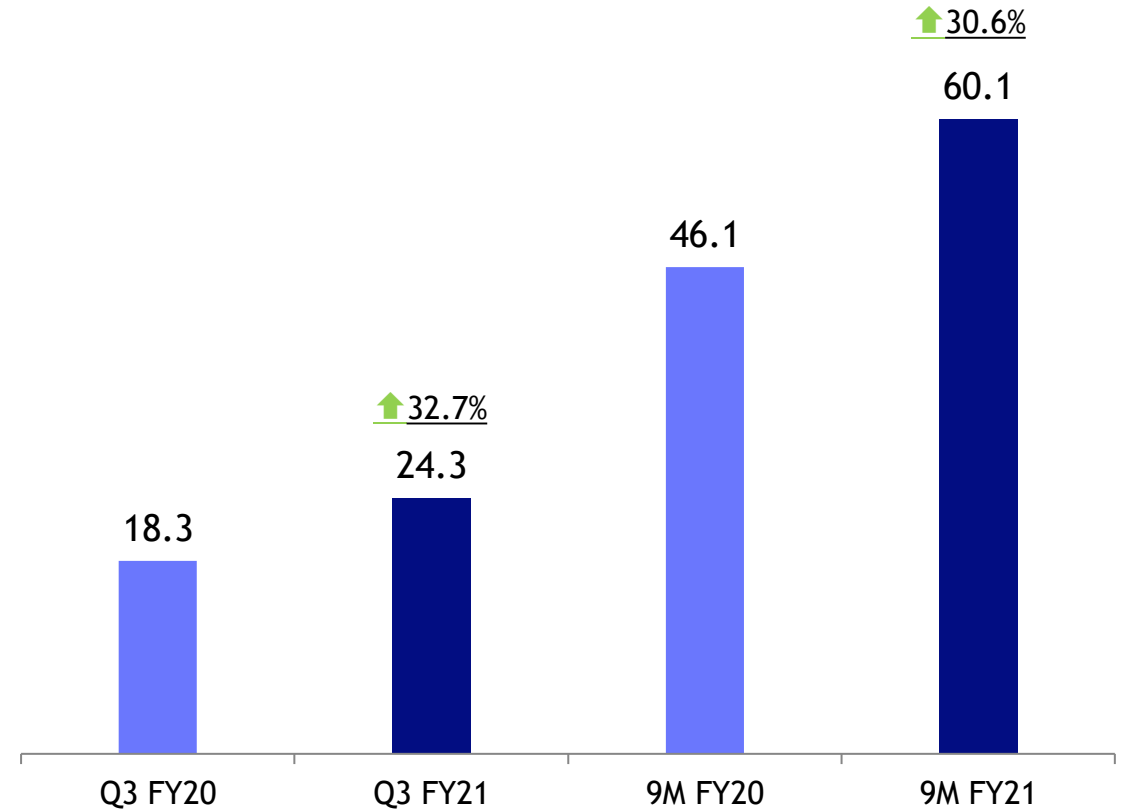
Shop LC (US)

(USD million)



Shop TJC (UK)

(GBP million)

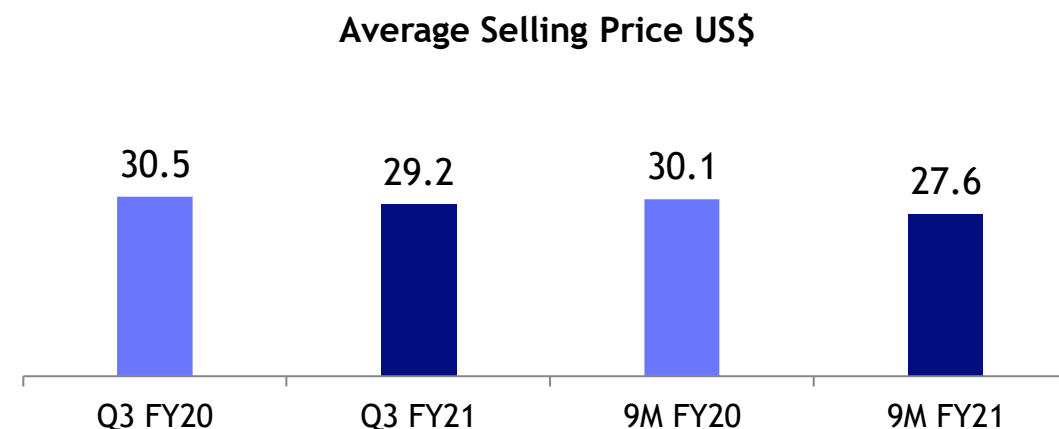
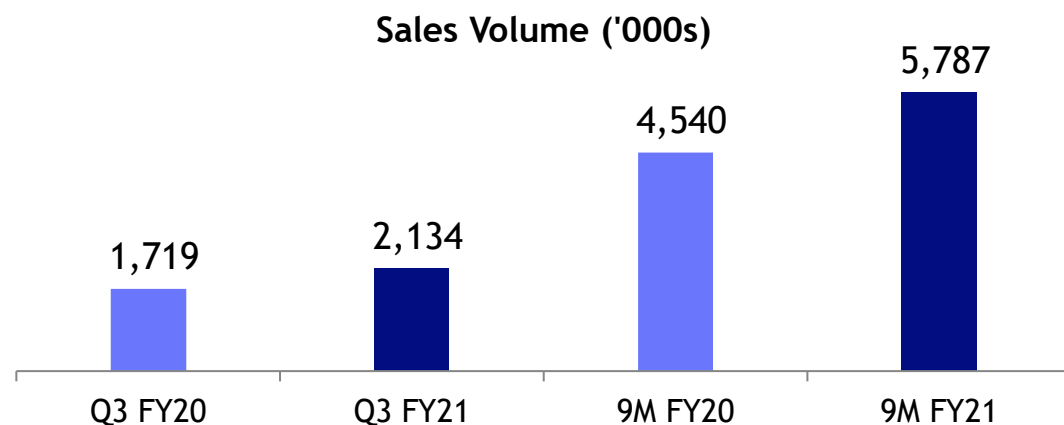




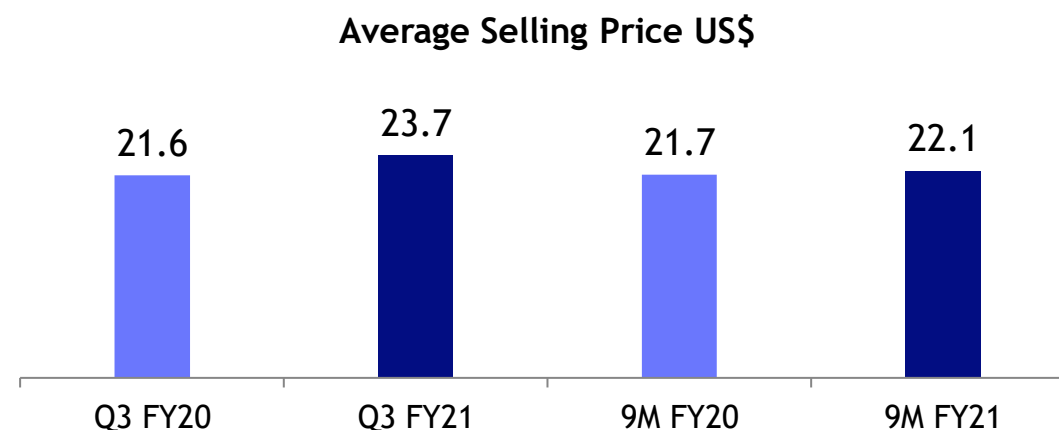
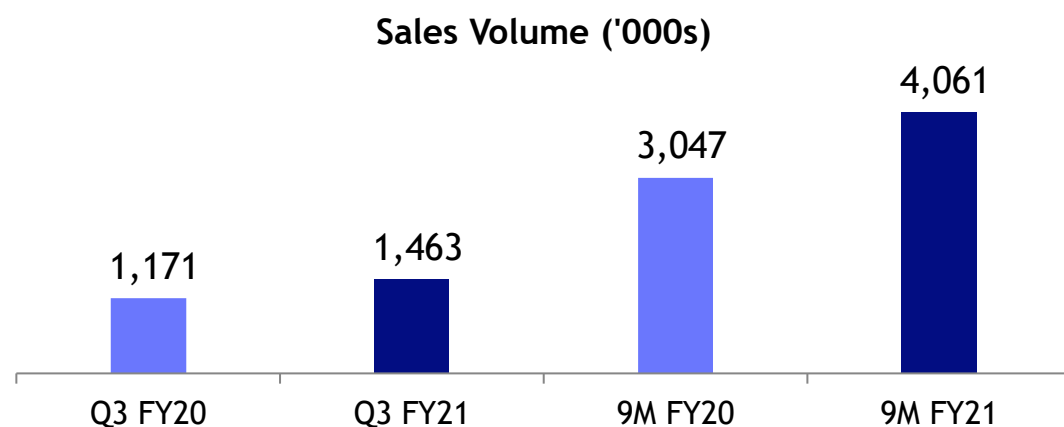
# Retail Performance Trends - Q3 & 9M FY21

Volume and ASP

## TV Sales



## Web Sales



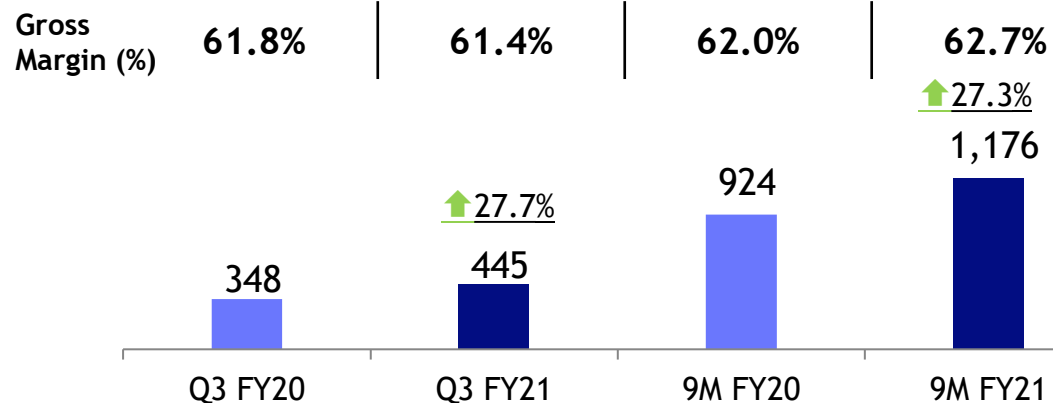




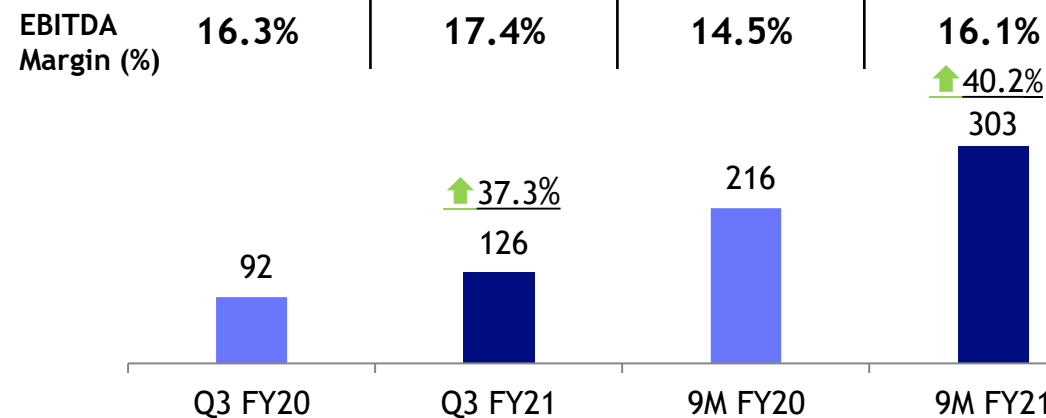
# Financials - Q3 & 9M FY21 Performance

Profits - (Rs. crore)

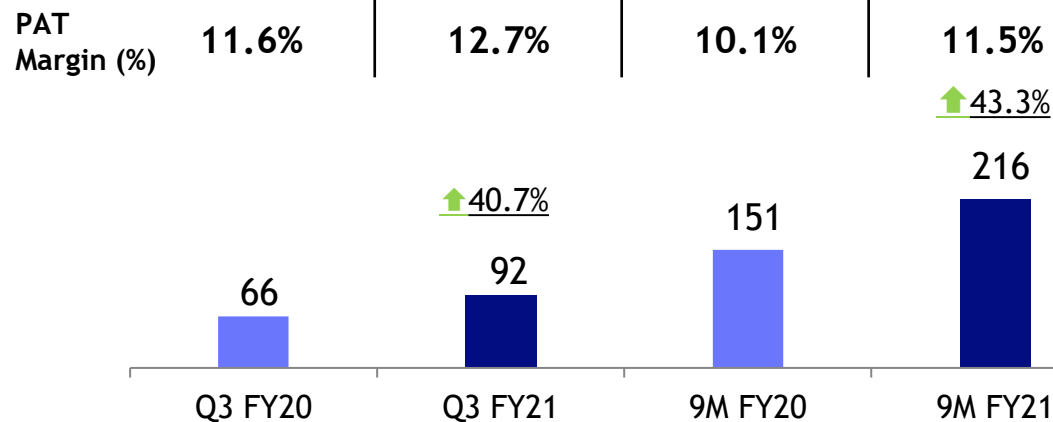
## Gross Profit



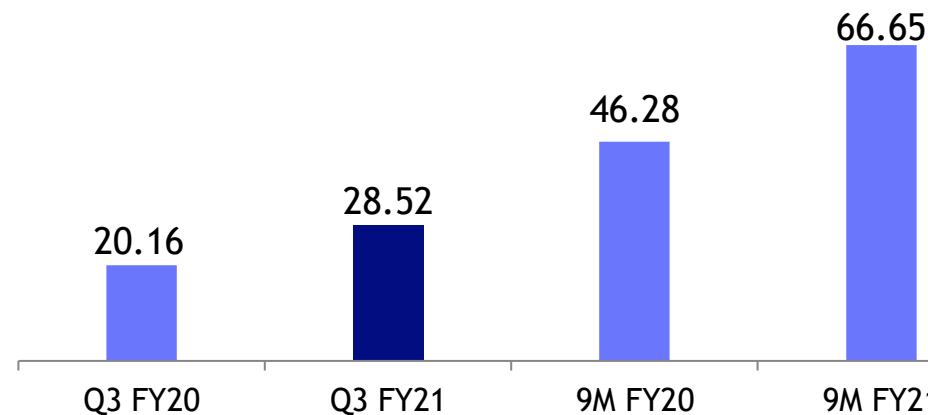
## EBITDA



## PAT



## EPS (Rs.)







## Financial Performance Trends

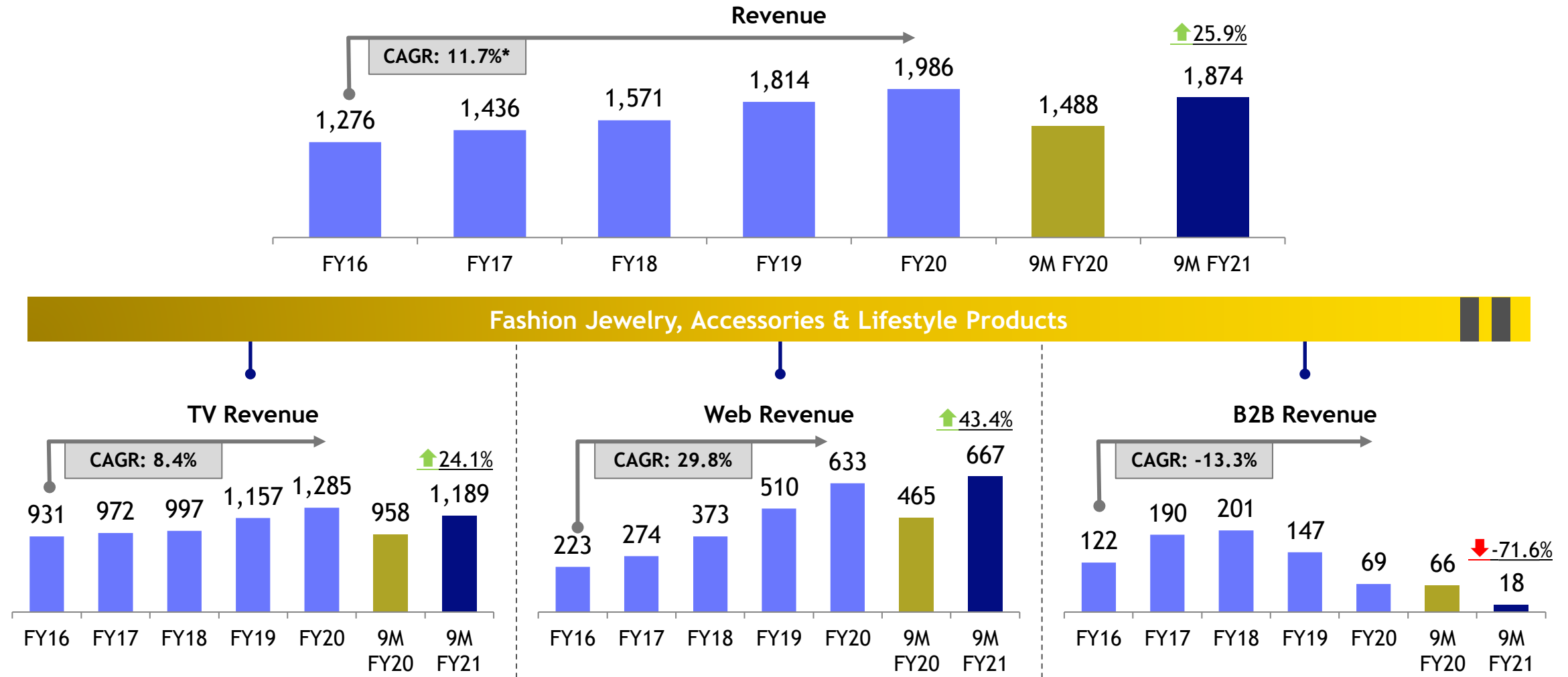






# Financial Performance Trends

Revenue Breakdown - (Rs. crore)



**Note:**  
B2C Revenue CAGR - 13.5%



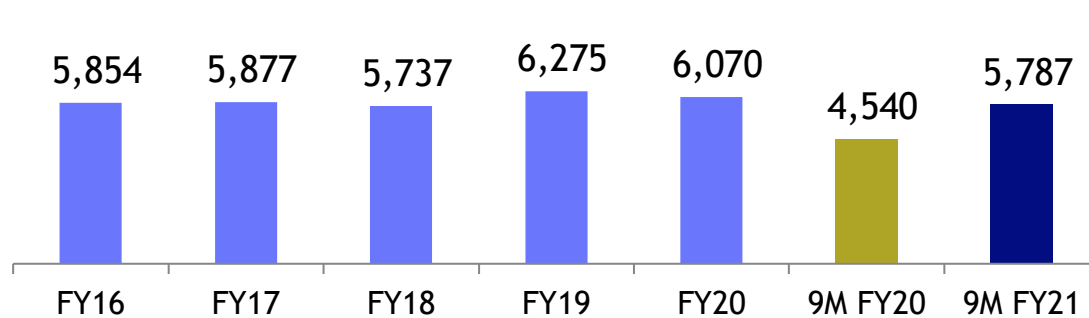


# Retail Performance Trends

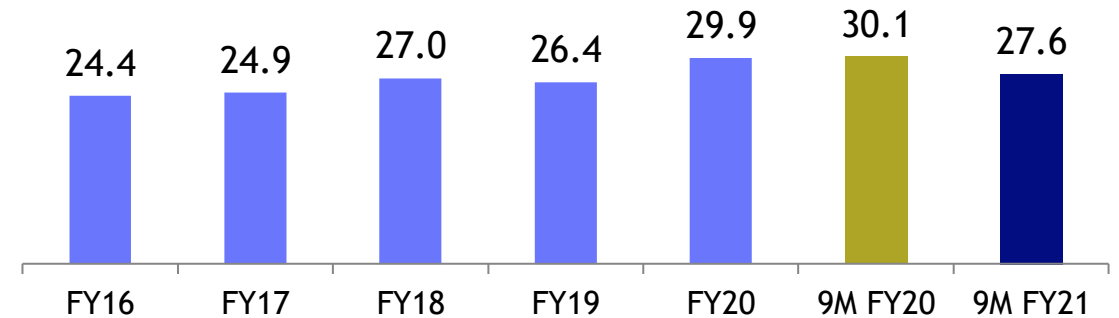
Volume and ASP

## TV Sales

Sales Volume ('000s)

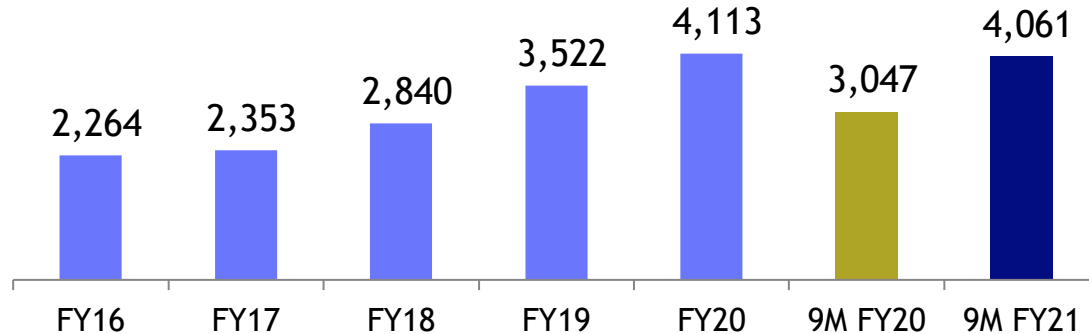


Average Selling Price US\$

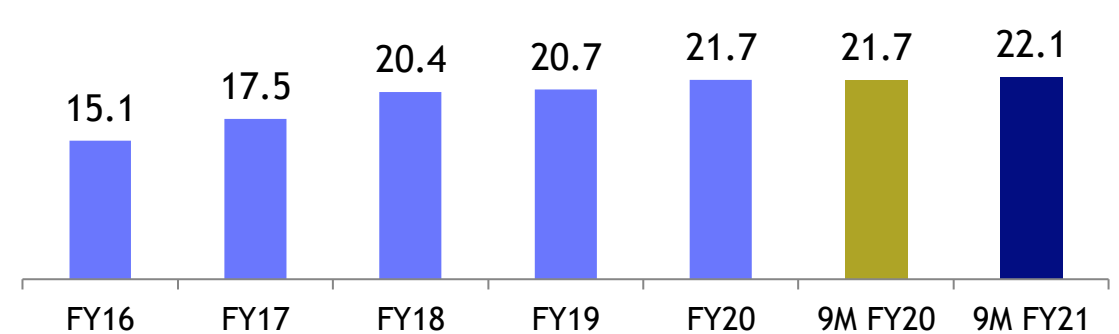


## Web Sales

Sales Volume ('000s)



Average Selling Price US\$

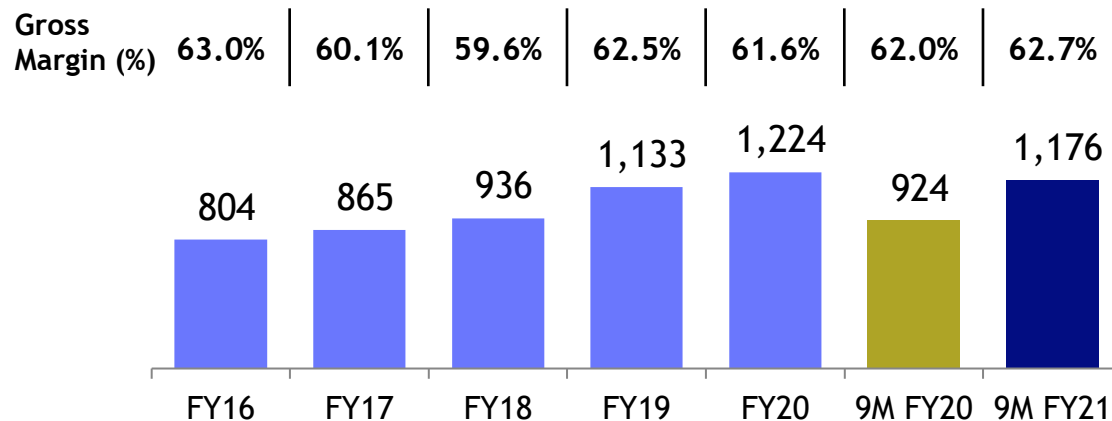




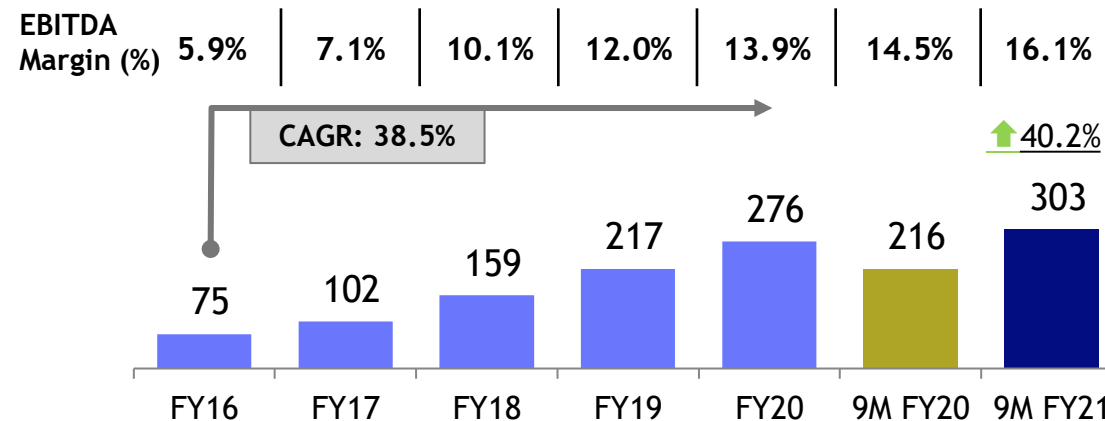
# Financial Performance Trends

Profits - (Rs. crore)

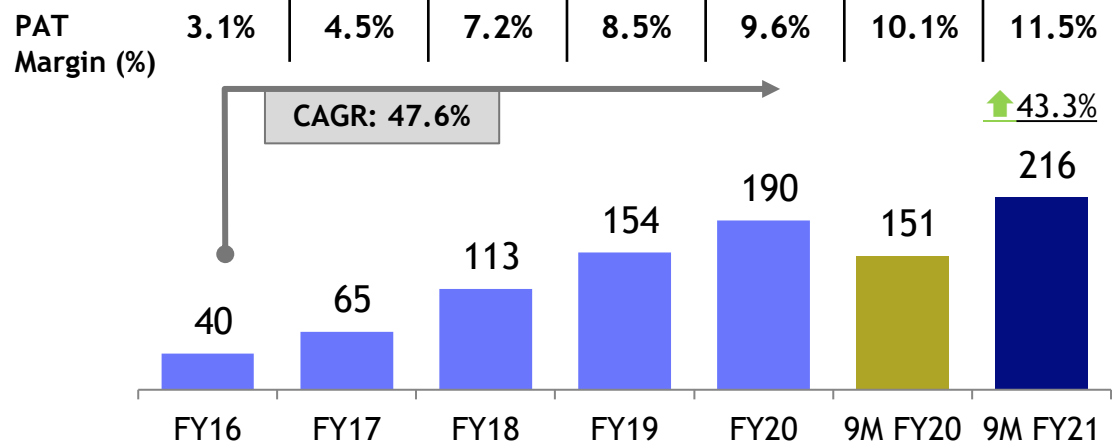
## Gross Profit



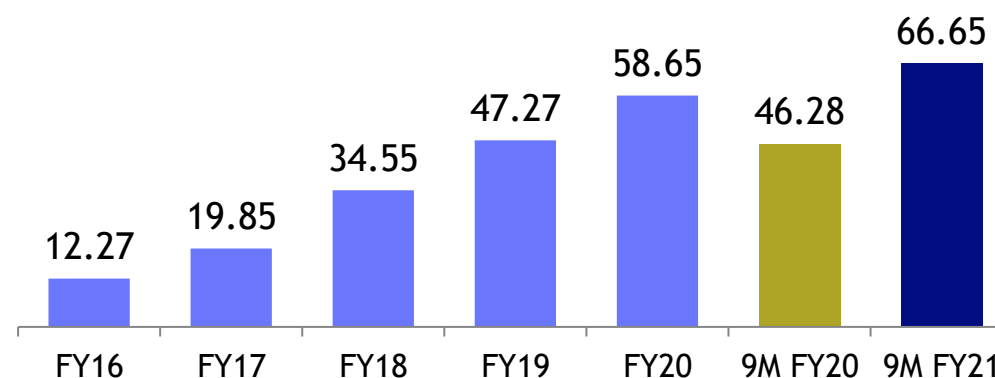
## EBITDA



## PAT



## EPS (Rs.)

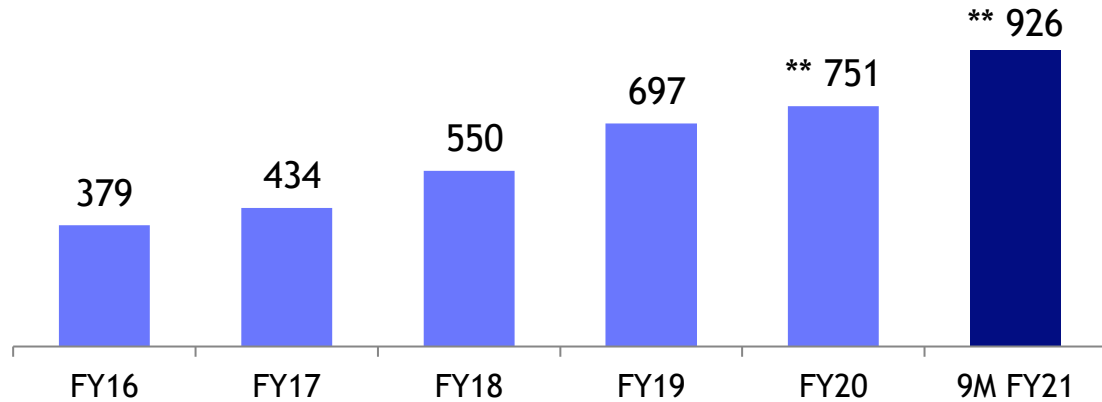




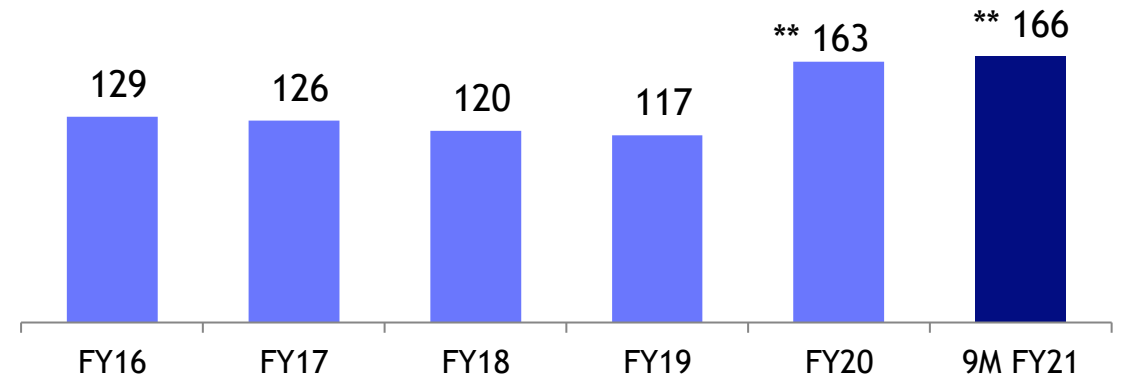
# Financial Performance Trends

Balance Sheet - (Rs. crore)

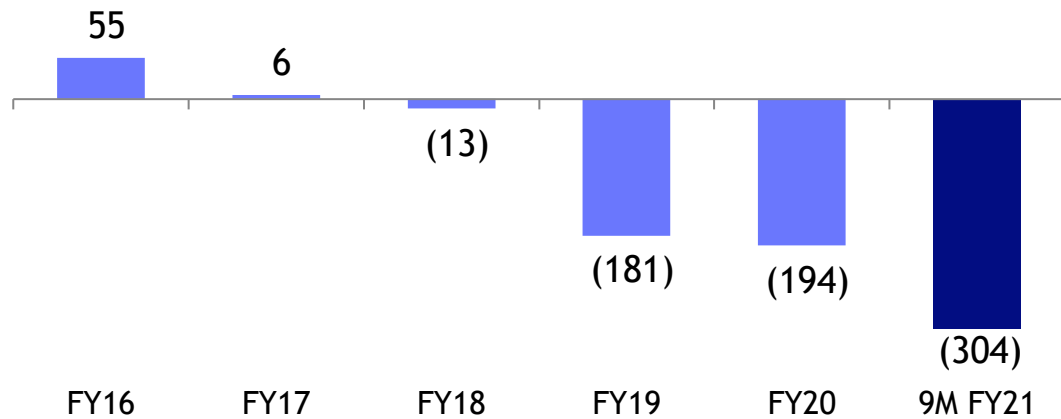
## Shareholders' Equity



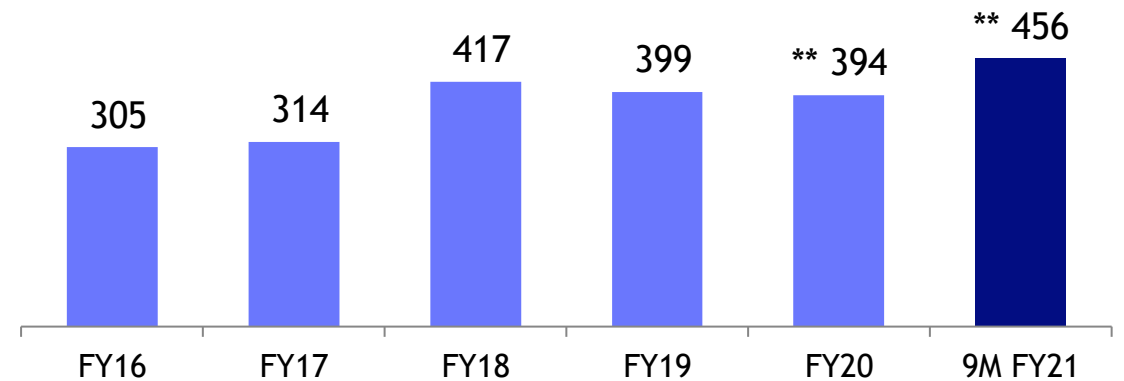
## Fixed assets including intangibles



## 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

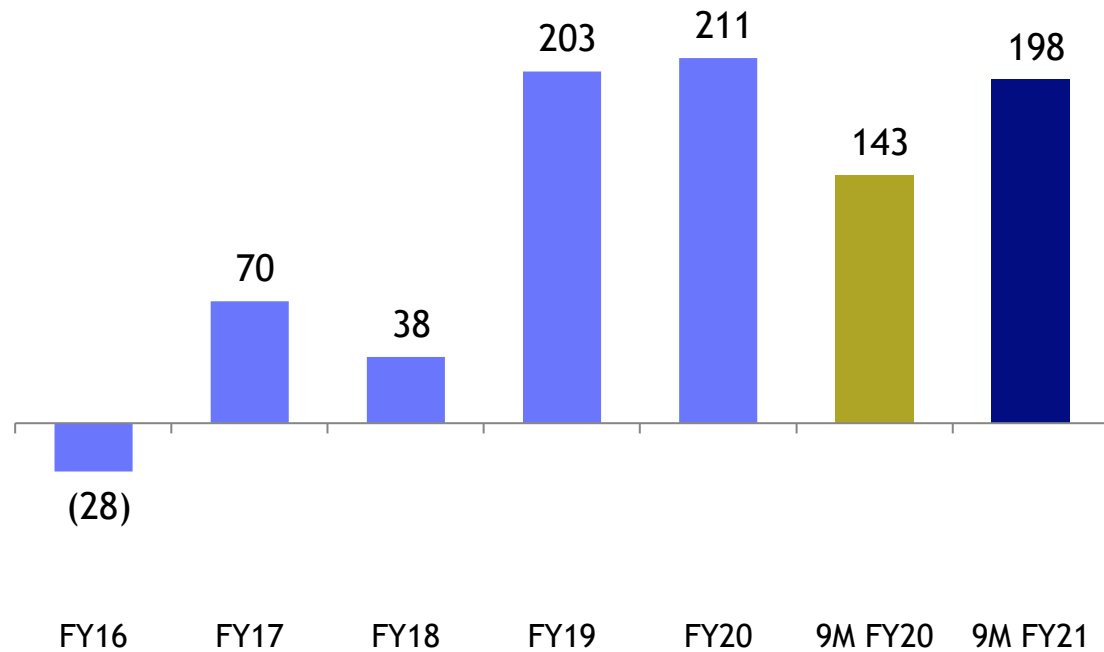




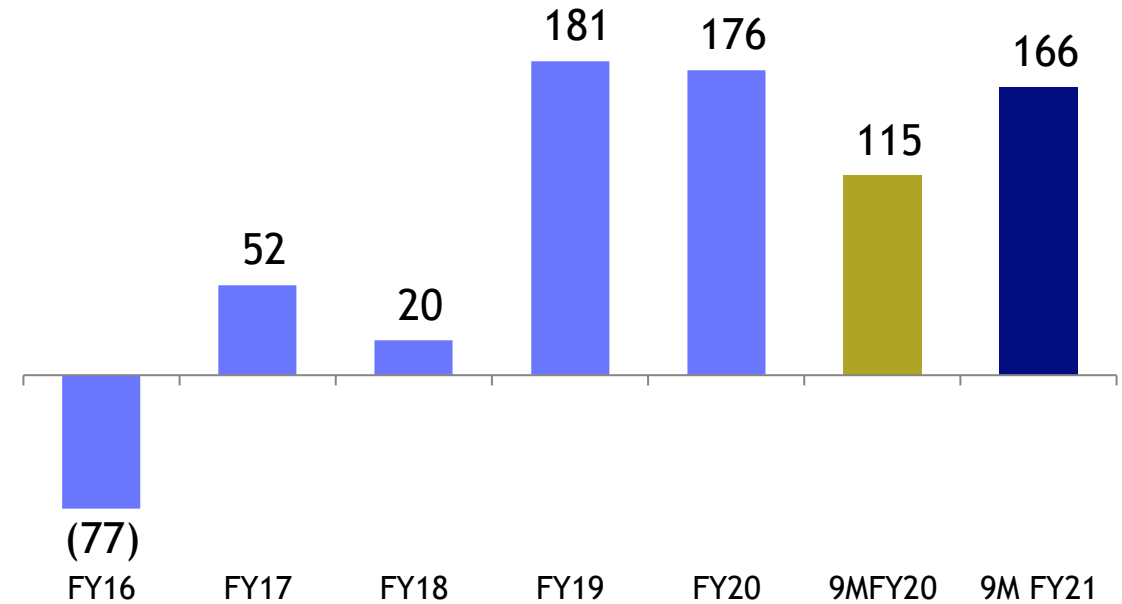
# Financial Performance Trends

Cash Flow - (Rs. Crore)

## Operating Cash flow



## Free Cash Flow

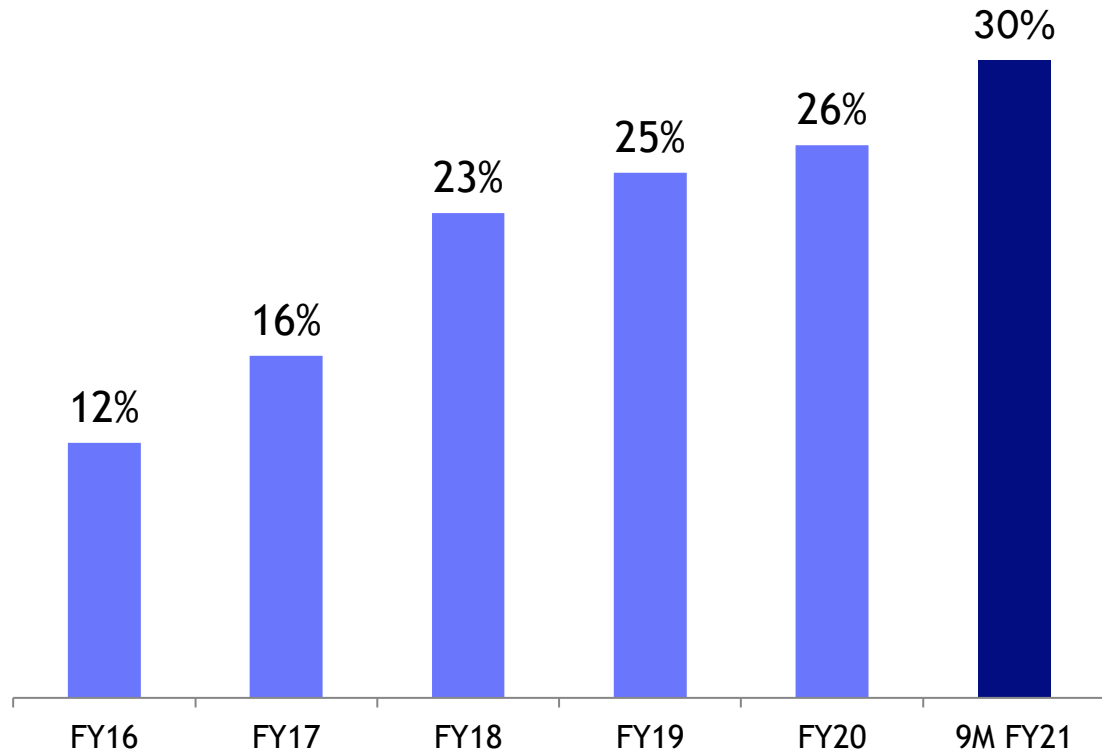




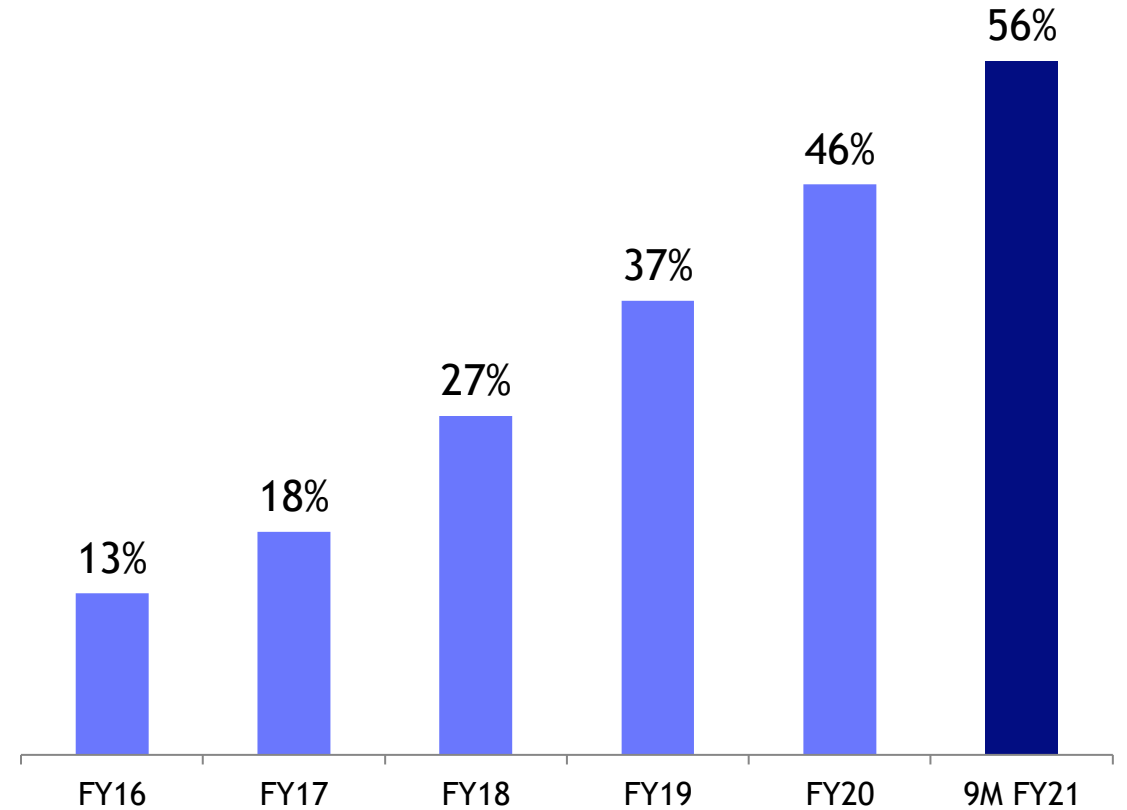
# Financial Performance Trends

## Key Ratios

### ROE (TTM)



### ROCE (TTM)



#### Note -

ROE - based on average net worth

ROCE - based on average capital employed

A woman with dark hair, wearing a pink t-shirt, is shown in profile, smiling and holding a white cup. In the foreground, a handbag with a vibrant, multi-colored floral and bird pattern is displayed. The bag features brown leather handles and straps. The background is a blurred outdoor setting with string lights and a stone wall. The entire image is framed by a dark, textured border.

Annexures

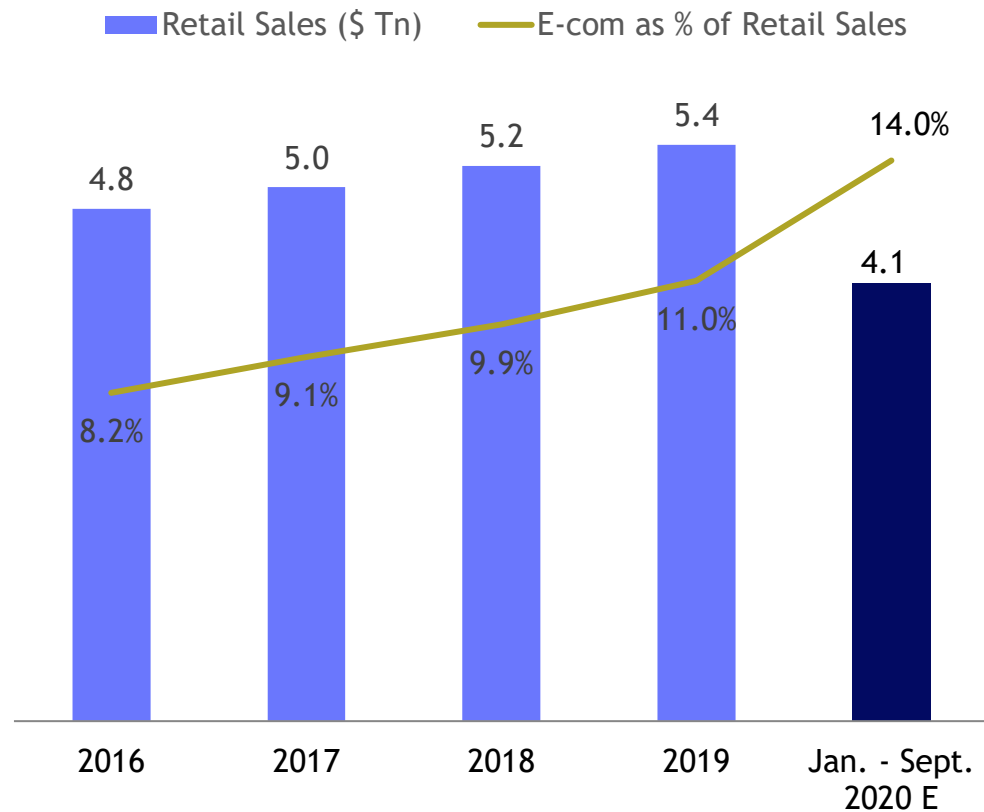


# Growth in Digital Commerce



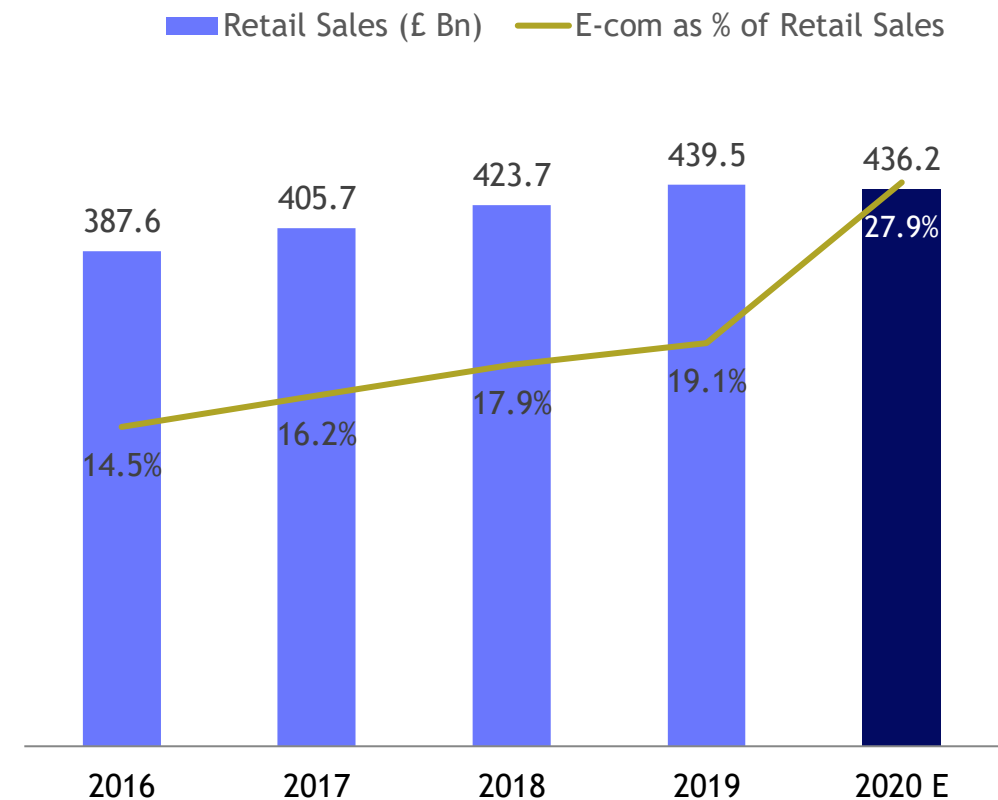
## Industry

### US Retail & E-com Sales



Source: United States Census Bureau [www.census.gov](http://www.census.gov)

### UK Retail & E-Com Sales



Source: Office for National Statistics [www.ons.gov.uk](http://www.ons.gov.uk)

# Delivering Joy to Stakeholders



## Customers



Rating



Better Business Bureau®

- Unique Customers - 470,985 (Q3FY21 - TTM basis)
- Average qty. per customer - 27 pieces (Q3 FY21 - TTM basis)
- High quality products & Exotic designs
- Low Price - high quality - high affordability
- Omni-channel access
- Budget Pay (monthly installments) available on higher value products
- Easy Returns available



Overall

97%

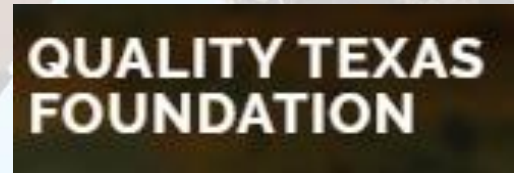
of 16,005 respondents  
would buy again from TJC



## Employees



- Recognized as a 'Great Place to Work' in Greater China, UK, India and US based on employee surveys conducted
- Shop LC received the 'Governor's Achievement Level' recognition from Quality Texas Foundation for on-going quality improvement and high performance.

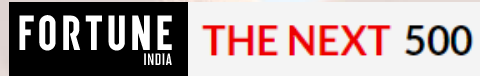


<https://quality-texas.org/>



# Delivering Joy to Stakeholders

## Investors



- Conferred 'Best Governed Company' by ICSI
- Fortune Next 500 Rank

Year	2017	2018	2019	2020
Rank	#219	#162	#147	#132

30%

ROE

56%

ROCE

## Environment



- Manufacturing unit at SEZ, Jaipur, has received LEED Platinum certification
- Successfully Commissioned 1MW Solar PV Power Generation Project. With this, the Company expects to meet ~45% of the total power requirement at the manufacturing facilities in Jaipur
- Systems for sewage treatment, recycling, ozonator water treatment plant and reduced production process discharges
- Phasing out non-recyclable materials



## Society



- ~47.3 million meals donated under the One for One Program since this program was integrated with operations
- Donated ~257,000 masks to hospitals and care homes



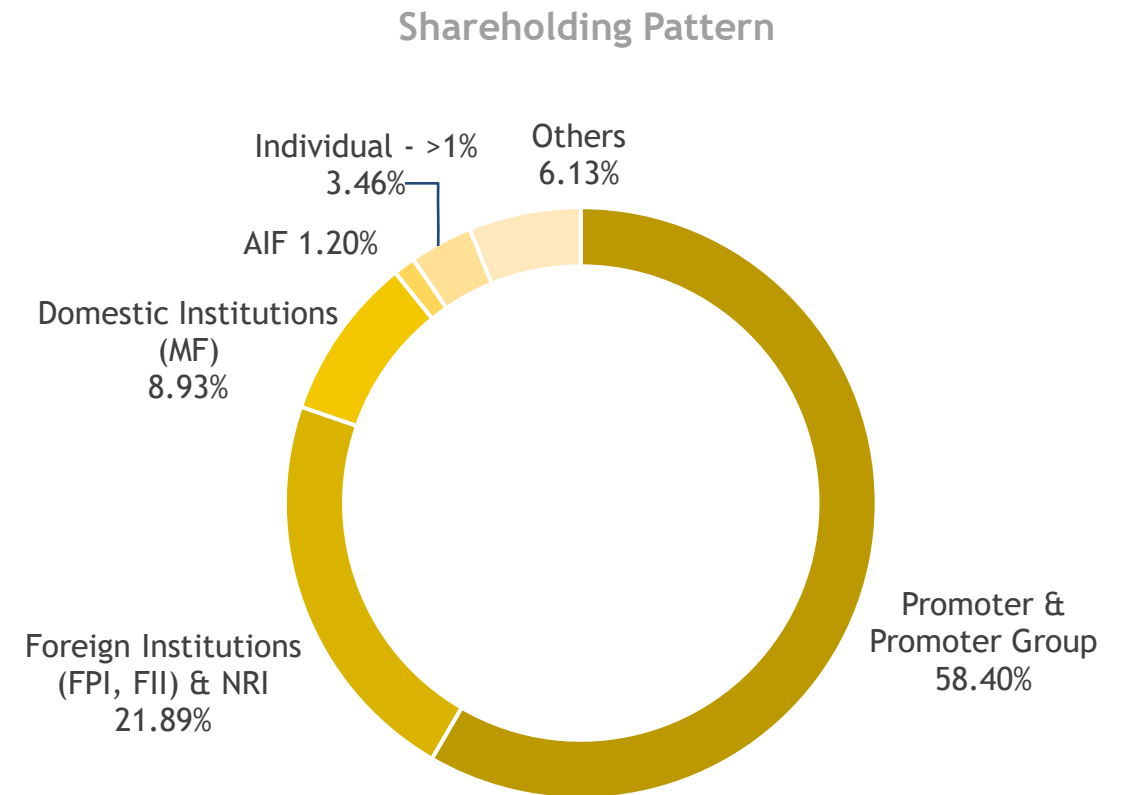
Note -  
ROE - based on average net worth; ROCE - based on average capital employed





# VGL Shareholder Base - As on 31-Dec-2020

Key Shareholders (Holding 1%+)	Holding as on 31-Dec-20
Promoter & Promoter Group	58.40%
Nalanda India Fund Limited (FII)	10.33%
Motilal Oswal Multicap 35 Fund (MF)	8.93%
Malabar India Fund Limited (FPI)	6.25%
Taiyo Greater India Fund Ltd (FPI)	1.80%
Vijay Kedia (Individual)	1.92%
Ashish Kacholia (Individual)	1.54%
Malabar Value Fund (AIF)	1.05%



# 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. Pushpendra Singh**  
*Vice President, Human  
Resources, VGL Group*



**Mr. Vivek Jain**  
*Senior Director, Finance,  
VGL Group*

# THANK YOU

For more information please contact:

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