



VAIBHAV GLOBAL LIMITED

Ref: VGL/CS/2021/60

Date: 12th May, 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 Q4 & FY 2021.

Kindly take the same on record.

Thanking you,

Yours Truly,

For Vaibhav Global Limited

**Sushil Sharma
Company Secretary**



Vaibhav Global Limited

Financial Results Presentation

Q4 & 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



“The last financial year has been a period of unprecedented challenges. Globally, people have been confined to their homes, mobility severely restricted, increasing their propensity to look for new and innovative shopping experiences. While many established businesses and markets have seen significant disruption, VGL with its unique vertically integrated operations has firmly seized the opportunity and delivered consistent outperformance.

An agile business model and close alignment with customers’ needs, backed by omni-channel presence, has driven the business in our core consumer markets. We are confident of continuing the momentum in the current year as well as we sharpen further our front-end presence as well as our supply chain framework. Moreover, economic activity in our key markets of USA and UK is seeing a return to normalcy, which should drive demand further. Expanding our presence, we have recently launched a new channel, TJC Beauty, in the UK which focuses on products and trends in the beauty market. We are also in the process of exploring other developed markets to expand our global footprint.

Financial reflection of our business achievements is seen in the report card for FY21: retail revenue growth of 31% to Rs. 2,515 crore, 140 basis points expansion in EBITDA margin, increase of 15.3% in profit after tax to Rs. 272 crore, net cash of Rs. 377 crore on the balance sheet, free cash generation of Rs. 268 crore and ROCE of 61%. We have paid dividends each quarter and with the recommended Q4 dividend of Rs. 1.50 per share (face value Rs. 2 each). Besides, interim dividends of Rs. 17.50 per share (face value Rs. 10 each) were declared and paid to shareholders in FY21. Over the last five years, between FY16 and FY21, VGL has delivered consistently to grow retail revenues by 14.8% CAGR, expand margins from 61.6% to 62.3% and increase profits by 46.6% CAGR, with commensurate improvements in cash accretion and return ratios.

*Underlying these successes are positive metrics on our 4R's framework - with marked improvements on widening **Reach**, growing new customer **Registrations**, improving customer **Retention** and increasing **Repeat** purchases. At the same time, we have continued to pursue our triple bottom line objectives and I am glad to share that we have now provided meals to over 50 million children across India, USA and UK under our flagship “Your Purchase Feeds” program. Also, our deep commitment and engagement with our employees has resulted in continued recognition in the Great Places to Work lists across India, China and UK. On the corporate front, we have catapulted to the 65th rank in Fortune India's Next 500 list 2021 from the 132nd rank in FY20. Going forward, we look forward to building on these achievements, moving from strength to strength to continue to provide joy to all our stakeholders.”*



Mr. Sunil Agrawal
Managing Director, Vaibhav Global Limited

Commenting on Q4 & FY21 Performance

Covid-19: Continuous Response



Covid-19 Response

Employees



- 'Borderless workforce' with no latency
- Protected livelihoods and remuneration
- Enhanced collaboration and engagement
- Implemented adequate health and safety protocols

Investors



- Sustained focus on a healthy Balance Sheet
- Cash and cash equivalents of Rs. 468 crore as on March 31, 2021
- Renewed focus on cost rationalization
- Continuous pay-back (Dividends)

Customers



- Continued retail operations in US & UK
- Modified product mix to include essential items
- Uninterrupted call center operations
- Zero downtime for critical systems
- Built remote TV production and broadcast solution as a contingency plan
- Delivered system enhancements to support altered product mix

Supply Chain



- Temporary shutdown in operations balanced by efficiently managing inventory and leveraging global supply chain
- Prudent and timely sourcing made it possible to market essential products

Community



- Donated ~2,64,000 masks across US, UK, India, & China
- Provided ~3.4 mn meals to people in need (through Akshaya Patra in Jaipur)

Q4FY21 - Key Highlights



Robust **33%** Y-o-Y growth in retail revenues (FY21 **31%** Y-o-Y)



EBITDA grew by a strong **41%** Y-o-Y, margin expanded 70 bps to **12.8%**. (FY21 **40%** Y-o-Y)



Further improvement in return ratios with ROCE expanded to **61%**(TTM basis)



FY21 Free Cash Flows enhanced to Rs. **268** crore



Recommended final dividend of Rs. **1.50** per share (face value Rs. 2 each). Besides, interim dividends of Rs. 17.50 per share (face value Rs. 10 each) were declared and paid to shareholders in FY21



Significant Y-o-Y jump of **38%** in Unique Customers (TTM basis) to **501,169**



Shop TJC, Launches Exclusive TV channel in the UK called **TJC Beauty**



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



Provided **51** million meals since the inception of the One for One program

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A close-up portrait of a woman with dark hair and red lipstick, wearing a grey blazer. She is looking slightly to the right. A blue banner with white text is overlaid across the middle of the image. She is wearing a ring with three green stones on her left hand and a necklace with multiple rows of green stones and a teardrop pendant. Her right hand is resting near her chin.

Business Background Details



Vaibhav Global Limited (VGL) at a Glance



CORE VALUES



Team-Work



Honesty



Passion



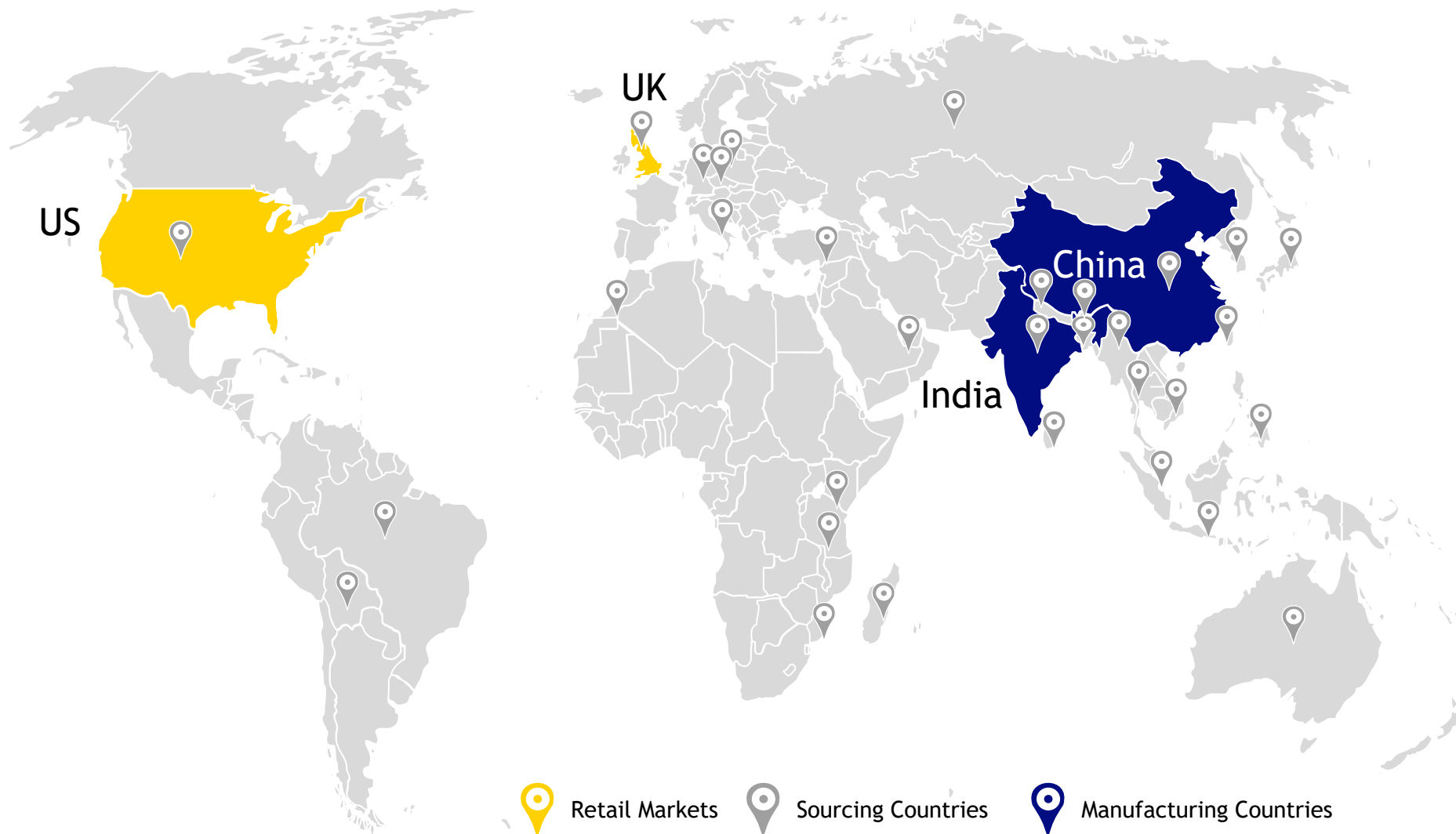
Positive Attitude



Commitment



Our Global Presence



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

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

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 (FB & Instagram)
 - Third-party Marketplaces



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

- TV Homes accessed (*FTE) - 104 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 ~51 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

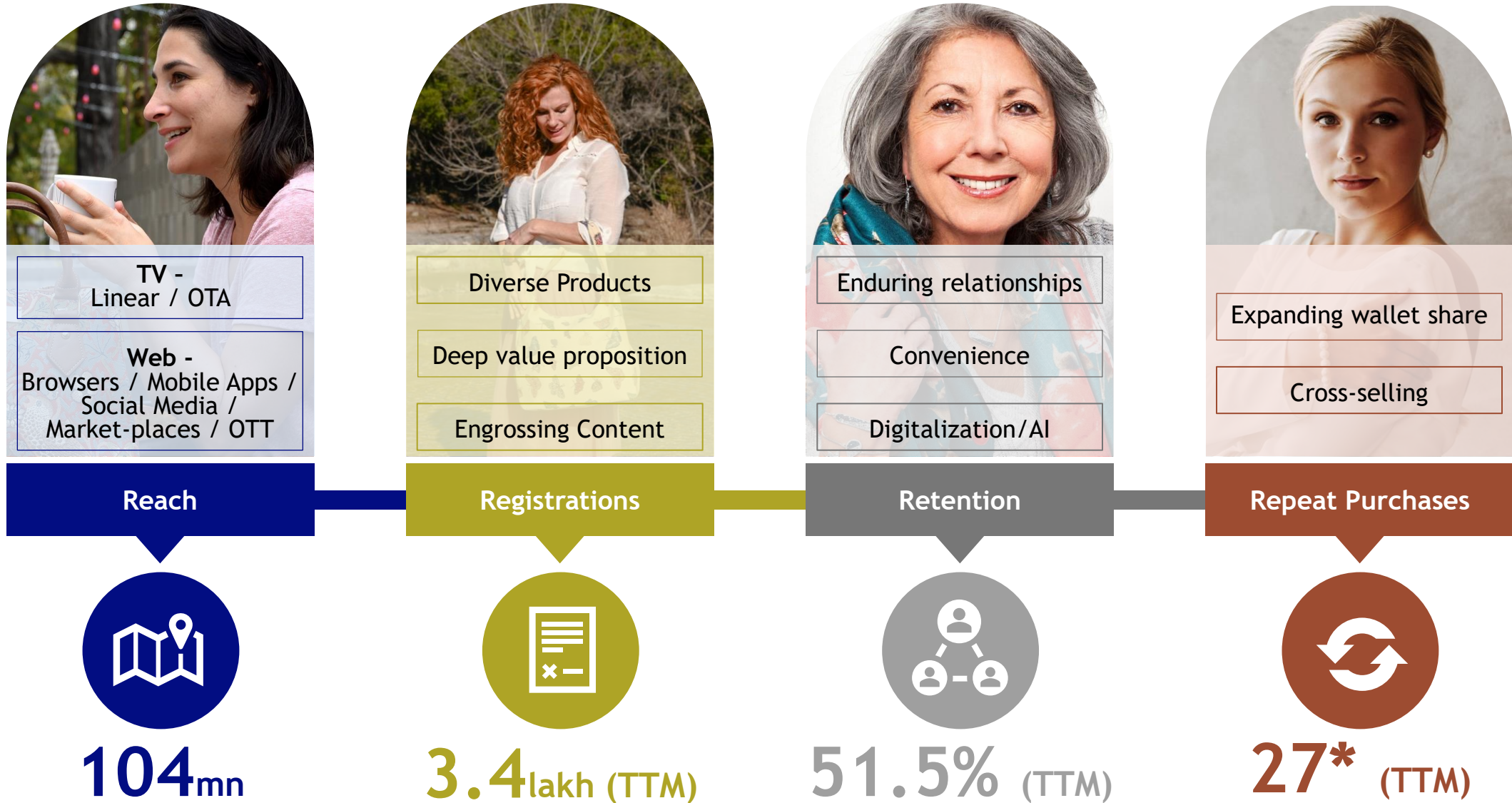


Robust customer engagement

- 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 - 79 mn HH including 17.9 mn 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



Digital Experience Platform



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

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

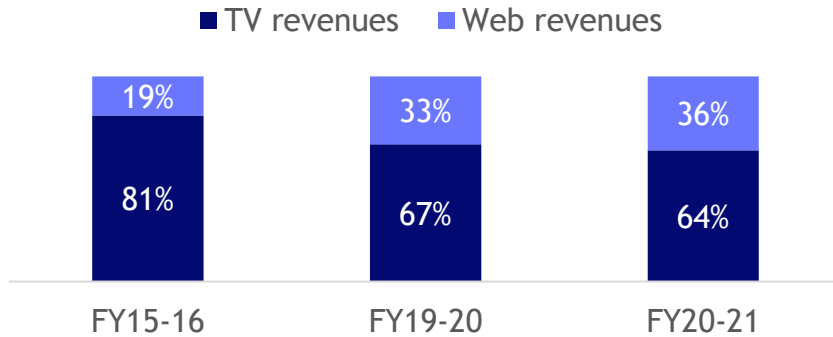


Note: OTA - Over the Air; OTT - Over the Top; HH - Households

Business Transition Dashboard

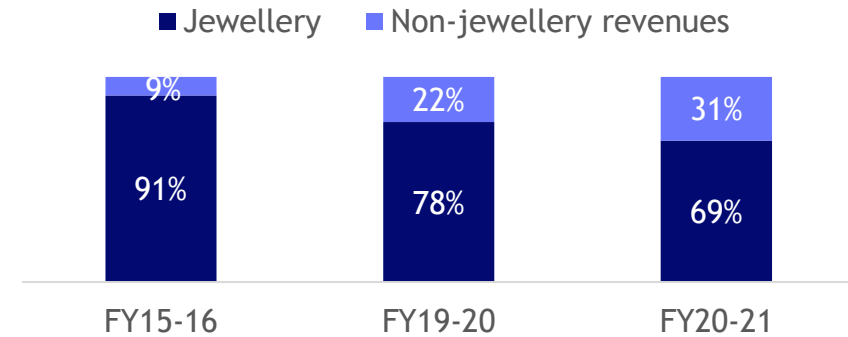


B2C Revenues by format



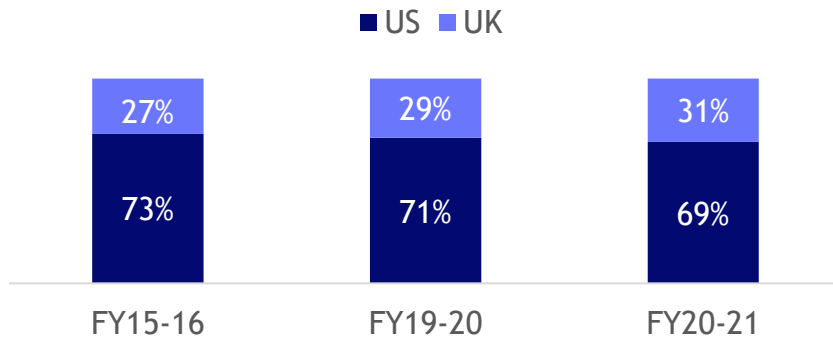
61% of web revenues in FY21 were from Mobile platform (mobile app + mobile web browser)

B2C Revenues by product category



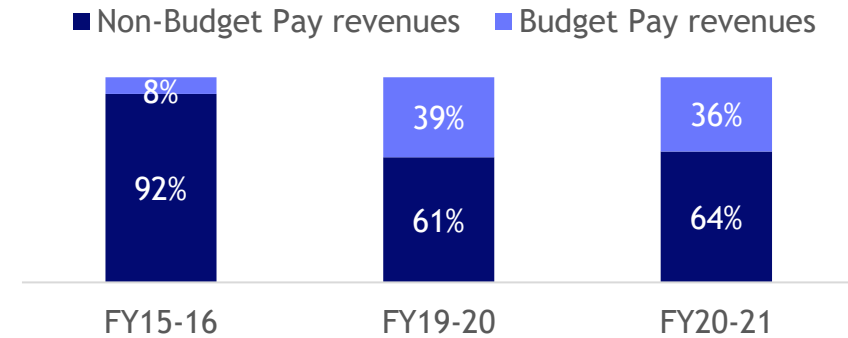
Jewellery revenues: Fashion jewellery;
Non-jewellery revenues: Fashion accessories and lifestyle products

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



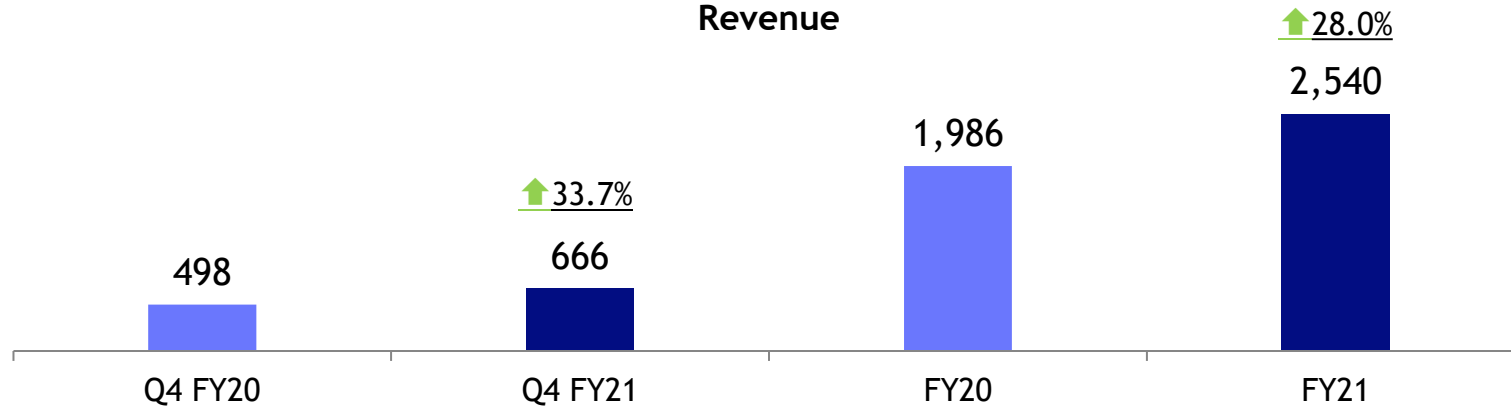
Q4 & FY21 Financial Performance



Financials - Q4 & FY21 Performance

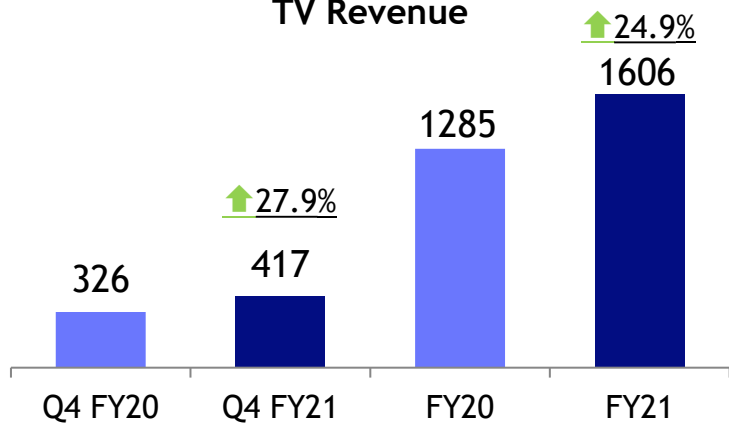
Revenue Breakdown - (Rs. crore)

Revenue

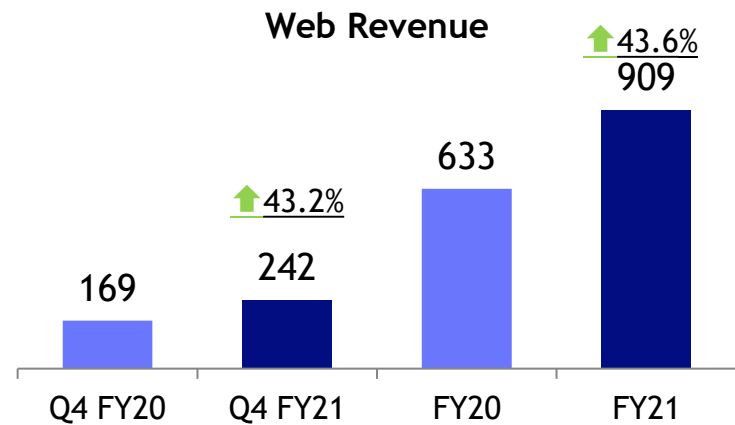


Fashion Jewelry, Accessories & Lifestyle Products

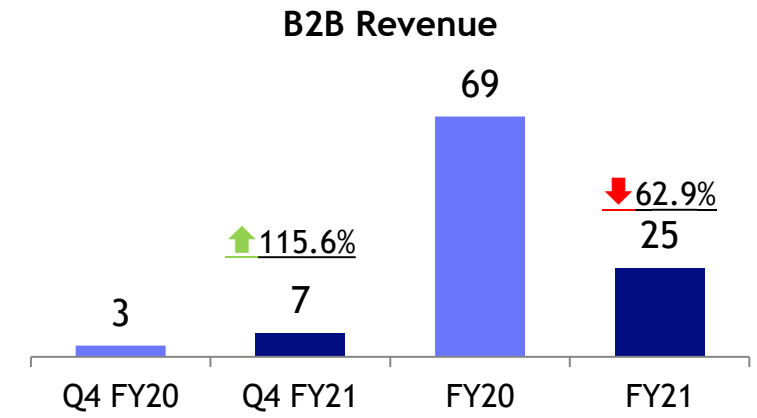
TV Revenue



Web Revenue



B2B Revenue



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

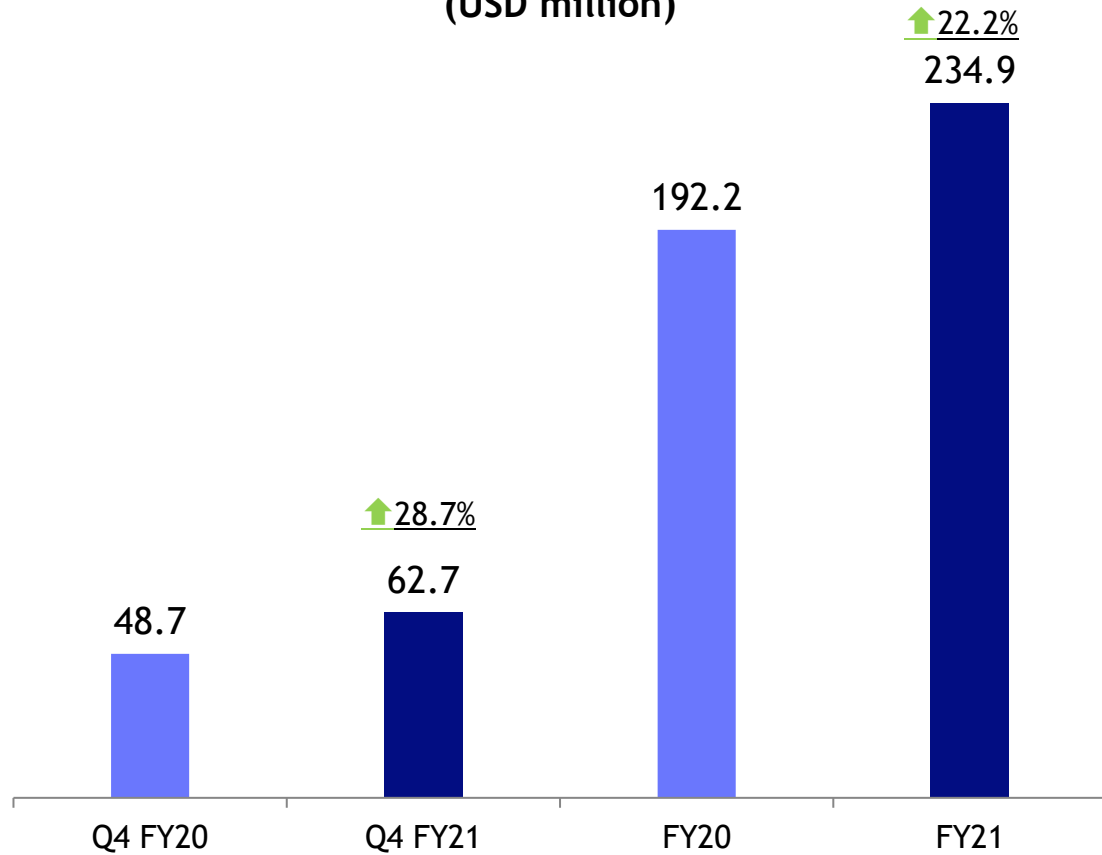


Financials - Q4 & FY21 Performance

Revenue Breakdown - (Local Currency)

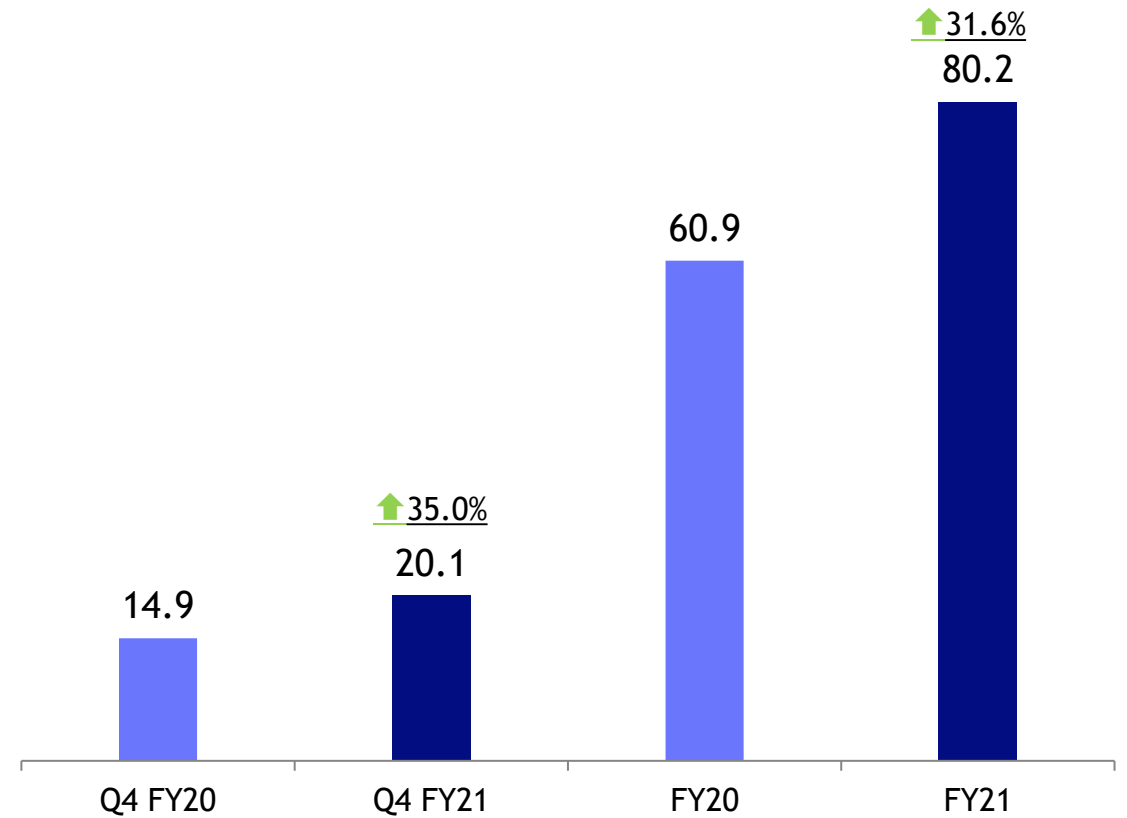
Shop LC (US)

(USD million)



Shop TJC (UK)

(GBP million)

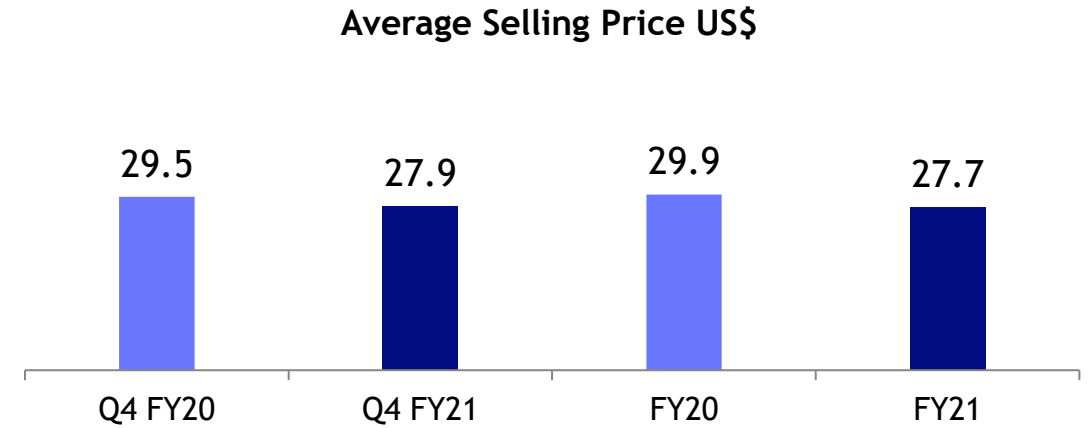
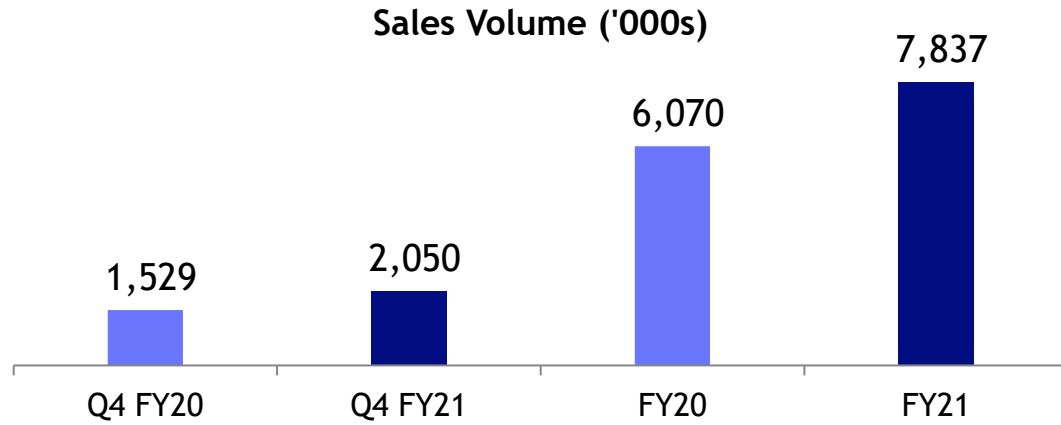




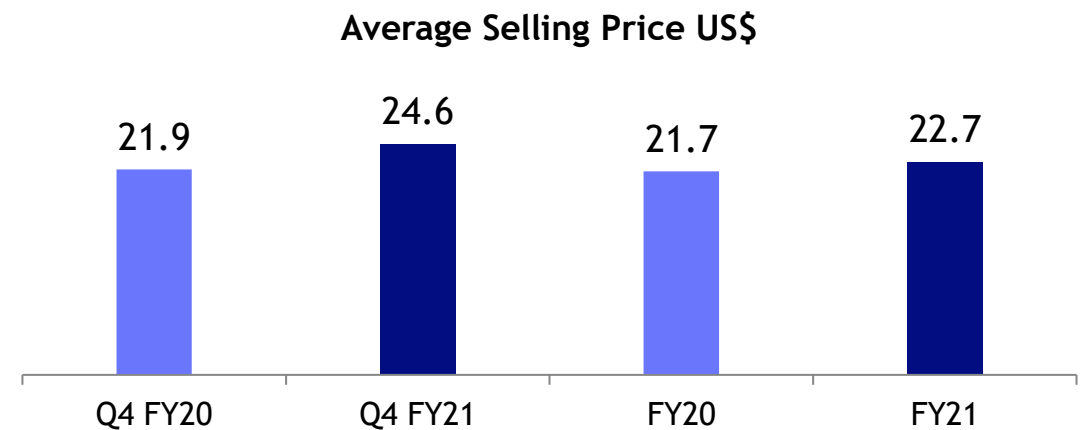
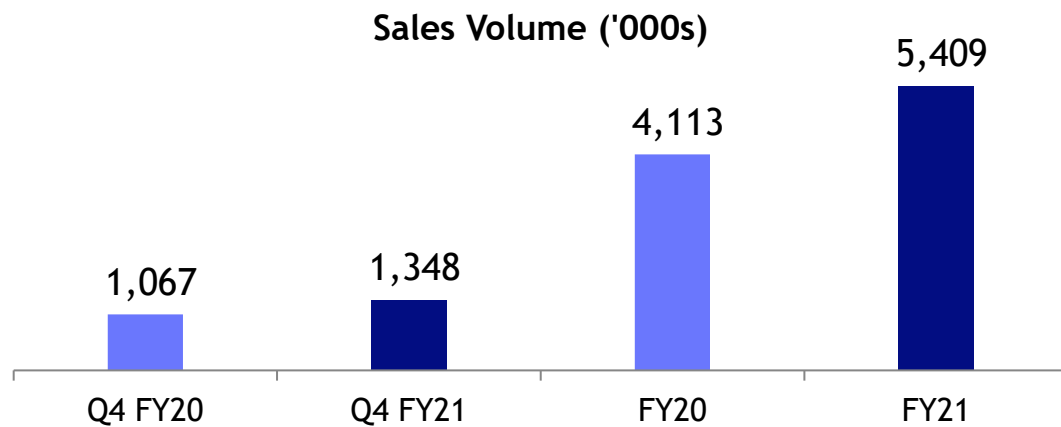
Retail Performance Trends - Q4 & FY21

Volume and ASP

TV Sales



Web Sales

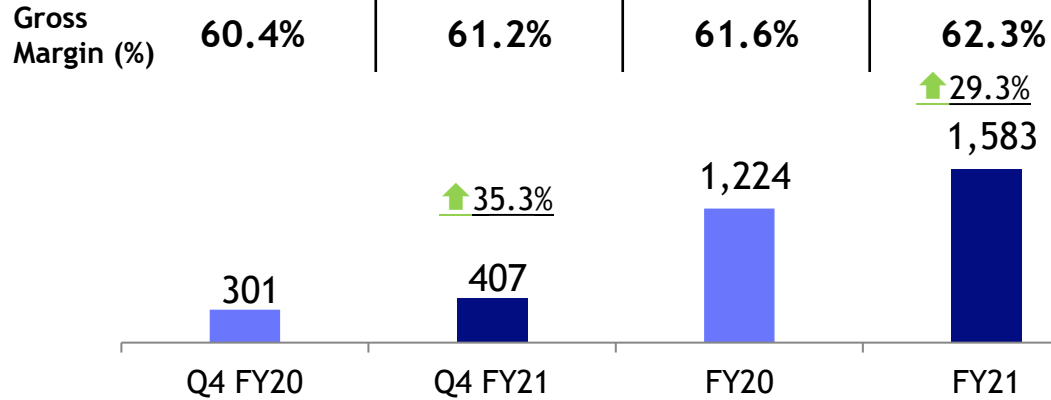




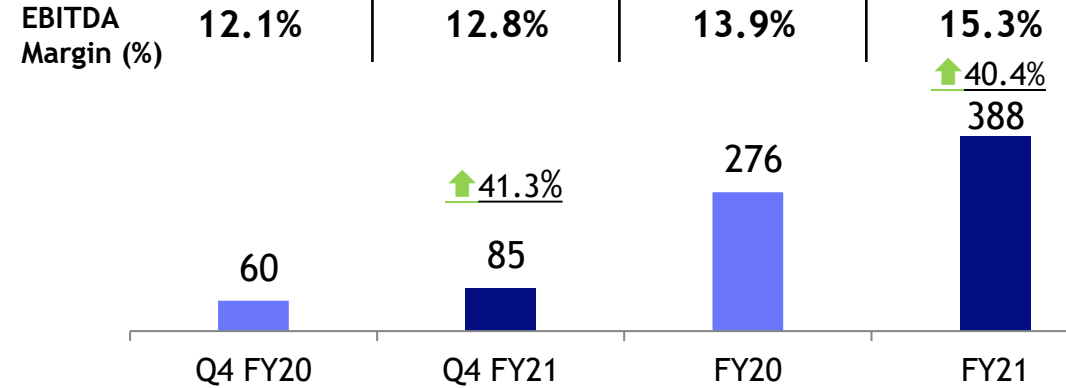
Financials - Q4 & FY21 Performance

Profits - (Rs. crore)

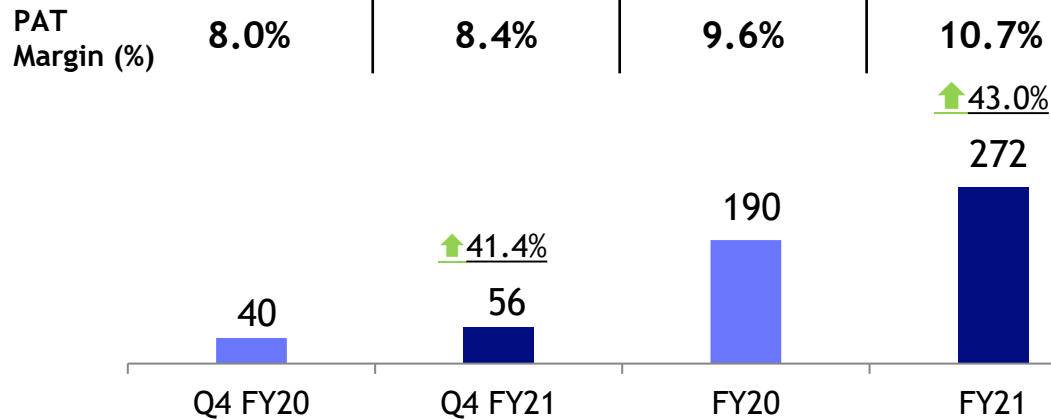
Gross Profit



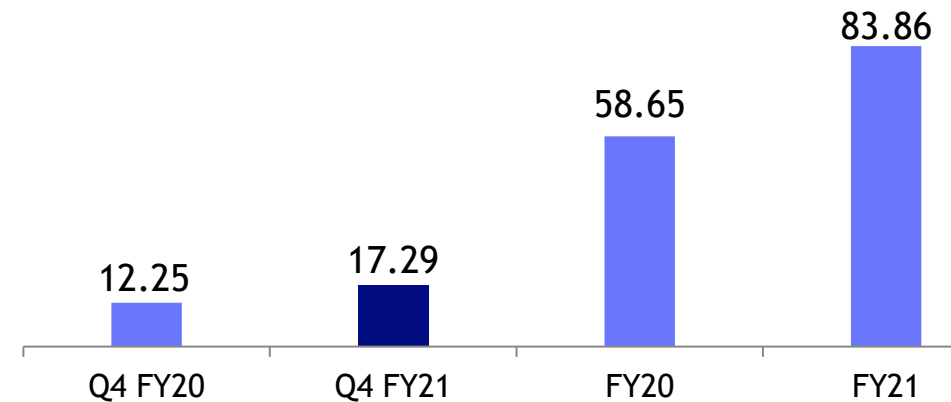
EBITDA



PAT



EPS (Rs.)





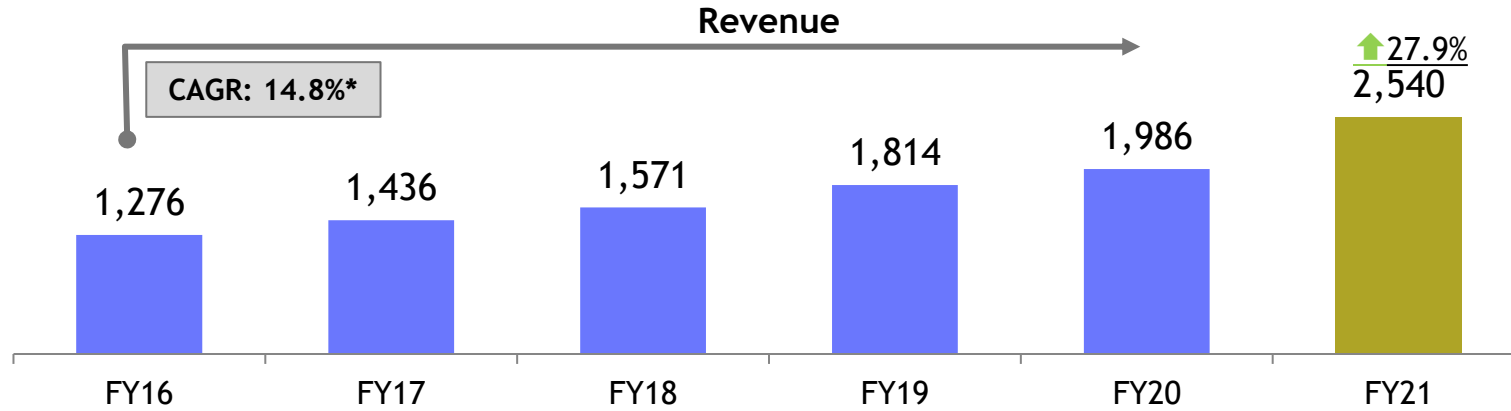
Financial Performance Trends



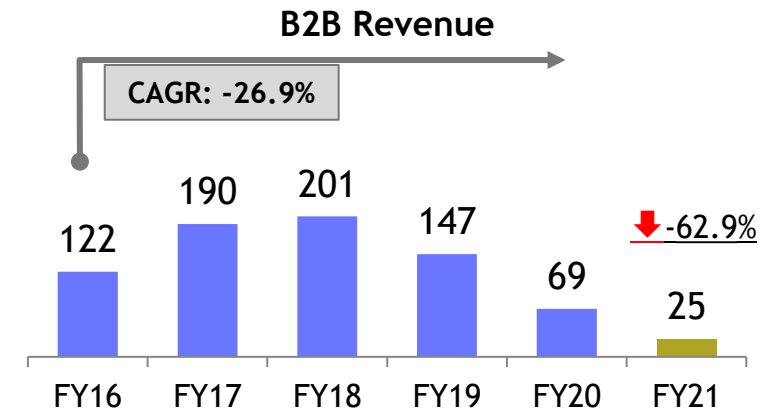
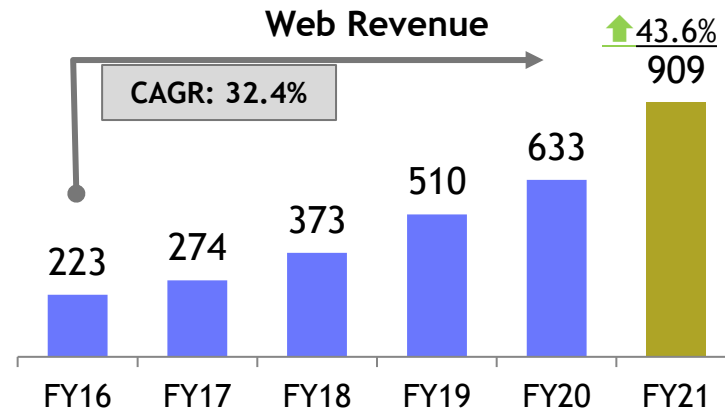
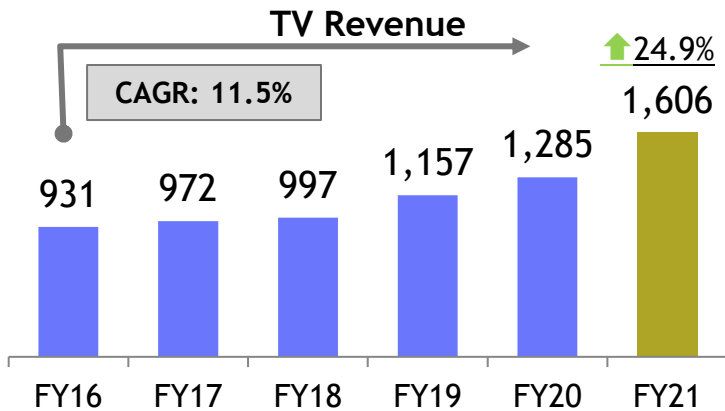


Financial Performance Trends

Revenue Breakdown - (Rs. crore)



Fashion Jewelry, Accessories & Lifestyle Products



Note:
B2C Revenue CAGR - 16.9%

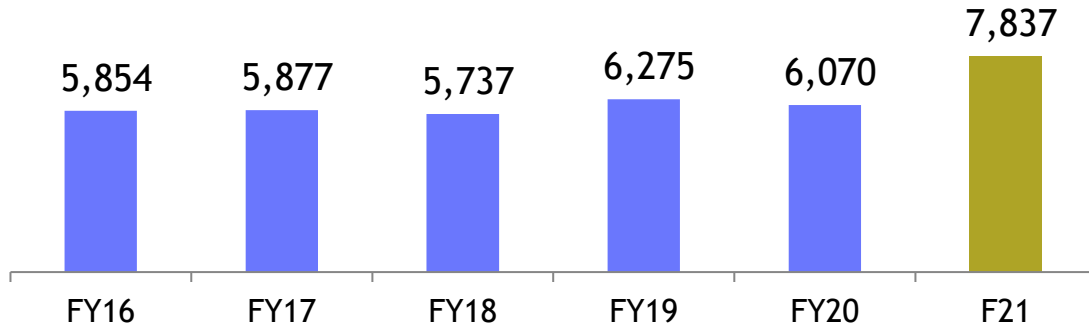
Retail Performance Trends



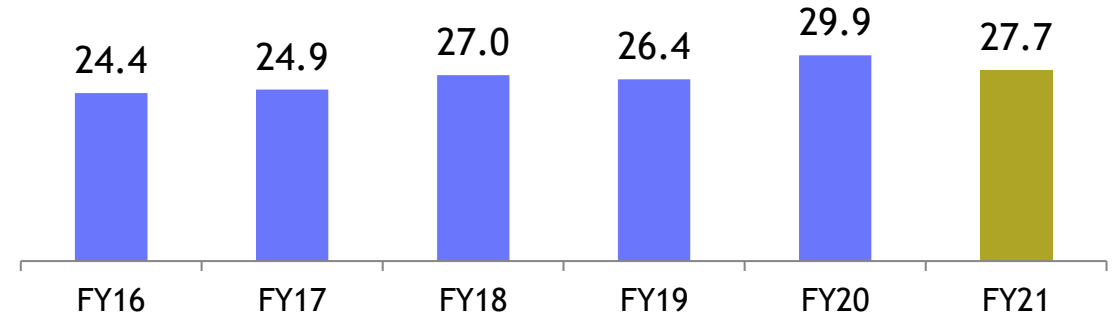
Volume and ASP

TV Sales

Sales Volume ('000s)

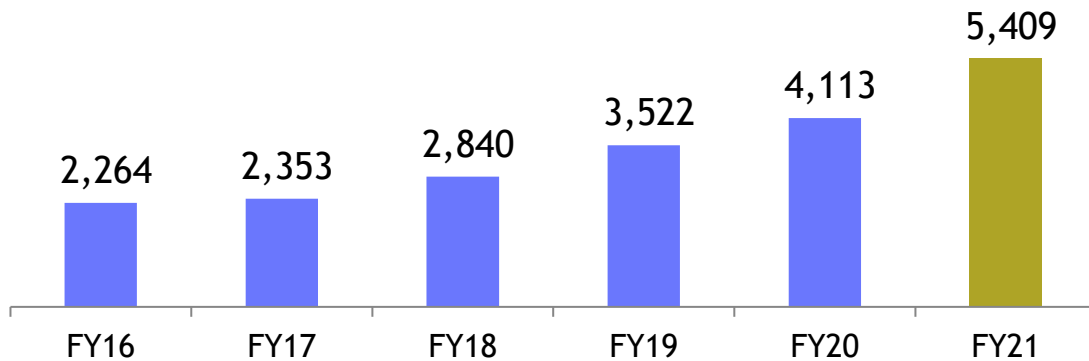


Average Selling Price US\$

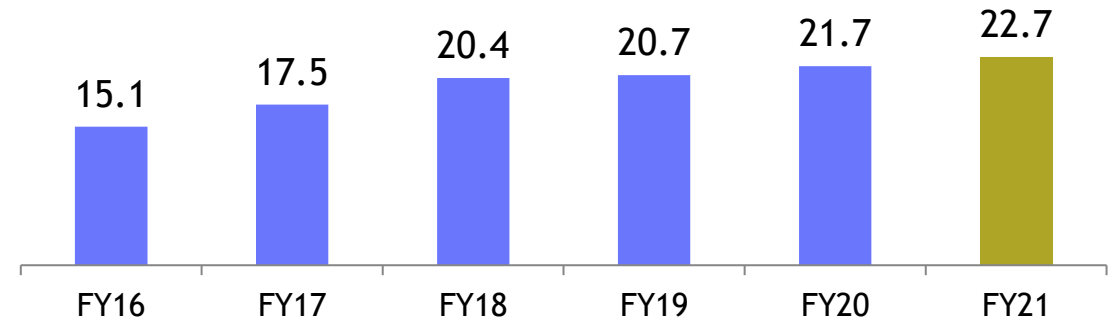


Web Sales

Sales Volume ('000s)



Average Selling Price US\$

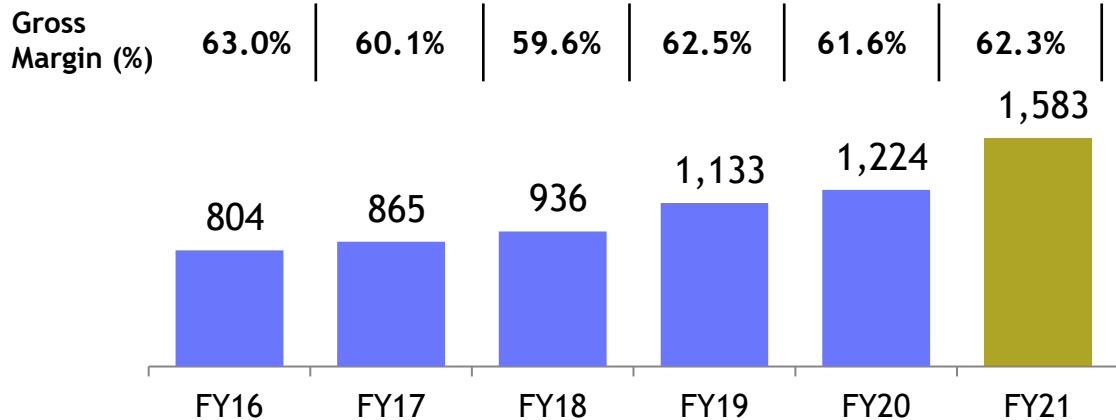




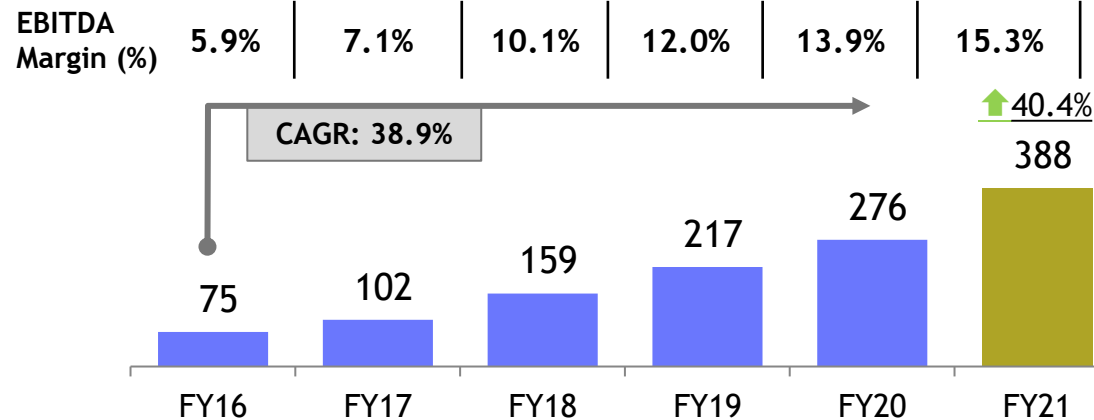
Financial Performance Trends

Profits - (Rs. crore)

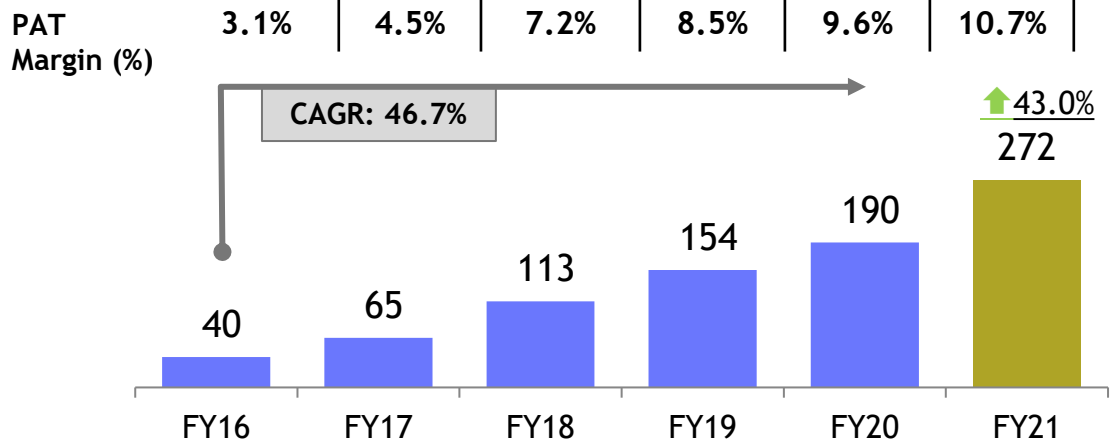
Gross Profit



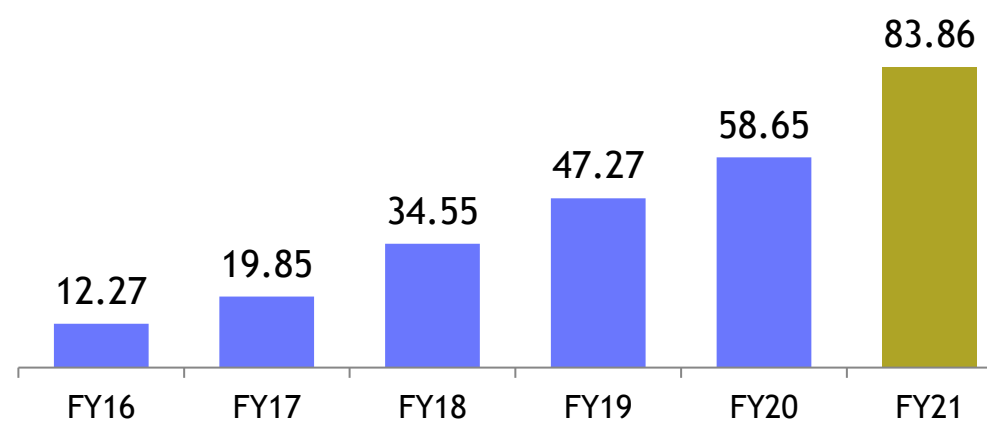
EBITDA



PAT



EPS (Rs.)

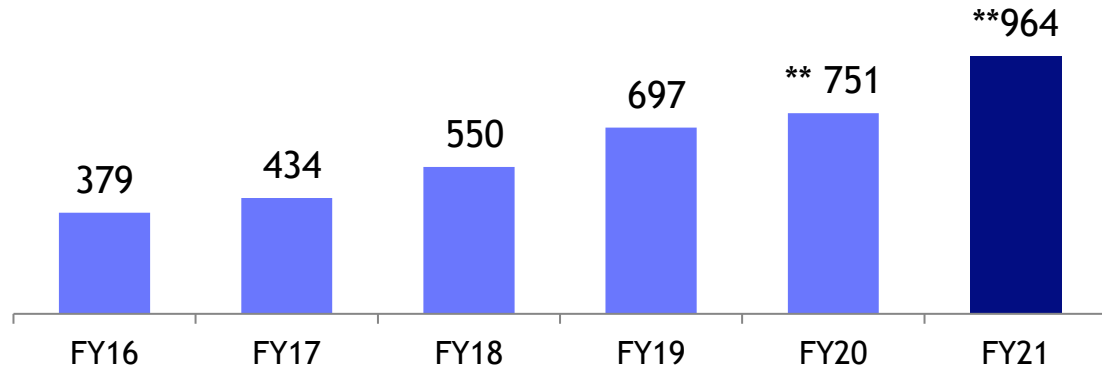




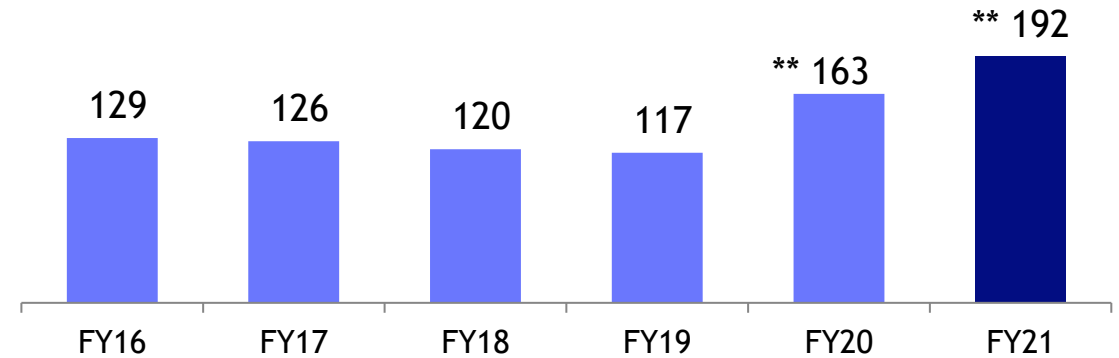
Financial Performance Trends

Balance Sheet - (Rs. crore)

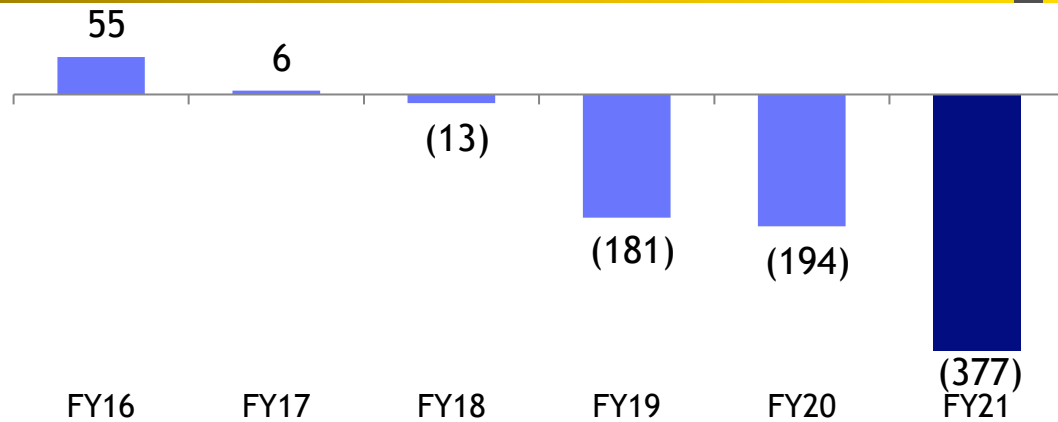
Shareholders' Equity



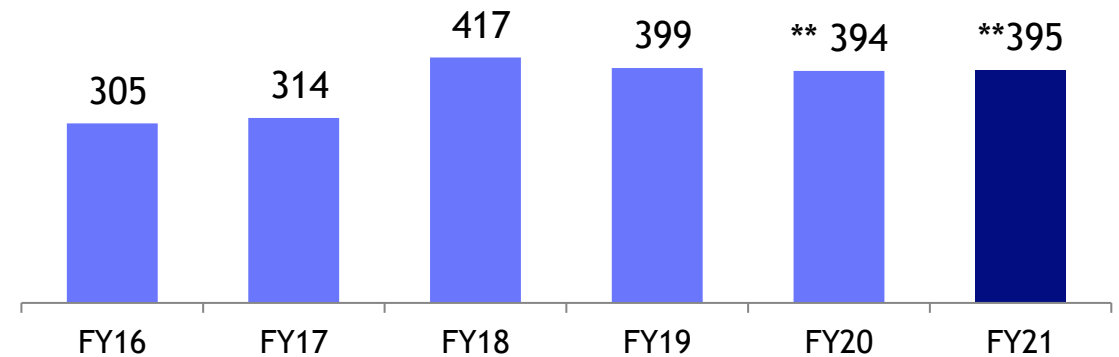
Fixed assets including intangibles



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.

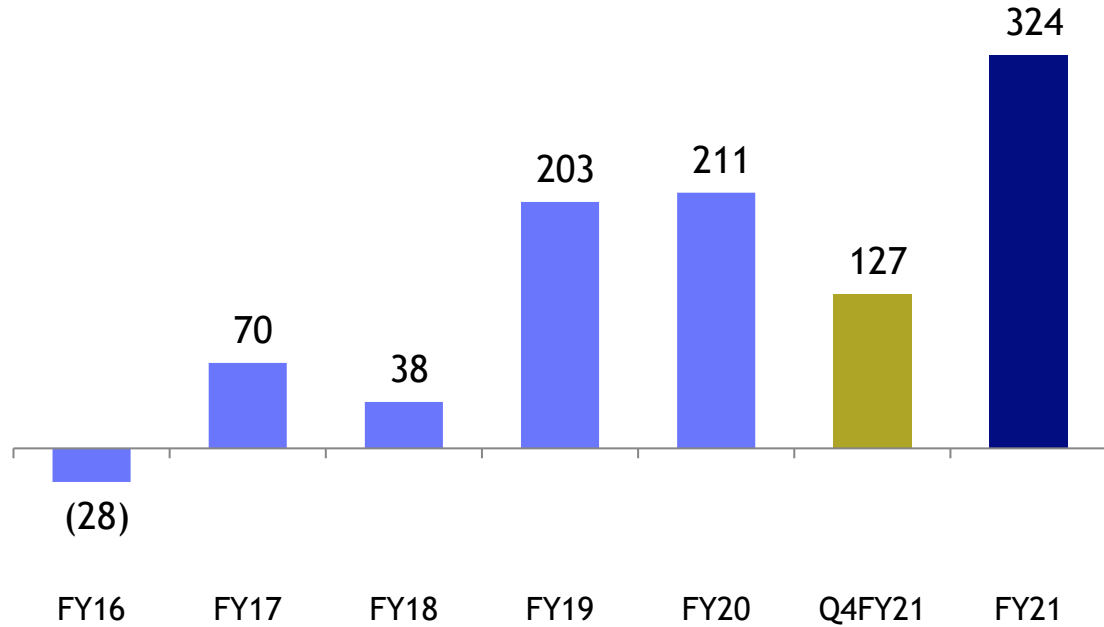
*** Net Assets is the balancing figure arrived at by excluding shareholders equity, net debt, and fixed assets including intangibles



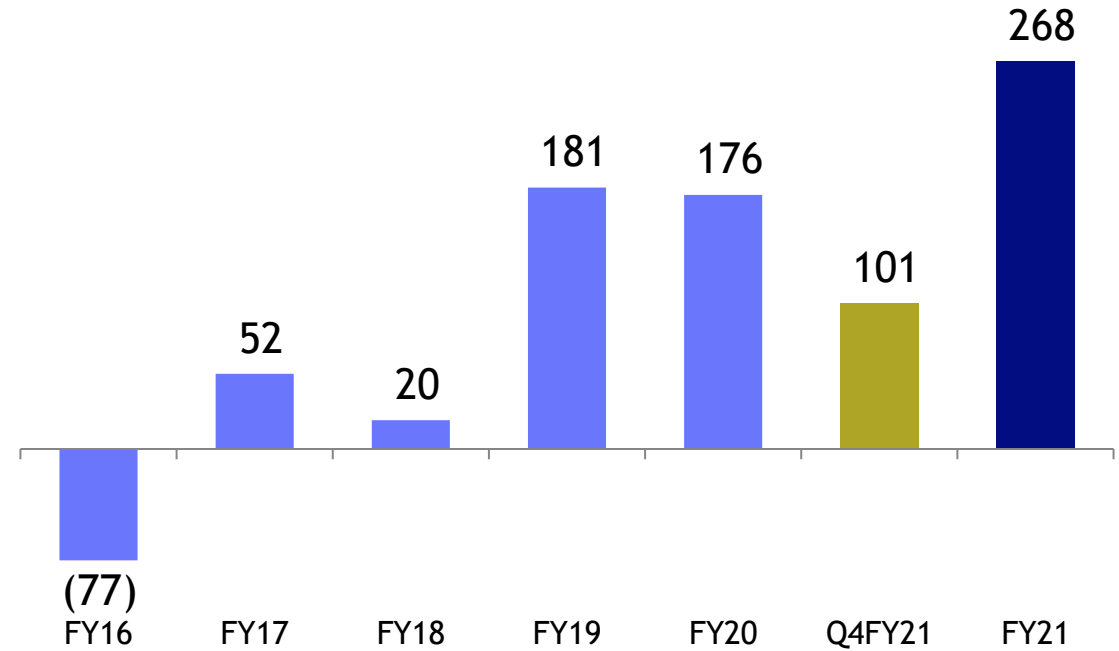
Financial Performance Trends

Cash Flow - (Rs. Crore)

Operating Cash flow



Free Cash Flow

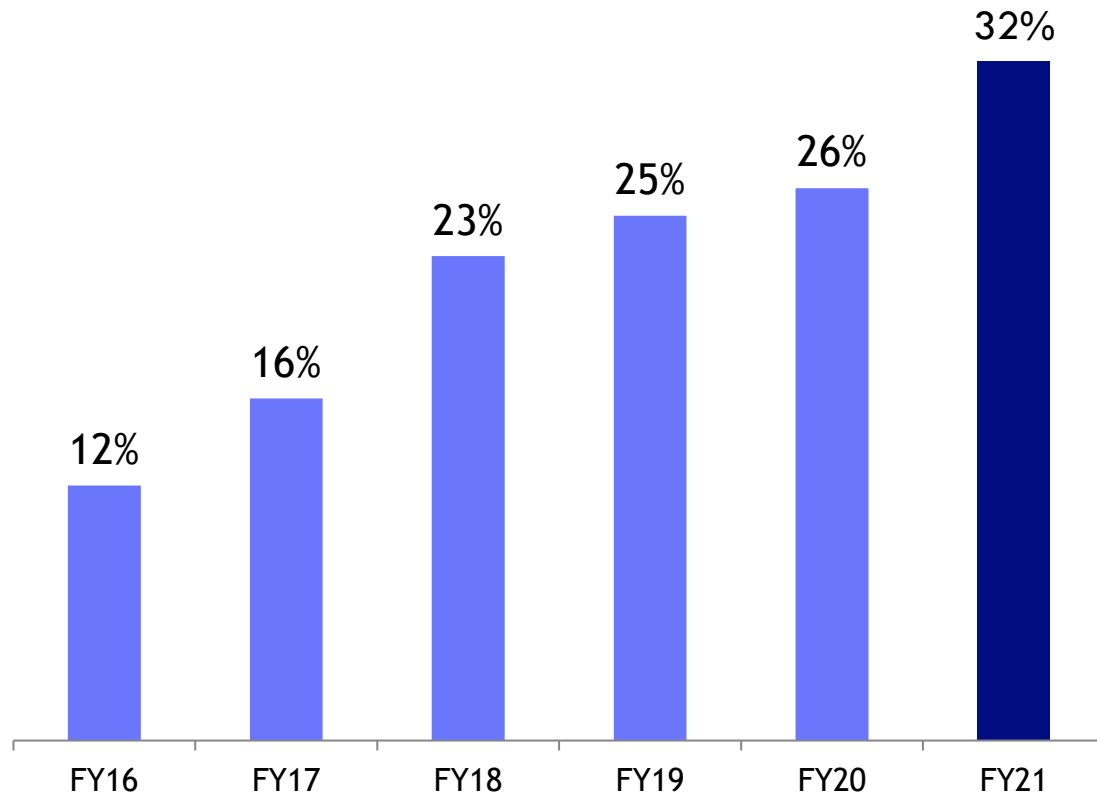




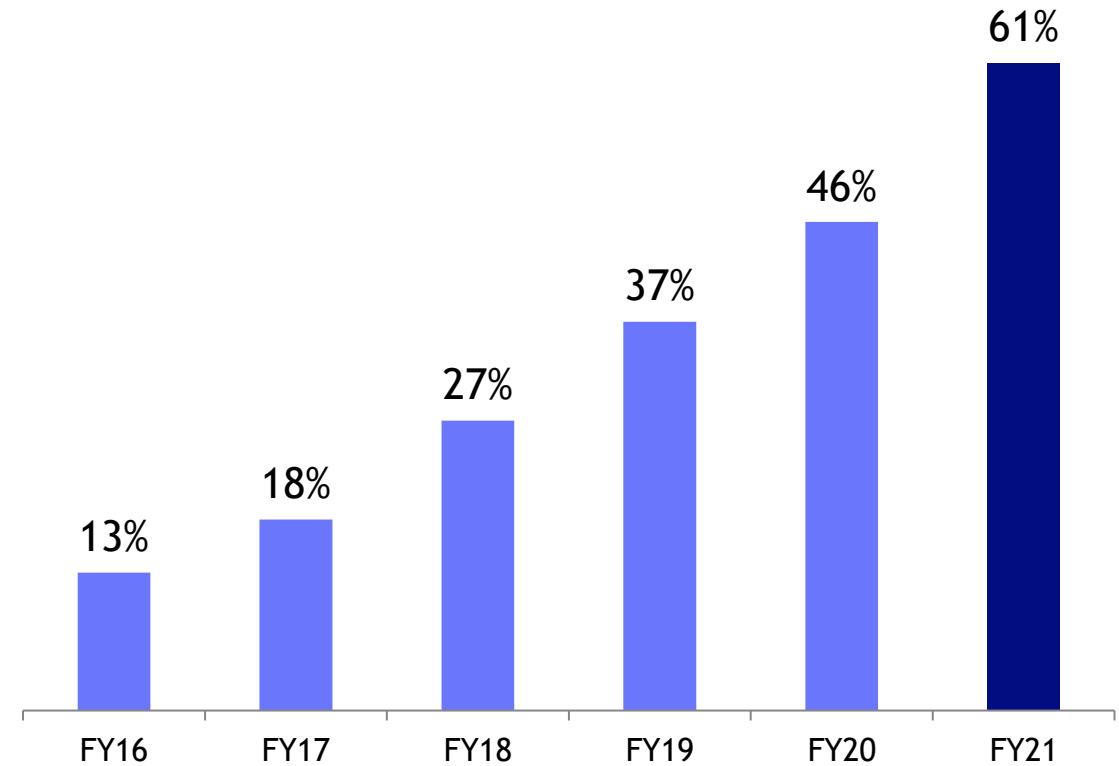
Financial Performance Trends

Key Ratios

ROE (TTM)



ROCE (TTM)



Note -

ROE - based on average net worth

ROCE - based on average capital employed



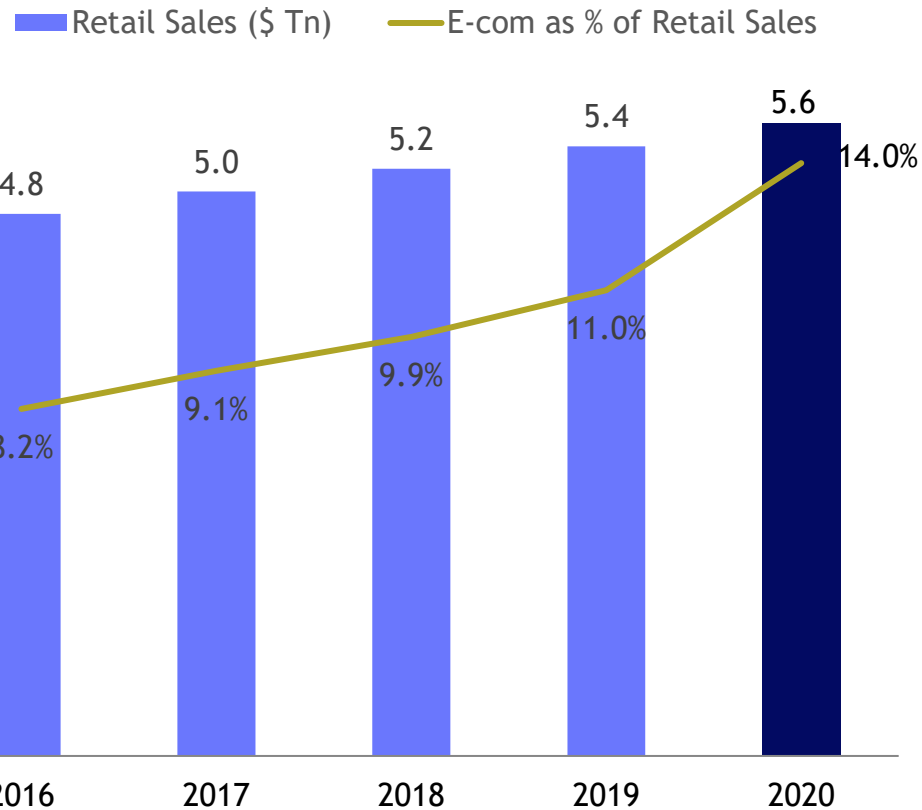
Annexures

Growth in Digital Commerce



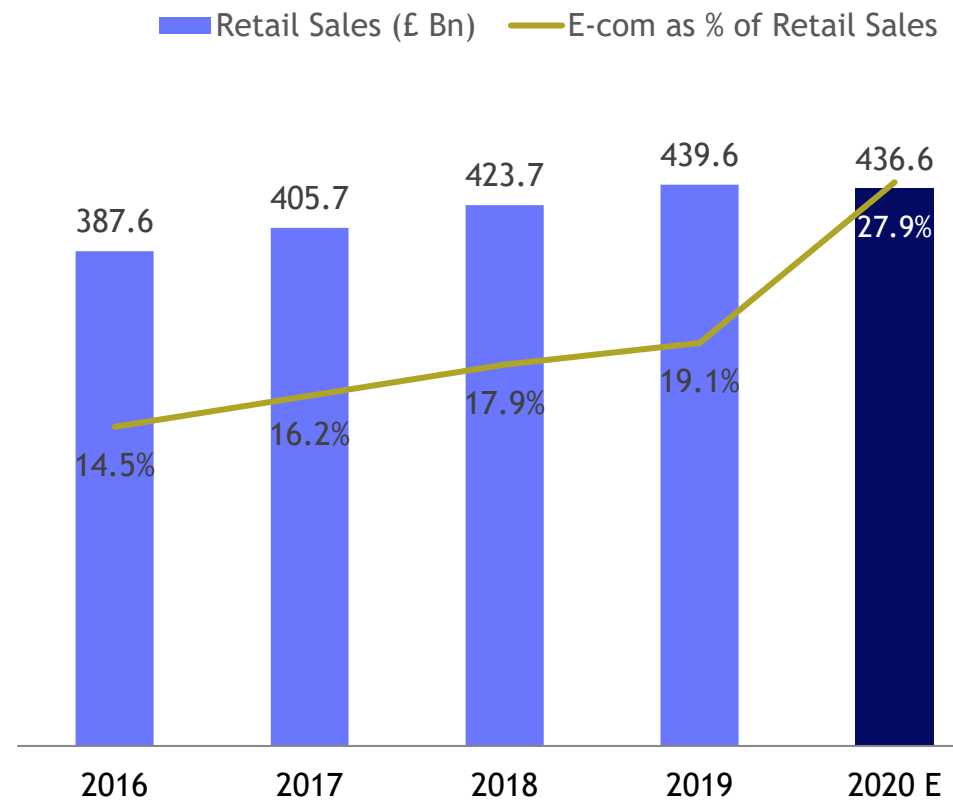
Industry

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



Robust Corporate Governance

FY21

Rs. 81 cr
Dividend
(including final dividend)

30% of Free Cash Flow
30% of Profit After Tax

FY20

Rs. 181 cr
Pay-out to shareholders
(103% of FCF, 95% of PAT)
(Rs 109cr Dividend + Rs 72cr Buyback)

Dividend Payout Policy

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

KPMG

Statutory Auditors

DELOITTE

Internal Auditors

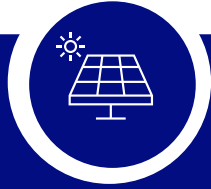
CARE A-
(Positive Outlook)

Credit Rating - Long-term

CARE A2+

Credit Rating - Short-term

Environment Initiatives



ENERGY

- 3.23 MW solar power capacity in India - Capacity addition of 2.85 MW undertaken in FY21
- In FY21, ~30% of electricity requirement at India facilities have been met through solar

*Reduce,
Recycle, Reuse
and Reclaim in
operations*



CERTIFICATION

- LEED Platinum certification for manufacturing unit at SEZ, Jaipur
- Austin Green Business Platinum Certification in April 2021, the highest such honour bestowed on businesses in Austin, Texas



BIODIVERSITY

- Accelerated efforts to enhance the green coverage at our plants and surroundings
- In FY21, planted ~1,100 trees, taking cumulative plantation to over 4,000 trees



WATER

- Rainwater harvesting --52 lakh lts of across ~95,000 sq. ft. in FY21
- Effluence Treatment Plant and Sewage Treatment Plant recycle 43 KL per day, equivalent to ~15,000 KL pa



WASTE

- 100% conversion of bio-degradable waste into manure
- Installation of ozonator water treatment plant and wet scrubbers to efficiently manage waste



Community Giveback

- Served *over 51 million* meals to underprivileged children through its flagship One for One Program which is now known as *Your Purchase Feeds*
- Your Purchase Feeds continues to deliver a meal with every purchase
- Continue to widen the reach through registered charity partners which include including
 - Akshaya Pātra in India
 - No Kid Hungry and Backpack Friends in US
 - Magic Breakfast in UK





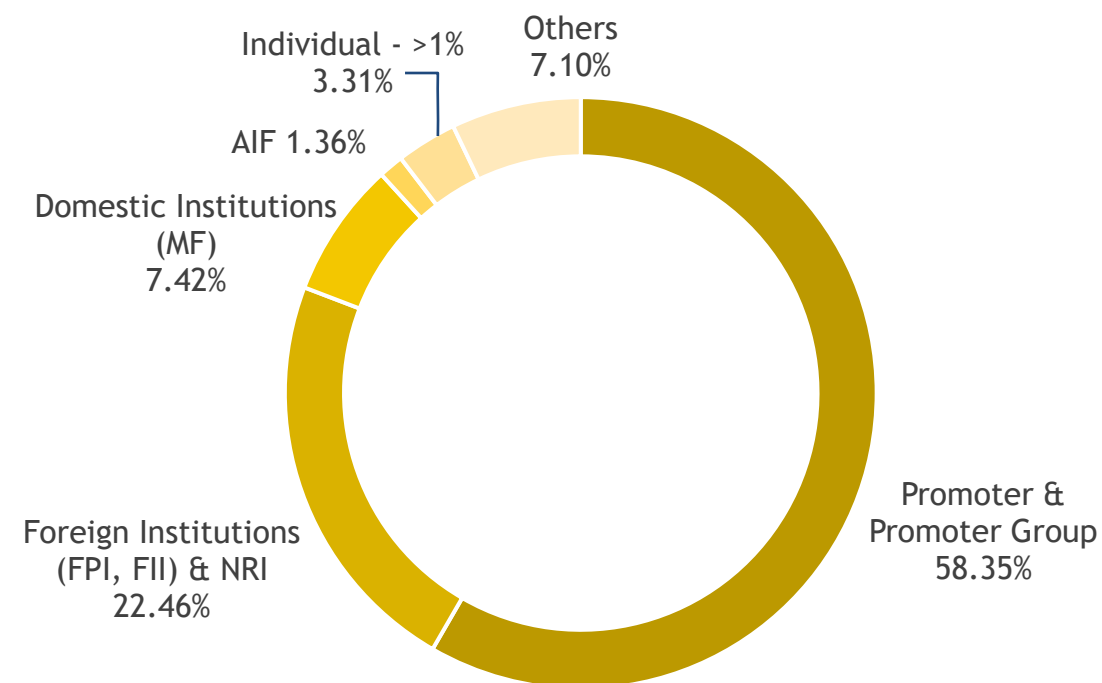
VGL Shareholder Base - As on 31-March-2021

Key Shareholders (Holding 1%+)

Holding as on
31-March-21

Promoter & Promoter Group	58.35%
Nalanda India Fund Limited (FII)	10.33%
Motilal Oswal Multicap 35 Fund (MF)	7.38%
Malabar India Fund Limited (FPI)	5.64%
Vijay Kedia (Individual)	1.84%
Ashish Kacholia (Individual)	1.47%
Taiyo Greater India Fund Ltd (FPI)	1.30%

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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