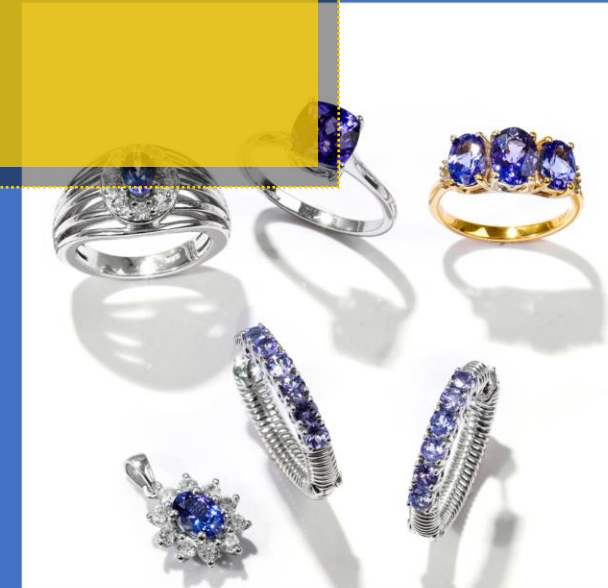


Vaibhav Global Limited

Global E-tailer of Fashion Jewellery, Apparels, Lifestyle Products and Accessories on TV and Digital Platforms

DELIVERING JOY

Q2 & H1 FY22 Financial Results Presentation





Safe Harbour

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.

Commenting on Q2 FY22 Performance

MD's Message



Mr. Sunil Agrawal
Managing Director, Vaibhav Global Limited

In Q2 we have seen our revenues at Rs. 635 crore an increase of 6% Y-o-Y and over Q2 FY20 we have seen a much stronger growth of 30.9%. With the vaccination in both US and UK reaching pivotal levels, severity of threat from Covid has largely reduced. As US and UK economies have more or less fully opened, we have seen consumer behavior moving to something we call revenge outings implying substantial increased in-person shopping in brick-and-mortar stores and people going out on holidays. This has led to lower in-house shopping for home retailers like us. Retail Revenues for us, grew by 3.3% Y-o-Y. After a massive jump last year, overall E-Commerce as a percentage of retail sales has dipped in both US and UK in recent months. We believe that these headwinds are transient and are well placed to continue our growth trajectory in coming years. We are committed to our original guidance of 16-18% constant currency revenue growth for current financial year.

Gross margin continues to be strong, however, EBITDA margin were impacted due to several factors, including higher shipping costs owing to global supply chain constraints, initial operating costs in the recently launched German operations, increased airtime spend as we onboarded new TV channels and OTT platforms and stepped up our digital marketing investments. These investments have already given us 5.3% increased new customers in Q2 compared to pandemic induced high new customer count in Q2 FY21. When we adjust for customers who bought essentials, the increase would be 33.9% and compared to Q2 FY20, the increase would be substantially higher at 61.0%. We see both growth and margin pressures as transient, being linked to either strategic growth initiatives or near-term changes in the operating environment. Our recent launch of operations in Germany has got off to an encouraging start. We are available on both- TV and Digital Platforms in this significant market with a similar value proposition and customer profile as the US & UK. We are already seeing positive customer traction and our investments should create returns on capital over time. We remain confident to meet our target of breaking-even within three years of launch.

Company continues with its investment in Products, Channels and enhancing its Digital Capabilities. We strengthened our warehouse operations digitally through investment in GEEK+ robots which would improve the picking productivity substantially. The Company launched 'TAMSY'- a new fashion apparel brand for women in USA, UK and Germany. During the quarter, we also acquired world-wide online brand rights of 'RACHEL GALLEY'- a UK based multiple-award winning jewelry brand.

*The 4R's- widening **Reach**, new customer **Registrations**, customer **Retention** and **Repeat** purchases remains to be our key priorities for overall growth. Our vertically integrated model and a wider but robust supply chain network is the backbone of our business and a key differentiator vis-a-vis peers.*

We are also a firm believer of being a 'Responsible Corporate Citizen'. Well-being of all our employees, vendors and customers is at the core of our strategies.

An interim dividend of Rs. 1.50 per share (face value of Rs. 2 per share) has been declared by the Board. The fundamental growth driver remains intact, attractive, and we continue to invest in products & channels to build a sustainable infrastructure for long-term growth & value creation of all stakeholders.

Q2 FY22 : KEY HIGHLIGHTS



Retail revenues grew by **3.3%** Y-o-Y and **33.6%** over Q2 FY20



Gross margins improved by **100 bps** to 63.9% Y-o-Y



EBITDA margins in Q2 FY22, excluding Germany, were at **13.5%** vs 16.5% in Q2 last year. Margins were momentarily impacted by elevated sea freight and sustained investments on digital platforms



Significant increase in Unique Customers (TTM basis) to **4,75,195** from 4,46,905 for same period last year (6.3% Y-o-Y)



Strong return ratios with ROCE at **51%** and ROE at **28%** (TTM basis)



Launched 2 new D2C brands: **TAMSY** (female apparel brand) and **RACHEL GALLEY** (jewelry brand)



Cognizant investments on **Digital Platforms** and **Automation**



Declared interim dividend of Rs. **1.50** per equity share (face value Rs. 2 per share)



100% power requirement at manufacturing units in Jaipur (India) is catered by 3.23 mw solar power capacity



Provided **58** million meals since inception of one-for-one meal program 'Your Purchase Feeds...'

TABLE OF CONTENTS

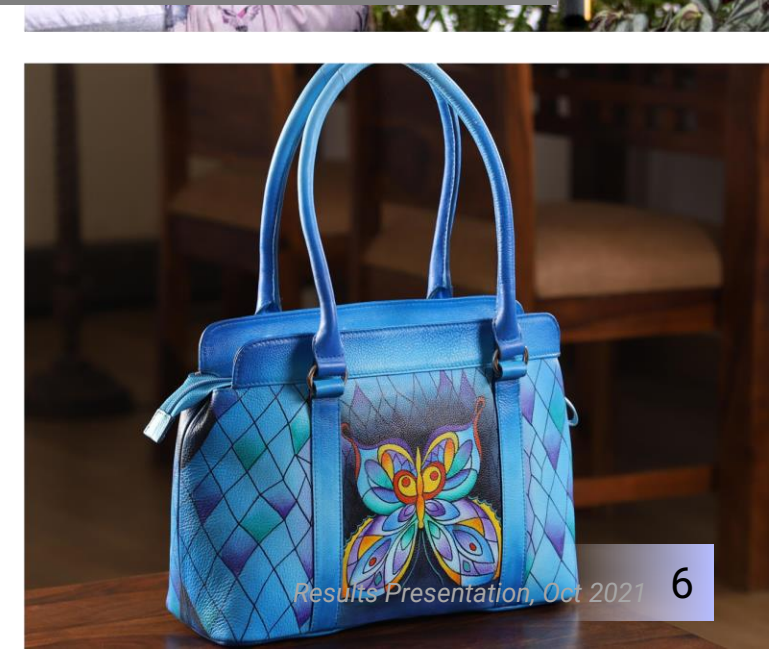
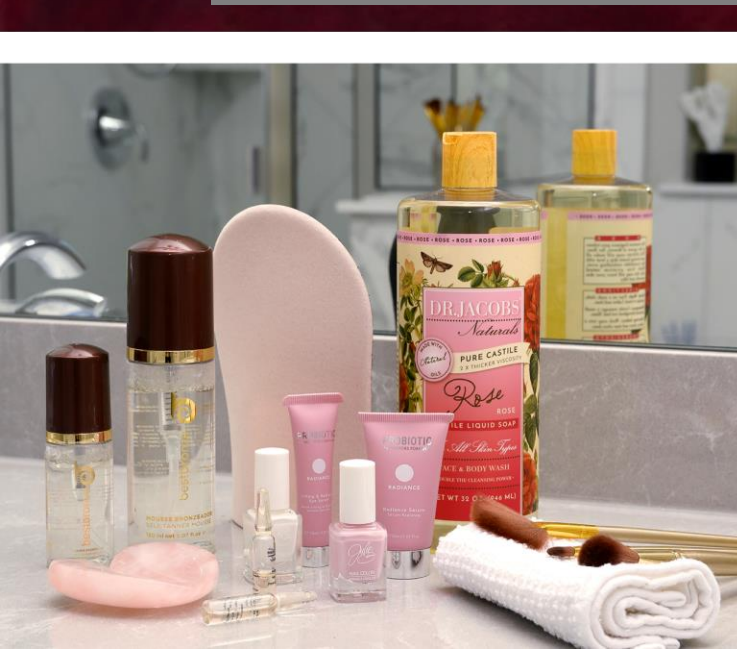


Business Background Details	6
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Q2 & H1 FY22 Financial Performance	20
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BUSINESS BACKGROUND DETAILS



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



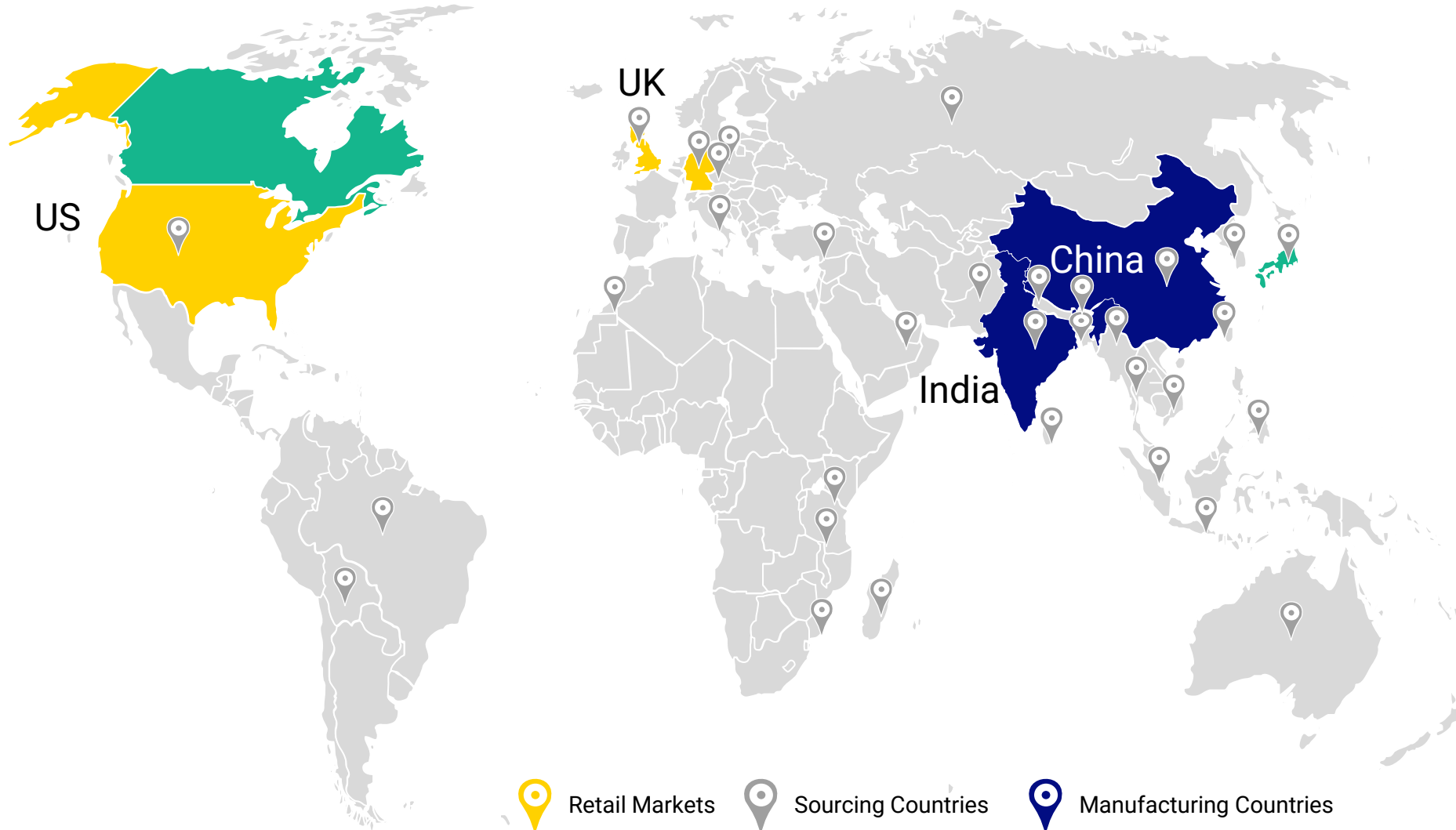
Positive Attitude



Commitment



TRULY GLOBAL



Retail Markets

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

Operate Through Marketplaces

Canada | Japan

Sourcing

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

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
 - Third-party Marketplaces



Shop LC (US),
Shop TJC (UK)
and Shop LC
(Germany) are
brands with
strong customer
visibility

- > TV Homes accessed (*FTE): ~ 110 mn
- > 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 58 mn meals across India, US, UK and Germany



Solid infrastructure backbone

- > Continued investment in building digital capabilities
- > 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



110 mn

TV
Linear / OTA

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

Reach



3.0 lakh (TTM)

Diverse Products

Deep value proposition

Engrossing Content

Registrations



43.9% (TTM)

Enduring relationships

Convenience

Digitalization/AI

Retention



30* (TTM)

Expanding wallet share

Cross-selling

Repeat Purchases



*FTE: Full Time Equivalent

OUR OMNI-CHANNEL SALES PLATFORM



Shop LC (US)

Shop LC Proprietary TV channels – 63.5 mn HH including 18.7mn OTA* HH*

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



DIGITAL

Proprietary digital platform

www.shoplc.com

Shop LC mobile app available on



Marketplaces



Google Marketplace



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



DIGITAL

Proprietary digital platform

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 Campaign Management



Customer Experience
Management

Medallia

UGC and Influencer Marketing Platform



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

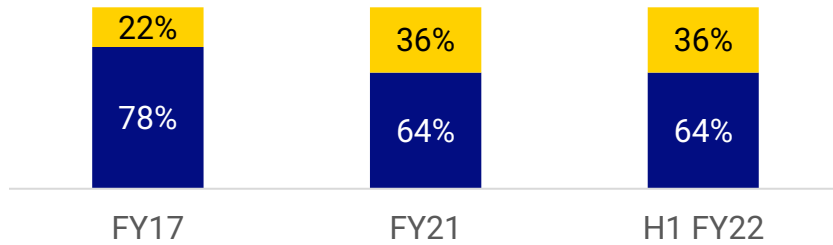
BROAD BASED E-TAILER



B2C Revenues by Format



■ TV revenues ■ Digital revenues

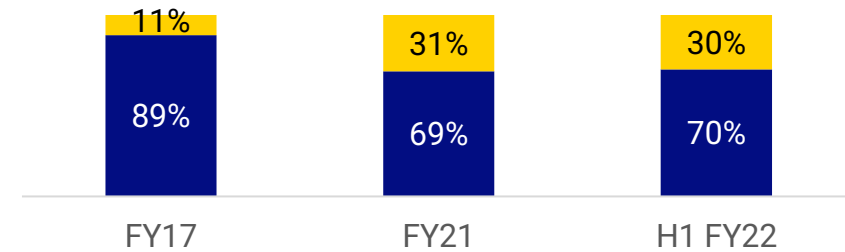


61% of digital revenues in H1 FY22 were from Mobile platform (mobile app + mobile web browser)

B2C Revenues by Product Category



■ Jewellery ■ Non-jewellery revenues

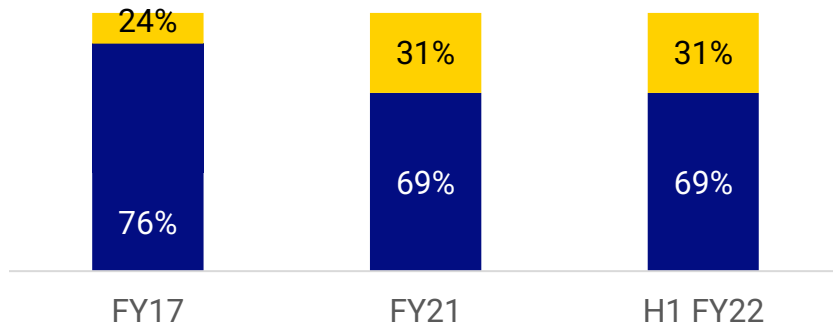


Jewellery revenues: Fashion jewellery;
Non-jewellery revenues: Fashion accessories and lifestyle products

B2C Revenues by Geography



■ US ■ UK

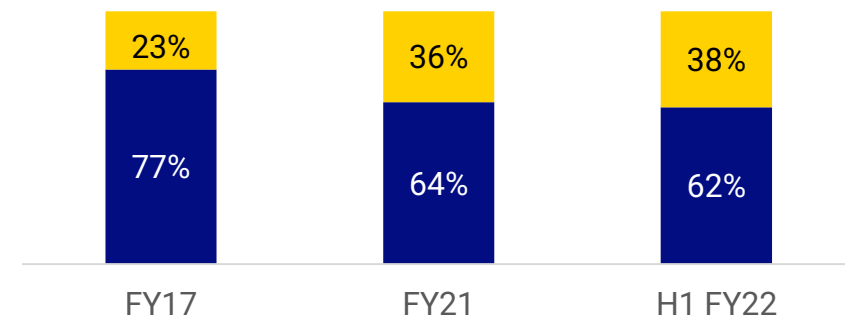


Breakup based on revenue in USD million

Budget Pay penetration of B2C Revenues



■ Non-Budget Pay revenues ■ Budget Pay revenues



Budget Pay revenues refer to products offered on EMI basis



HIGHLIGHTS FOR THE QUARTER



GERMANY: OPERATIONAL IN Q2 AND EXPANDING



- Omni-channel approach catering through:
 - ✓ TV Channel (Satellite and Cable)
 - ✓ OTT
 - ✓ Other Digital Platforms
- Value for money positioning, ASP of ~€29
- Warehouse set-up, continued thrust on quick delivery
- 21mn HH covered with in-house studio & 20 hours live streaming/day
- Superior customer experience enabled by 24*7 call centre (CSAT score: 96%)

SHOPLC
PREISWERTE QUALITÄT



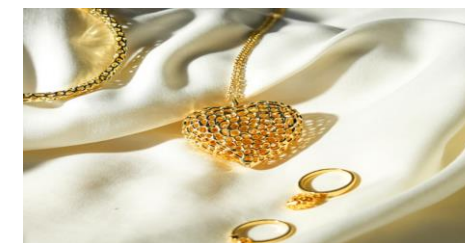


INCUBATING, CREATING & ACQUIRING NEW D2C ONLINE BRANDS



Designed For Fit, Loved For Value

- Launched 'TAMSY'- new female fashion apparel brand
- Targeting customers above 40 years in USA, UK and Germany
- Higher focus on fit and value with ASP of ~\$20



- Acquired 'Rachel Galley' online brand- a multiple award-winning UK based contemporary jewelry brand
- Initially launched in UK, to roll-out in USA
- Exceptional jewellery at affordable prices

WAREHOUSING AUTOMATION: GEEK+ ROBOT SYSTEM



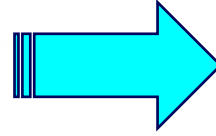
- Installed GEEK+ robots in warehouses located in USA and UK
- Capital outlay of ~\$ 5.2 million with payback of ~18-22 months
- 3 times improvement in picking productivity
- More than 50% of group's inventory presently picked by robots



OTT: LEVERAGING DIGITAL PLATFORMS



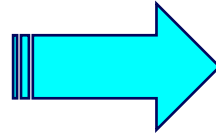
Now: **Live & Interactive**



Now: **Live**



KlowdTV



Adding: **VOD**



- Upgraded applications
- Accelerating marketing & engagement programs
- Infrastructure commissioned to support VOD (live show & related content)

INNOV8: DELIVERING JOY THROUGH CONTINUED INNOVATION

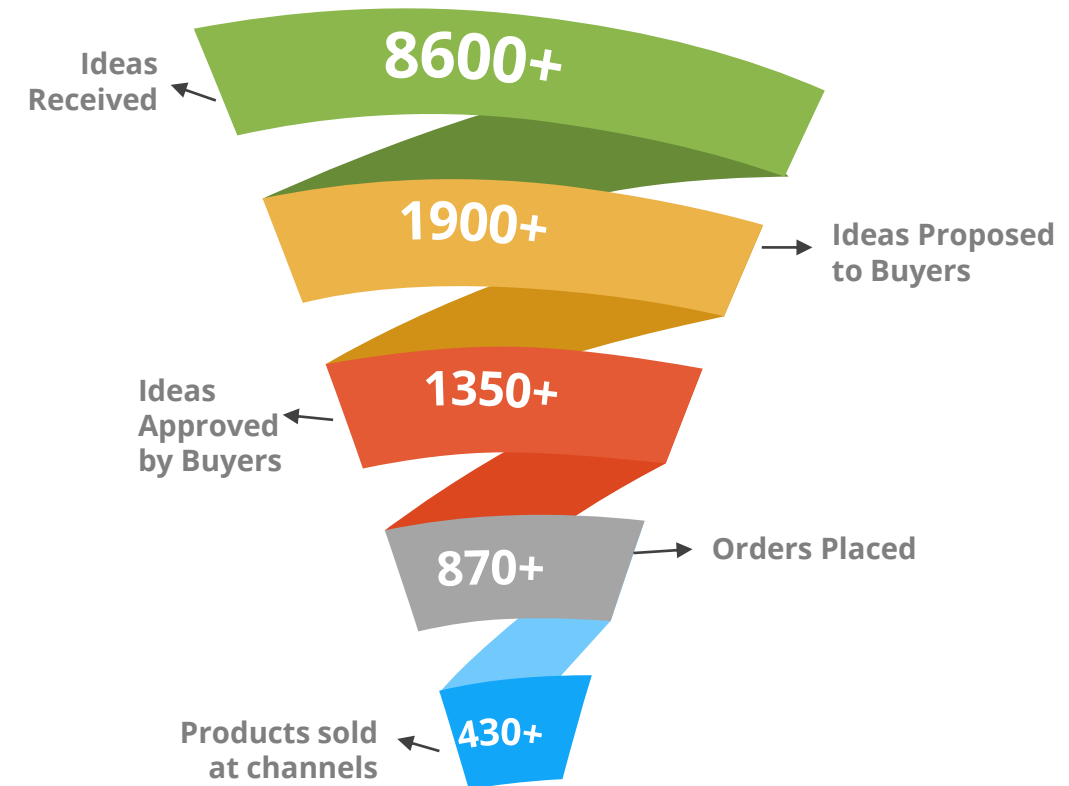


- A Global product innovation and search program
- Crowdsourcing of ideas from employees, customers and other external stakeholders
- YTD 8,600+ ideas received and 430+ new and innovative products launched



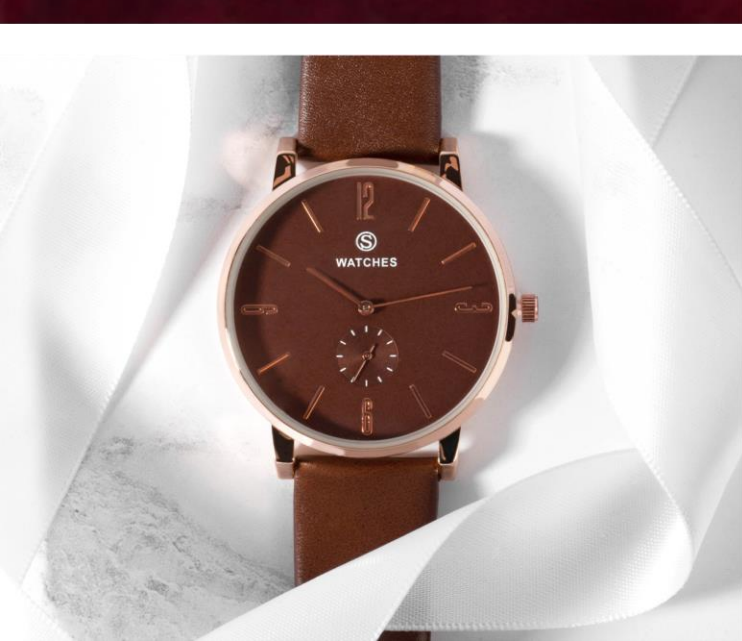
- A launchpad for **outside innovators** and **product owners**

INNOV8 FUNNEL





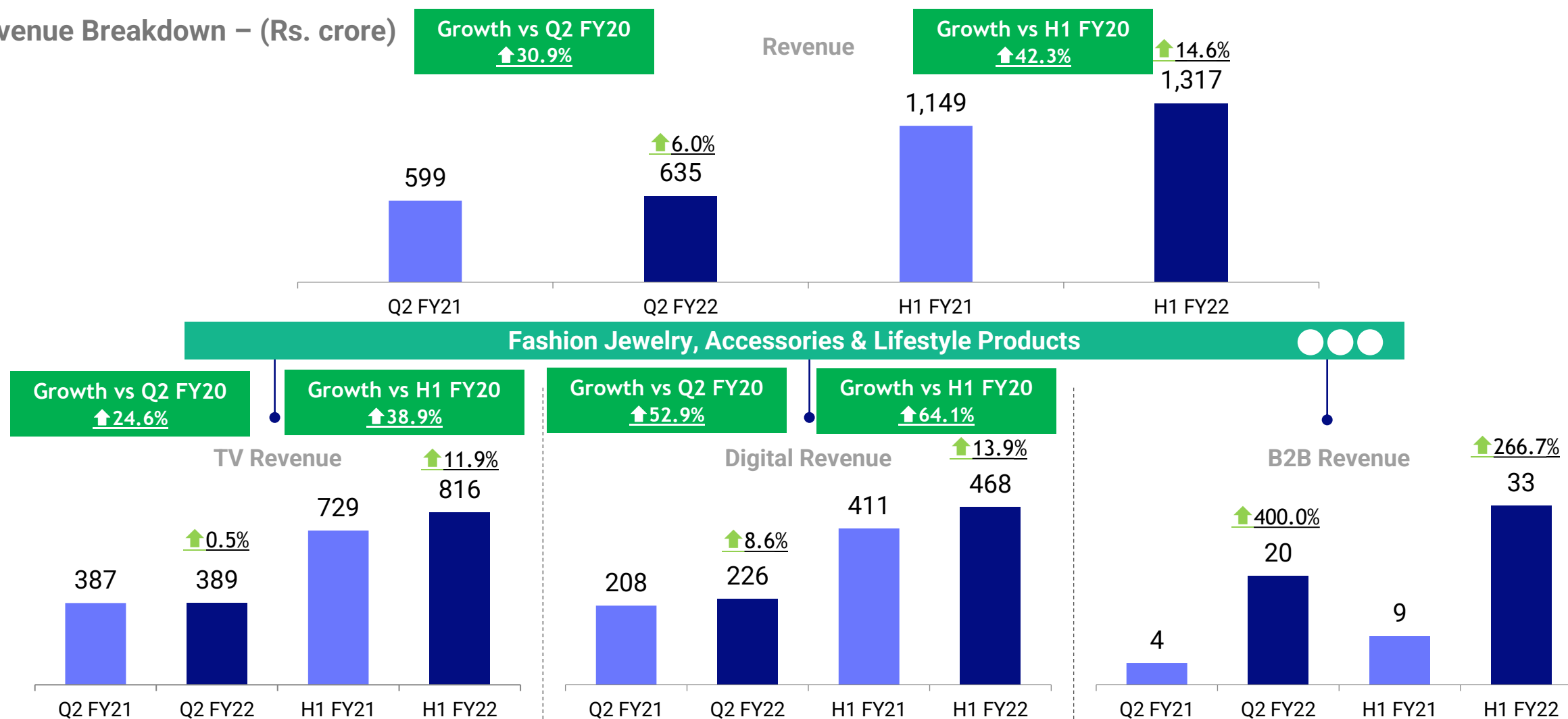
Q2 & H1 FY22 FINANCIAL PERFORMANCE



FINANCIALS – Q2 & H1 FY22 PERFORMANCE



Revenue Breakdown – (Rs. crore)



Note:

B2B has been a non-core and opportunistic business segment

FINANCIALS – Q2 & H1 FY22 PERFORMANCE



Revenue Breakdown – (Local Currency)

Shop LC (US)



Growth vs Q2 FY20

↑22.1%

Growth vs H1 FY20

↑33.3%

(USD million)

↑11.3%
119.2

56.1

57.4

107.1

↑2.3%

Q2 FY21

Q2 FY 22

H1 FY21

H1 FY22

Shop TJC (UK)



Growth vs Q2 FY20

↑24.5%

Growth vs H1 FY20

↑41.2%

(GBP million)

↑9.2%
39.1

35.8

18.7

18.3

↓1.7%

Q2 FY 21

Q2 FY22

H1 FY21

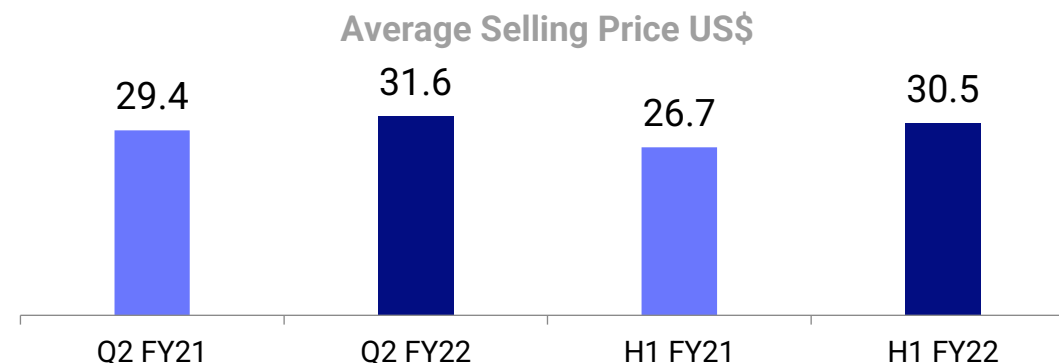
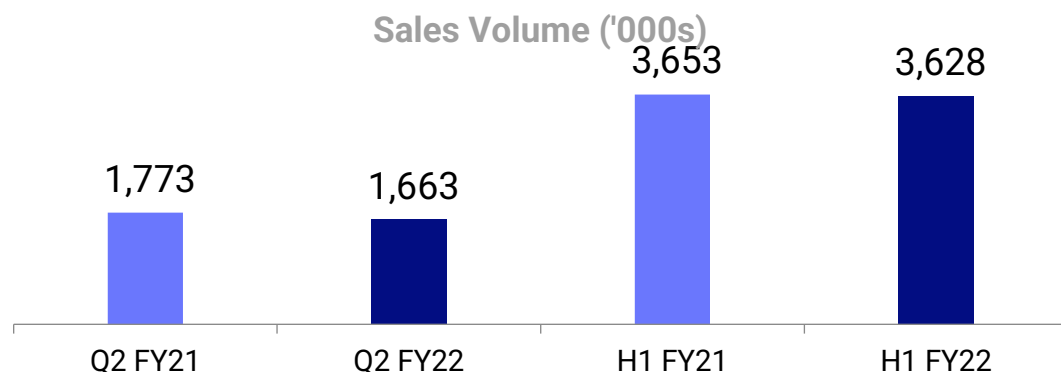
H1 FY22

RETAIL PERFORMANCE TRENDS – Q2 & H1 FY22

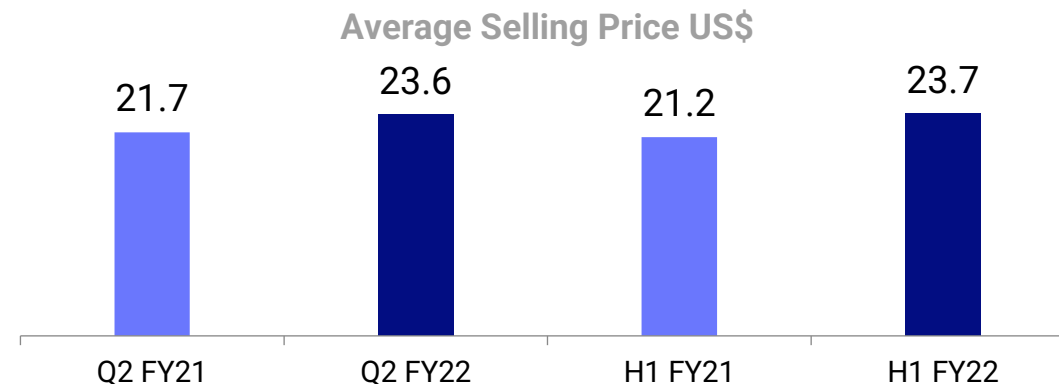
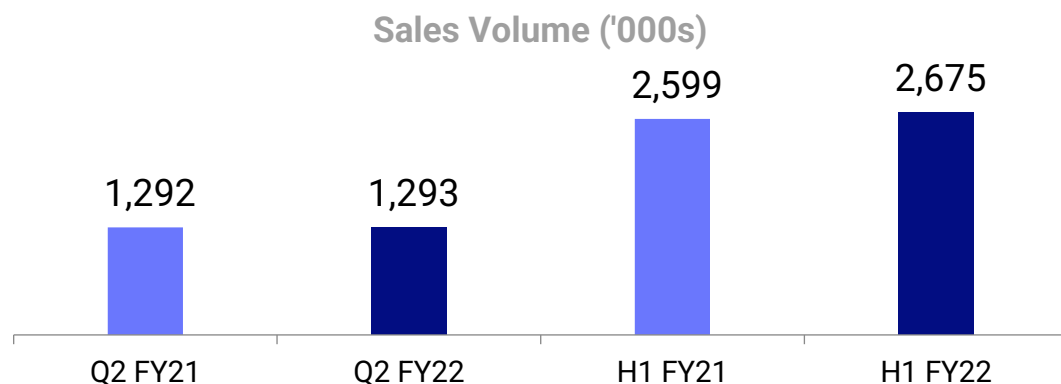


Volume and ASP

TV Sales



Digital Sales

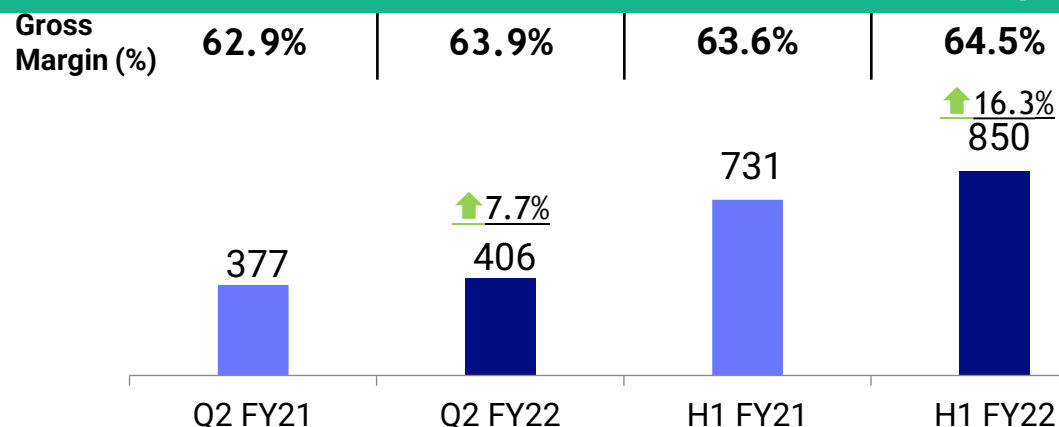


FINANCIALS – Q2 & H1 FY22 PERFORMANCE

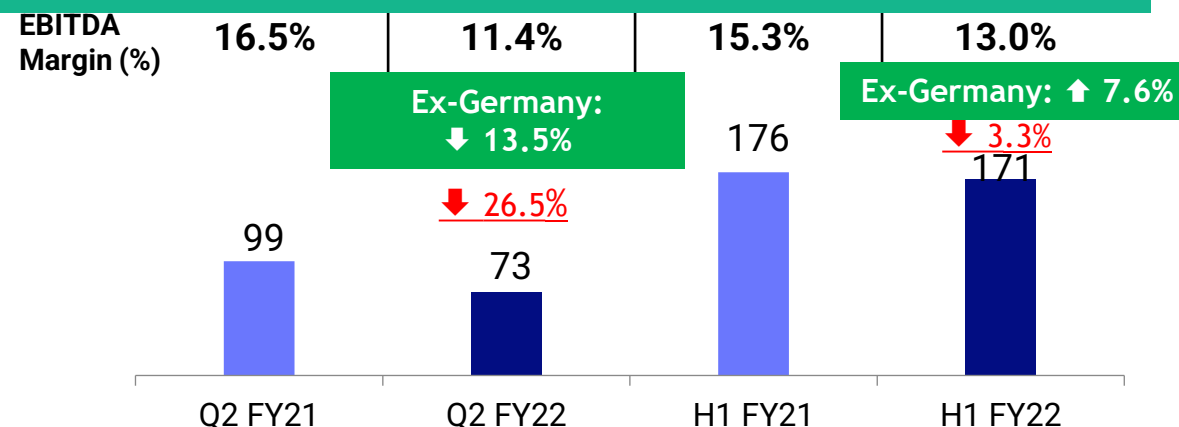


Profits – (Rs. crore)

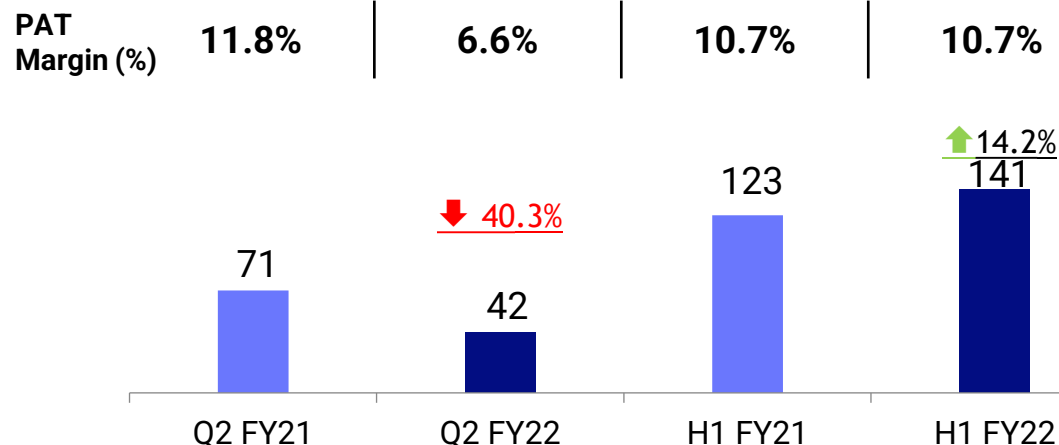
Gross Profit



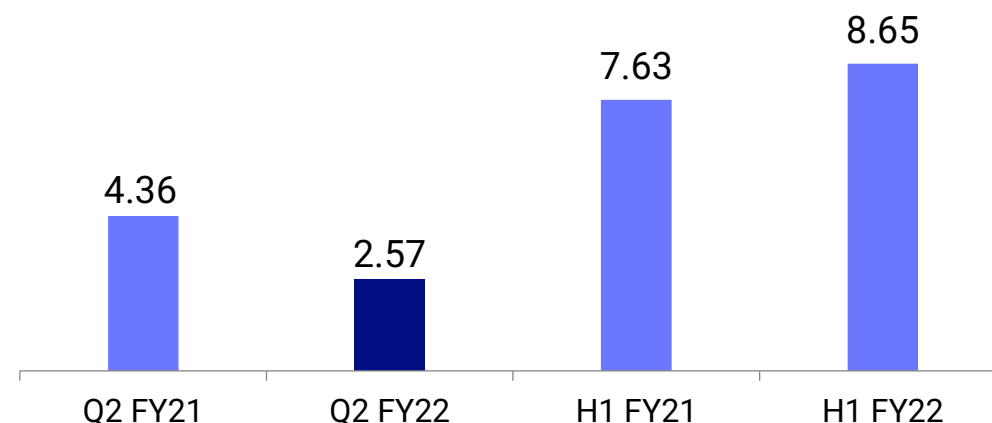
EBITDA



**PAT



EPS (Rs.) – Post split



Note: Q2 and H1 FY22:

**PAT: Excluding Germany & exceptional item: PAT growth: (19.6%) for Q2 and 4.4% for H1; PAT margin: 9.0% for Q2 & 9.8% for H1

EBITDA MARGIN WALK



Particulars	% To Revenue	Remarks
EBITDA Q2 FY22	11.4%	
Gross Margin Improvement	↑ 1.0%	Conscious increase in gross margins
Investment in Germany	↓ (1.9%)	Germany loss in line with \$3-5 mn loss guidance for FY22, breakeven in 3rd year
Elevated Sea Freight	↓ (2.3%)	Temporary short-term impact
Accelerated Investment in Digital & Broadcasting	↓ (2.4%)	Seeding investments for future growth, results to reflect from Q3 onwards
Others	↑ 0.5%	
EBITDA Q2 FY21	16.5%	



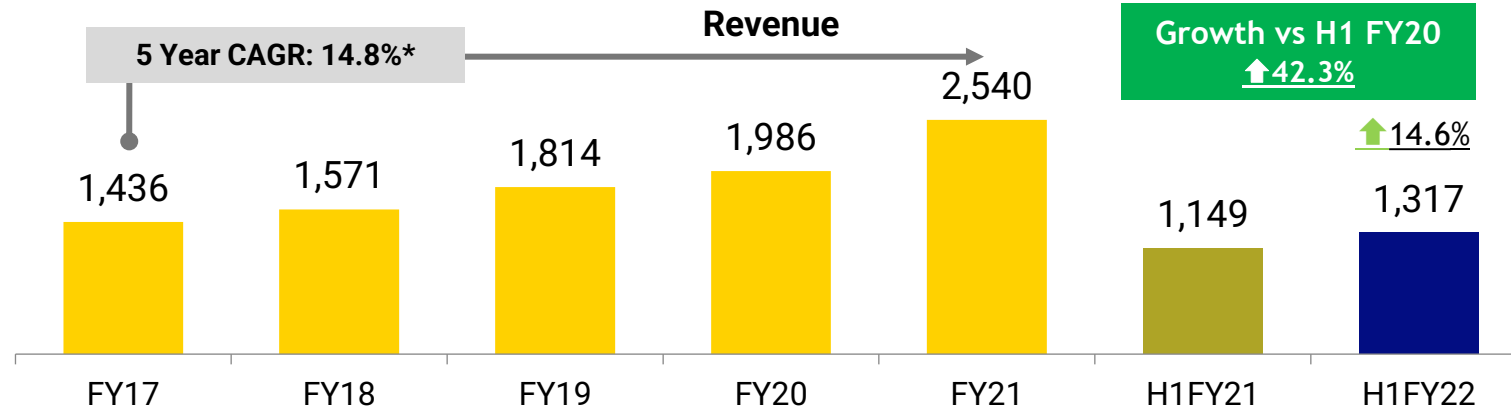
FINANCIAL PERFORMANCE TRENDS



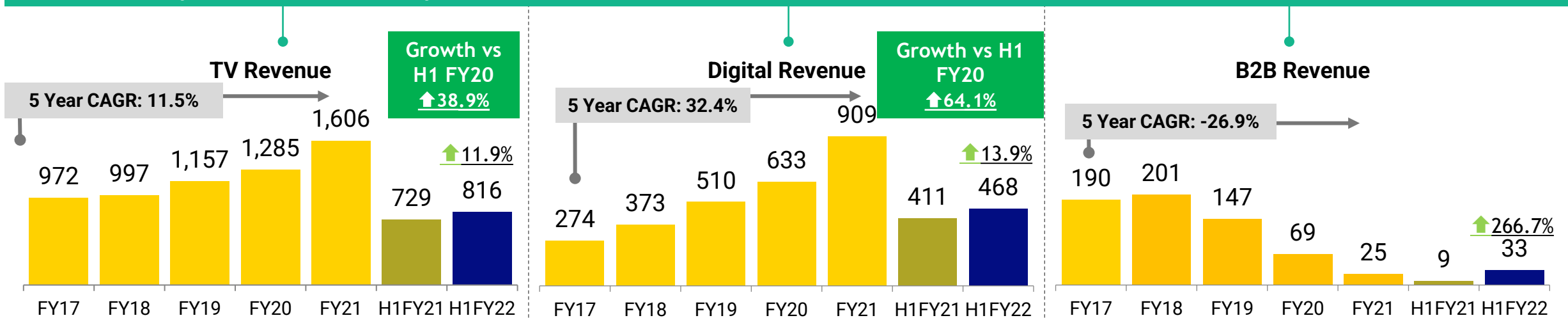
FINANCIAL PERFORMANCE TRENDS



Revenue Breakdown – (Rs. crore)



Fashion Jewelry, Accessories & Lifestyle Products



RETAIL PERFORMANCE TRENDS

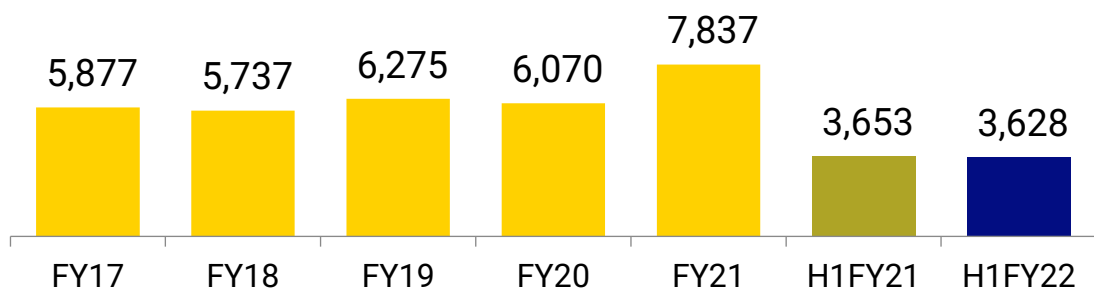


Volume and ASP

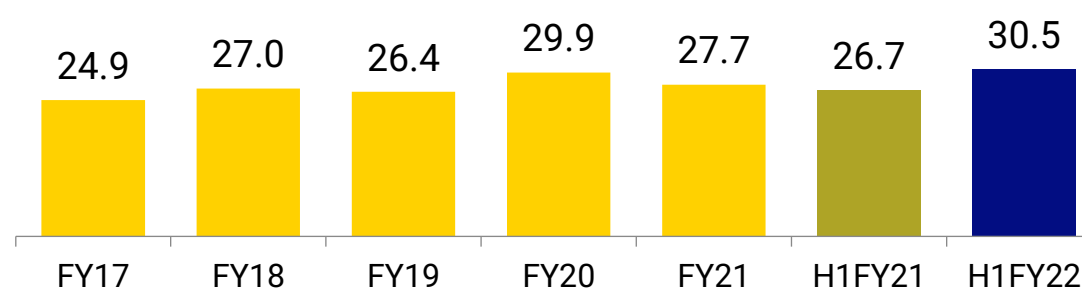
TV Sales



Sales Volume ('000s)



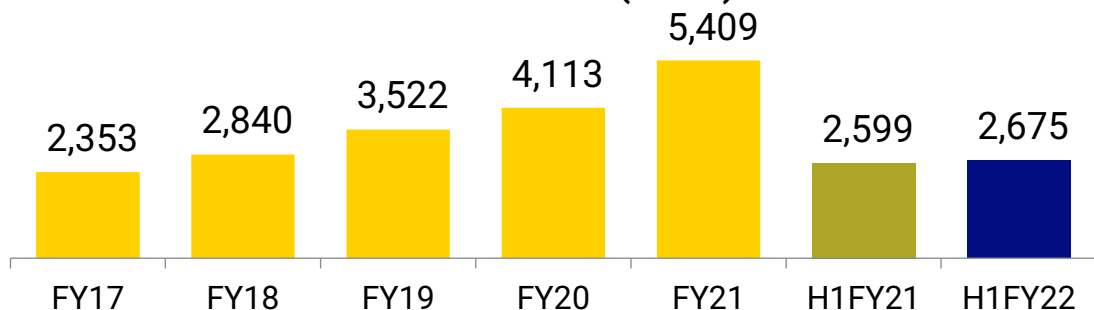
Average Selling Price US\$



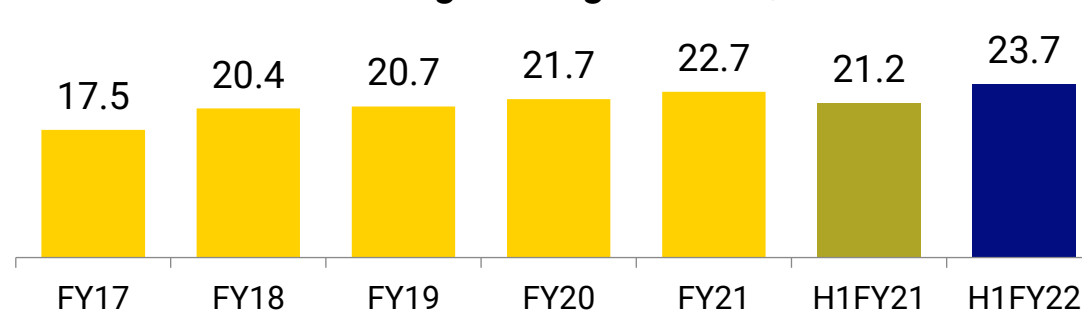
Digital Sales



Sales Volume ('000s)



Average Selling Price US\$



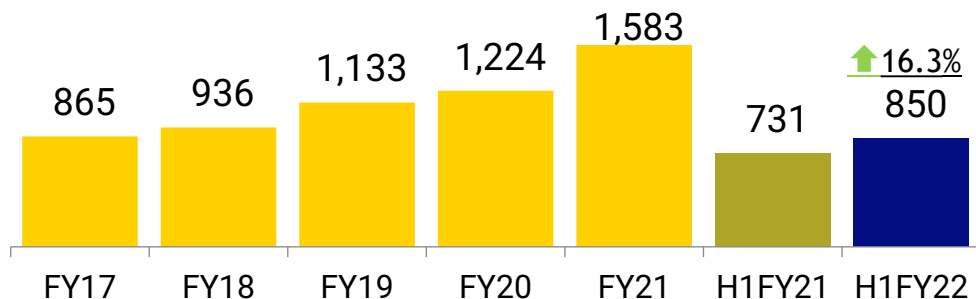
FINANCIAL PERFORMANCE TRENDS



Profits – (Rs. crore)

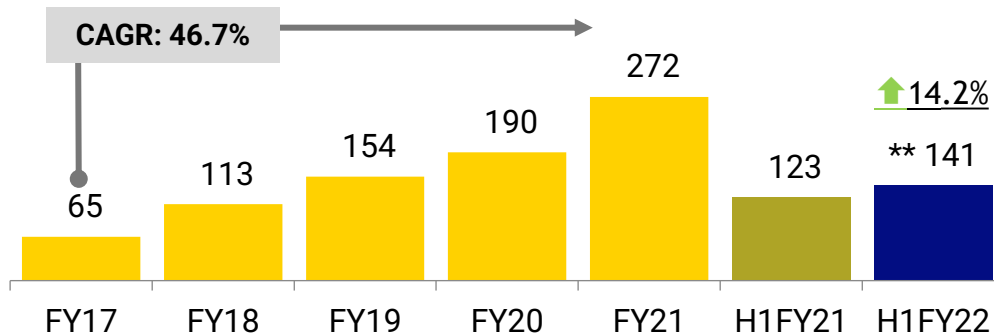
Gross Profit

Gross Margin (%)	60.1%	59.6%	62.5%	61.6%	62.3%	63.6%	64.5%
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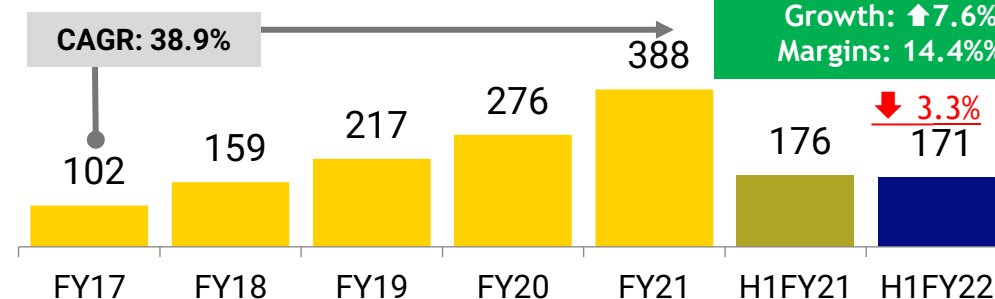
**PAT

PAT Margin (%)	4.5%	7.2%	8.5%	9.6%	10.7%	10.7%	10.7%
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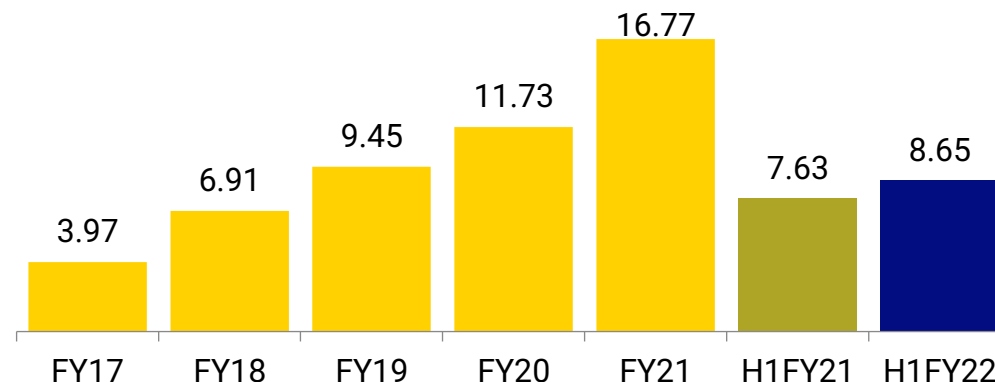
EBITDA

EBITDA Margin (%)	7.1%	10.1%	12.0%	13.9%	15.3%	15.3%	13.0%
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Ex-Germany:
Growth: ↑7.6%
Margins: 14.4%

EPS (Rs.) – Post split



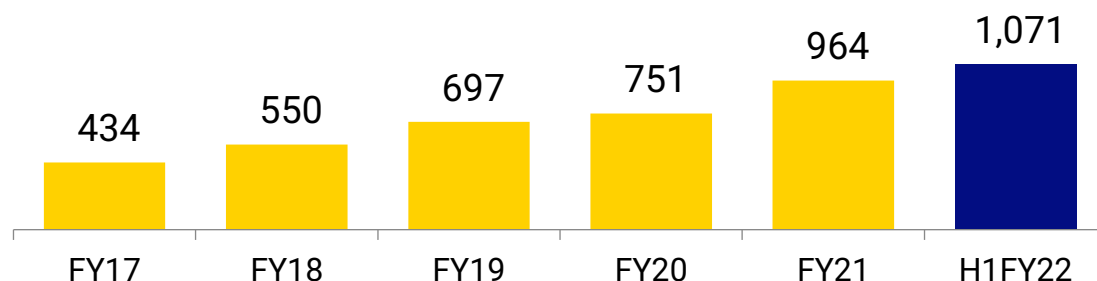
**PAT: Excluding Germany & exceptional item: PAT growth is 4.4% and PAT margin is: 9.8% for H1

FINANCIAL PERFORMANCE TRENDS

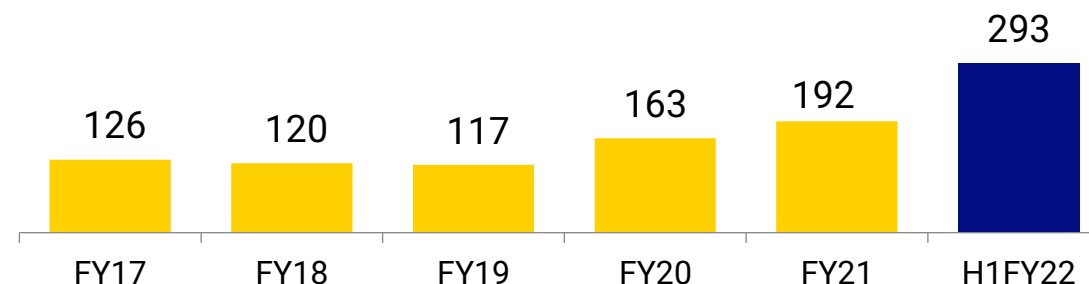


Balance Sheet – (Rs. crore)

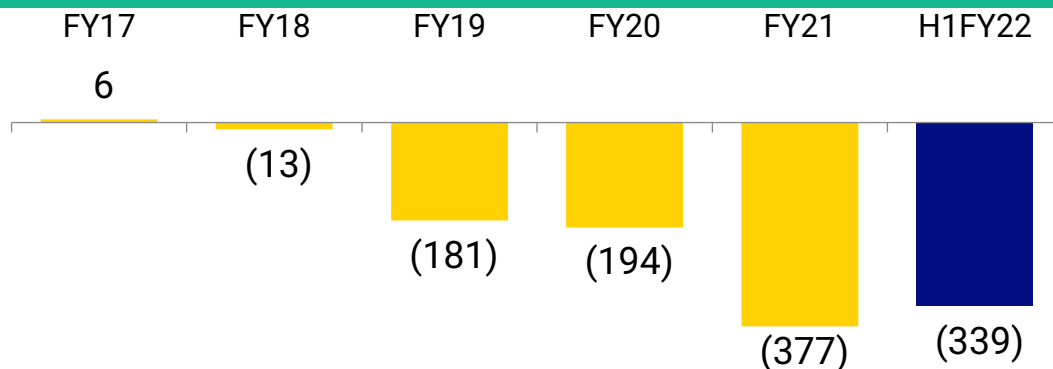
Shareholders' Equity



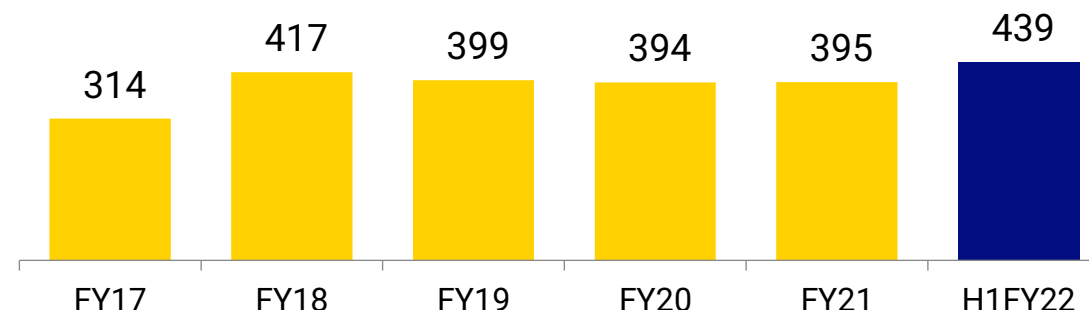
Fixed assets including intangibles



Net Debt



Net Assets *



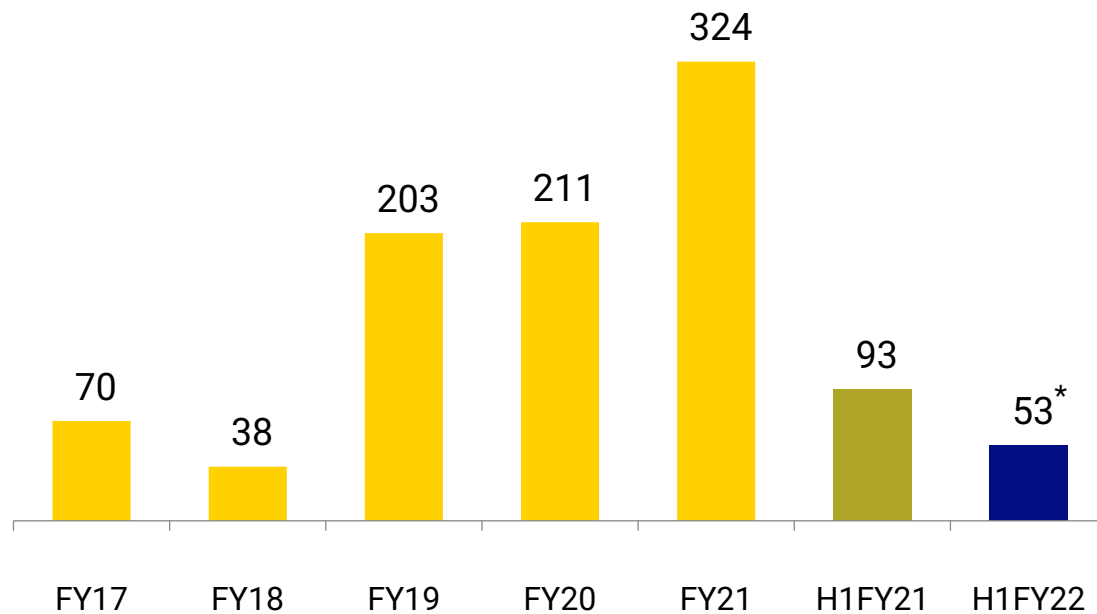
Note:
* Net Assets is the balancing figure arrived at by excluding shareholders equity, net debt, and fixed assets including intangibles

FINANCIAL PERFORMANCE TRENDS

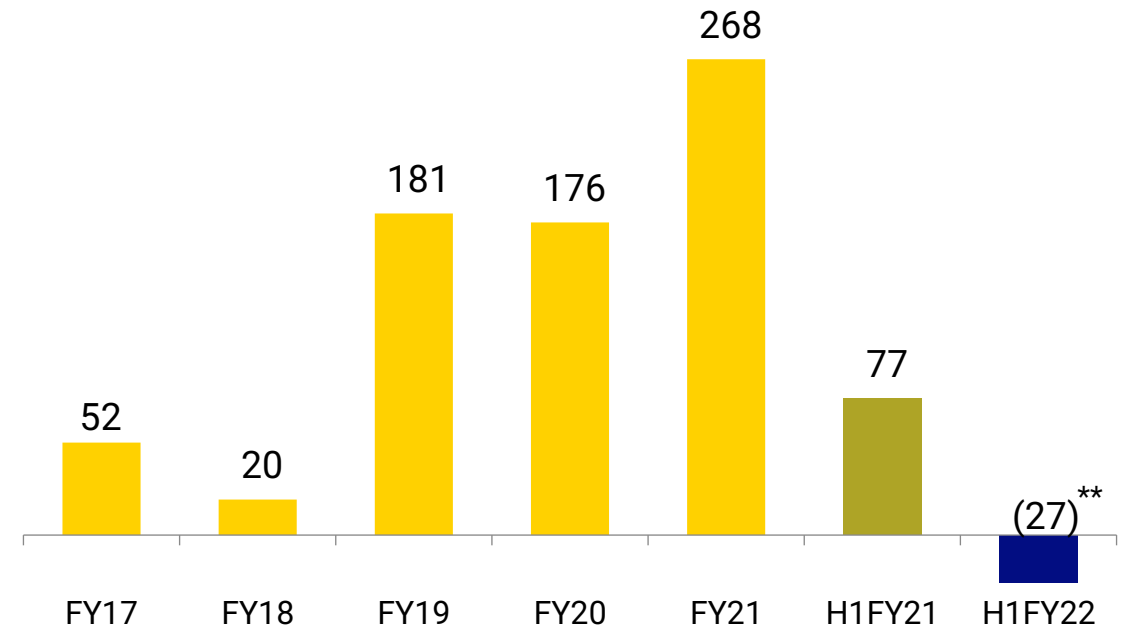


Cash Flow – (Rs. Crore)

Operating Cash flow



Free Cash Flow



* Disruptions in global supply-chain system resulting in higher inventory and increased working capital

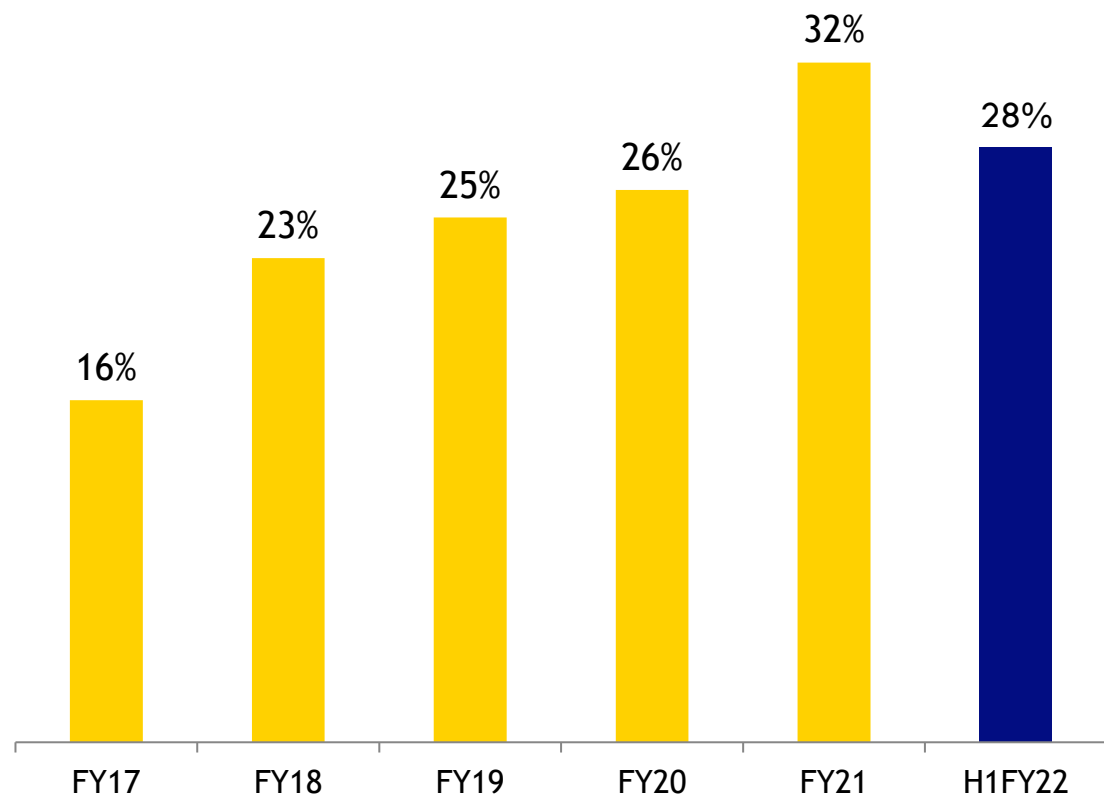
** Owing to higher capex on warehouse automation, building digital competencies and initial set-up cost of Germany

FINANCIAL PERFORMANCE TRENDS

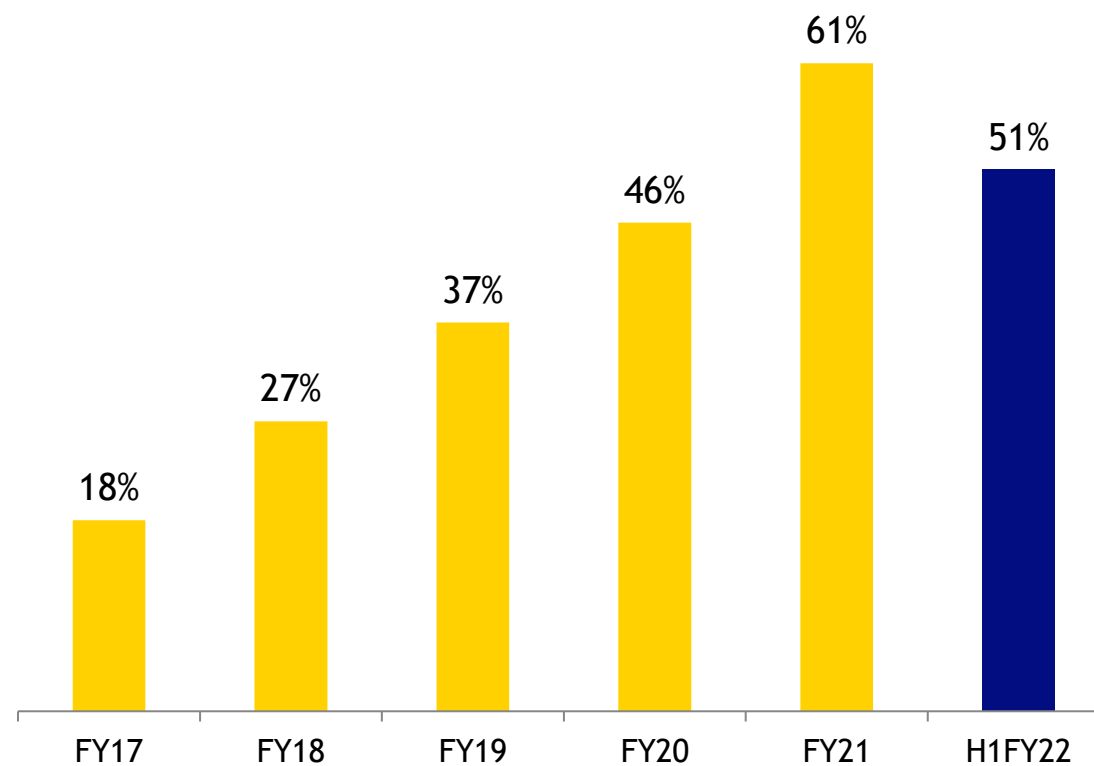


Key Ratios

ROE (TTM)



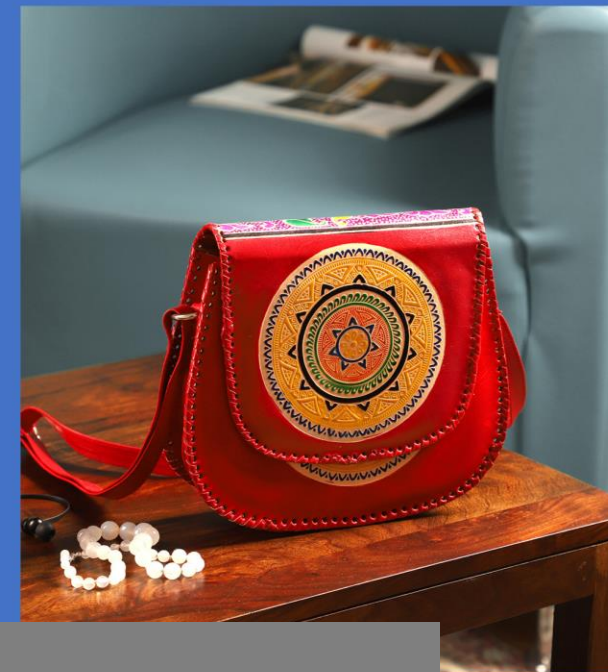
ROCE (TTM)



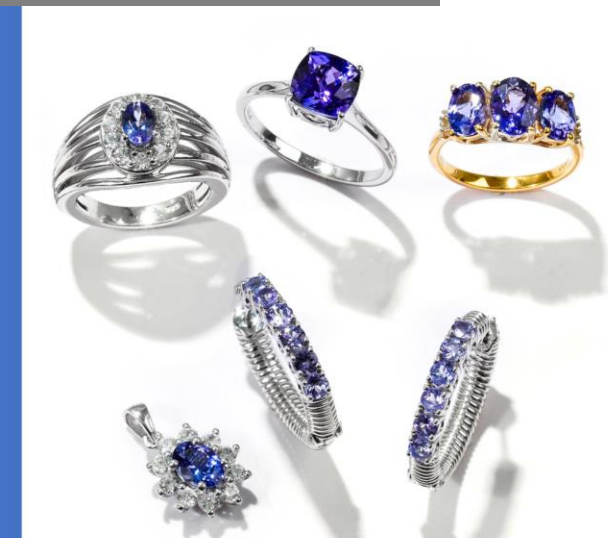
Note -

ROE – based on average net worth

ROCE – based on average capital employed



ANNEXURES



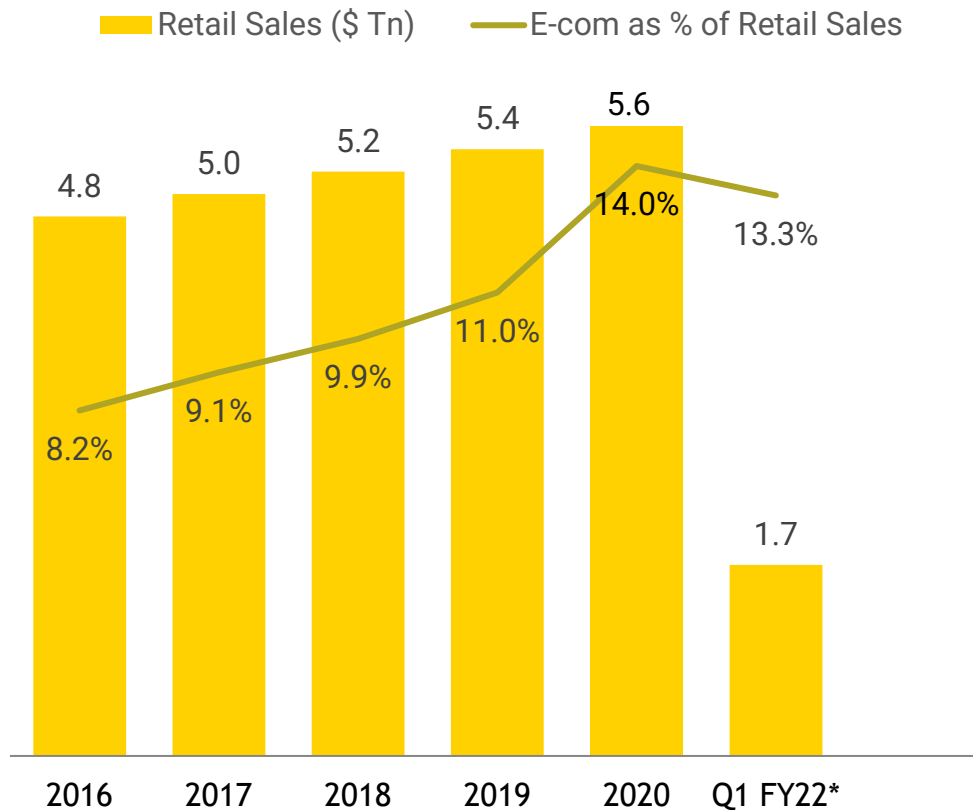
GROWTH IN DIGITAL COMMERCE MARKETS



Industry



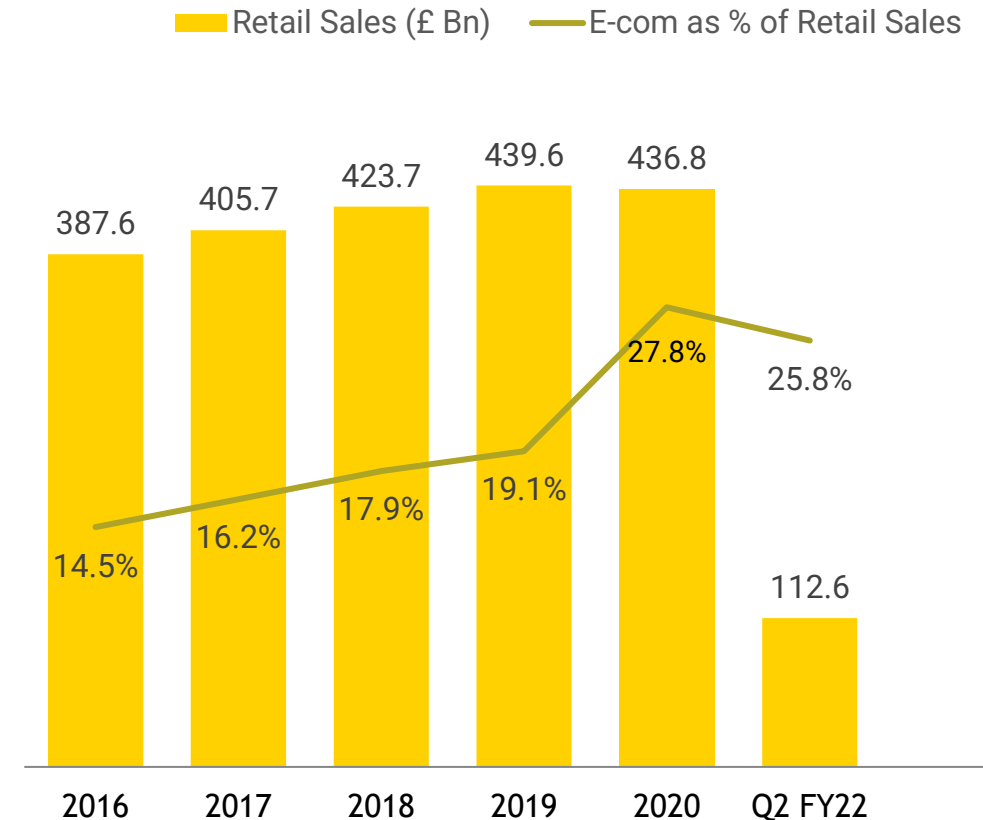
US Retail & E-com Sales



Source: United States Census Bureau www.census.gov

* This data is published with a time lag of 1 quarter

UK Retail & E-Com Sales



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

ROBUST CORPORATE GOVERNANCE



H1 FY22

Rs. 49.1 cr

Interim dividend

Dividend Payout Policy

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

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

RECOGNITION

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



RAJASTHAN's Best Employer Brands Award 2021



IGJA Award:
Highest exporter of silver jewellery in India



GPTW
Best Leaders in Times of Crisis 2021



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***

BIODIVERSITY

~26,000

Saplings planted for developing a Miyawaki forest

~5,300

Additional saplings planted till date



WATER

6100 KL Rainwater harvested per annum

7 KL Water saved per day with the installation of low LPM faucets

48 KL Water recycled per day, which equals 17,500 kl. per year

100 KL RWS Rainwater Storage Tank commissioned

WASTE

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

762 Kg E-waste recycled

COMMUNITY GIVEBACK



- > Served **57.7 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

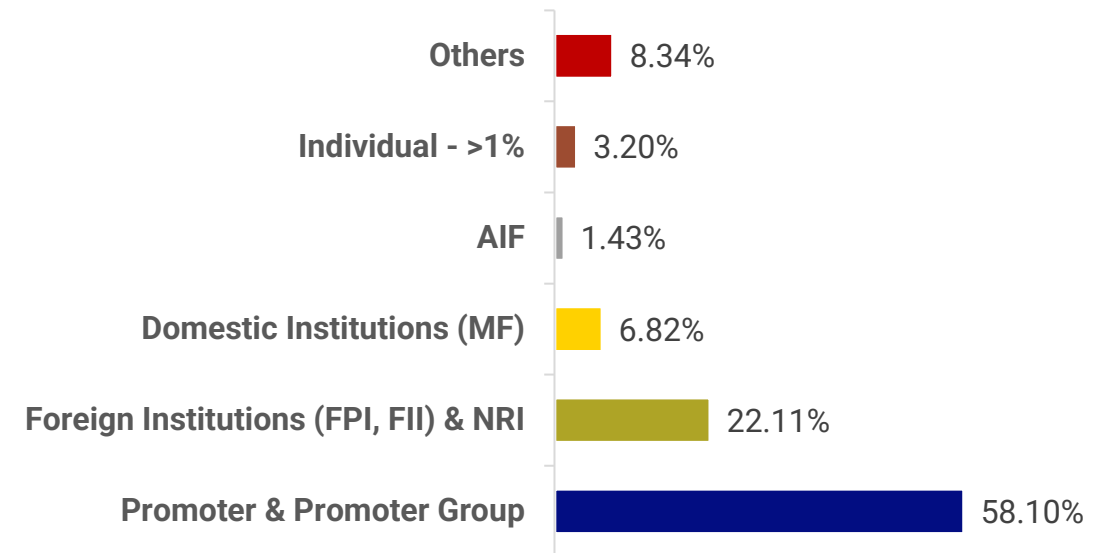
- > Donated an Oxygen plant to Santokba Durlabhji Memorial Hospital in Jaipur, Rajasthan. This plant has a total capacity of generating 30 cubic meter oxygen per hour
- > Distribution 117 Oxygen concentrators, 36 BIPAP, 4 ventilators

VGL SHAREHOLDER BASE – AS ON 30-SEPTEMBER-2021



Key Shareholders (Holding +1%)	Holding as on 30-September-21
Promoter & Promoter Group	58.10%
Nalanda India Fund Limited (FIL)	10.26%
Motilal Oswal Flexi Cap Fund (MF)	6.81%
Malabar India Fund Limited (FPI)	5.58%
Vijay Kedia (Individual)	1.83%
Ashish Kacholia (Individual)	1.37%

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. Pushpendra 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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