



VAIBHAV GLOBAL LIMITED

Ref: VGL/CS/2023/115

Date: 31st October, 2023

**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 - Investor Presentation

Dear Sir / Madam,

Pursuant to regulation 30(6) of the SEBI (LODR) Regulations, 2015 please find enclosed Financial Results- Investor Presentation of Q2 and H1 FY24.

This is for your information and record.

Thanking you,

Yours Truly,

For Vaibhav Global Limited

Sushil Sharma
Company Secretary



Vaibhav Global Limited

Global Retailer on TV and Digital Platforms of Fashion Jewellery, Lifestyle Products and Accessories

Results Presentation: Q2 and H1 FY24

Disclaimer



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 group 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



**Commenting on Q2 FY24 results,
Mr. Sunil Agrawal,
Managing Director,
Vaibhav Global Limited said:**

Sales for the quarter were Rs. 705 crores, an increase of 9.1% over same quarter of last fiscal year. Gross margins in Q2 FY24 came in at 61.4% of the revenue. We are the only company in our peer group that has its own manufacturing set-up in addition to a global sourcing base. This vertically integrated supply chain has enabled us to consistently maintain gross margins above 60%. Better pricing and operational efficiencies enabled us to improve profitability margins. EBITDA margin for the quarter was 9.5% of revenue vs 8.1% in Q2 FY23. In absolute terms, EBITDA was higher by 29% YoY suggesting operating leverage.

In Germany, our proprietary teleshopping channel- Shop LC will now be airing on HD channels in 13mn and 2mn households through Vodafone and Tele Columbus network respectively. With these distribution arrangements, Shop LC (Germany) is now present in approx. 95% households thus further strengthening our visibility and market share. Publicly available data suggests that broader macro challenges in the US have peaked out with a gradual rebound in consumer demand and confidence. The UK economy, however, grapples with an ongoing 'cost of living crisis' exacerbated by increased mortgages, rentals, and inflationary pressure. Nevertheless, our endeavour is to engage with our existing customers better as well as expand our reach. Today our broadcast coverage is approx. 139 million homes which is ~4% higher QoQ.

Further, the four R's, widening Reach, new customer Registration, customer Retention and Repeat purchases, remain our key priorities for overall growth. The reach of our TV networks by the end of Q2 FY24 was approximately 139 million TV homes. New registrations in the trailing 12-month period came in at 3.1 lakhs. Our customer retention rates stood at 37% on TTM basis, vis-à-vis 40% of last year. Customers bought an average of 23 pieces on TTM basis.

Our dedication to sustainability and community welfare continues to be our priority. I am pleased to share that this quarter we touched the milestone of donating 81 million meals to school children since the inception of our mid-day meal programme called '**Your Purchase Feeds...**'. This initiative aligns with our commitment to making a positive impact on the communities.

As I conclude, I would like to emphasize that over the period we have exhibited resilience in our performance. Thanks to our recent acquisitions, we are now revising our guidance. In FY24, we expect the topline to grow between 13% to 15% and in the high-teens range in FY25 with decent operating leverage. We are confident in our business model, value proposition and execution abilities and hence in the mid to long term period, we expect to maintain revenue growth rate in the mid-teens range.

We continue to reward our shareholders and despite major investments undertaken recently, the Board has declared a second interim dividend for this financial year of Rs. 1.50 per equity share.



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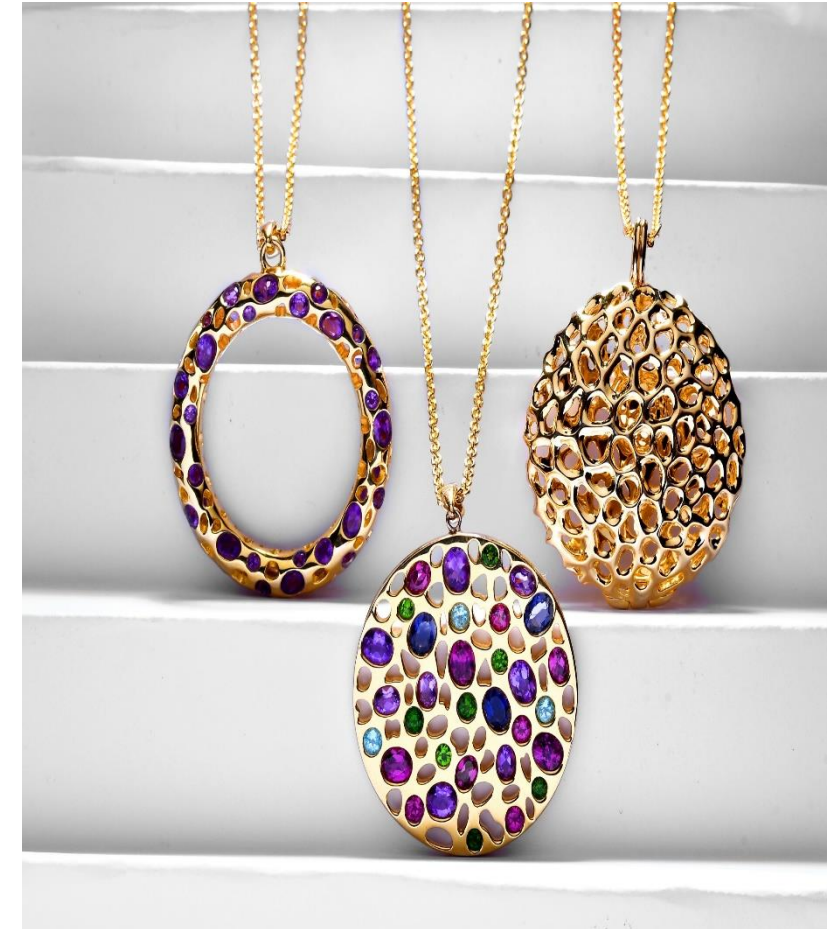
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Q2 & H1 FY24 Highlights



Revenue growth of 9.1% YoY



Gross margins at 61.4% owing to better pricing and strength of vertically integrated business model



EBITDA margin at 9.5% vs 8.1% in Q2 FY23. YoY improvement on account of better pricing and cost rebase



Unique customer base at 4.5 lakhs with new registration number at 3.1 lakhs on TTM basis



Sustained investments towards households' expansion and presence on digital platforms



Declared second interim dividend of Rs. 1.50 per equity share



- Acquired 100% equity of Mindful Souls- an e-com company of personal care and selflove products
- Bought assets of Ideal World- a major teleshopping brand in UK



81 million meals since inception of mid-day meal program '**Your Purchase Feeds...**'. Serving ~ 46k meals per school day



Company Overview

Guiding Pillars That Defines VGL



OUR VISION

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



OUR 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



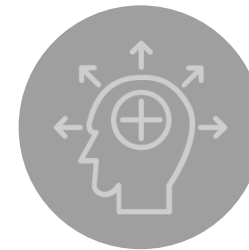
Team-Work



Honesty



Passion



Positive Attitude



Commitment

About Us



Vertically-integrated Digital Retailer of fashion jewellery & lifestyle products

- End-to-end B2C business model
- Presence through proprietary TV channels and digital platforms

Strong Management and Governance

- Professional management team
- Experienced Independent Board

Solid Infrastructure Backbone

- Continued investment in building digital capabilities
- Scalable model with limited capex requirement



Strong Customer Visibility

- TV Homes accessed (*FTE): ~ 139 mn households
- Growing digital presence

Exceptional one for one social program – ‘Your Purchase Feeds...’

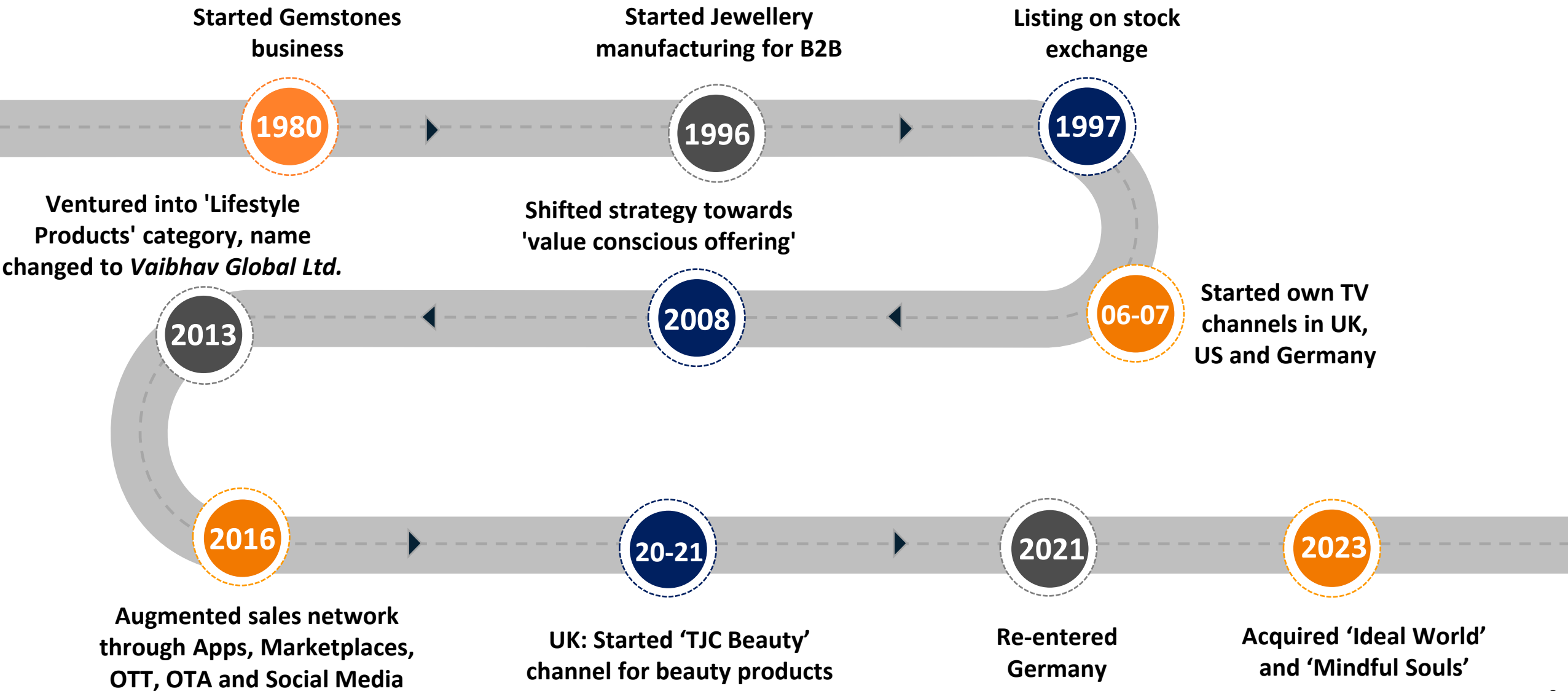
- Every piece sold results in one meal for school-going child
- Served 81 million meals till date

Robust Customer Engagement

- Omni-channel B2C retail presence
- Cross selling potential



An Evolving Journey





Business Overview



E-tailing in High Potential Markets (USD 20 bn)



US



UK



GERMANY & AUSTRIA

Opportunity size

\$14- \$15 bn

\$2-\$2.5 bn

~\$3 bn

- **Target customers:** Baby Boomers (65+ years) & Gen X (45+ years)
- Value-buying proposition of \$25-\$45
- Widest product range comprising ~25,000 SKUs

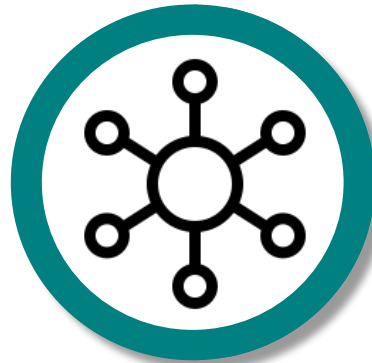




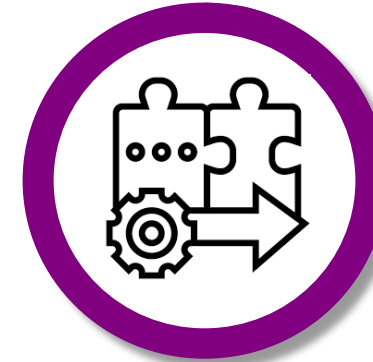
Strategic Enablers

1. Omni-Channel Presence

(Proprietary TV, Website, Apps, OTT, Marketplaces & Social Media)



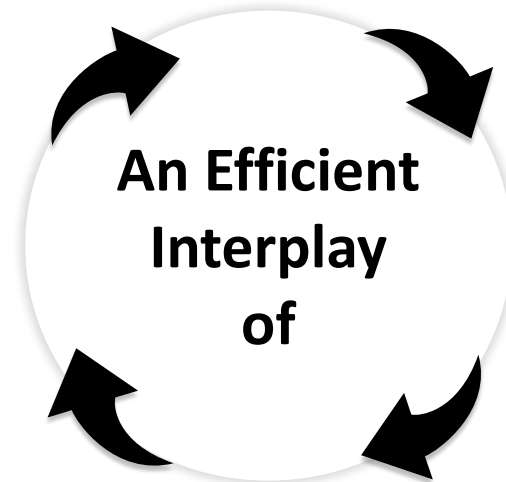
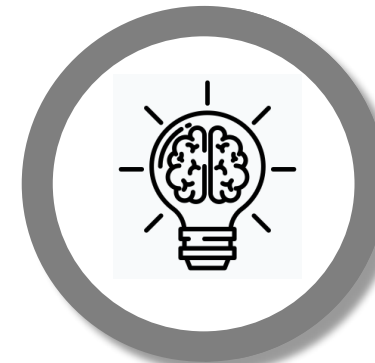
2. Vertically Integrated Supply Chain



3. Wider Product Bouquet



4. In-House Brand And Innovation





1. A Global Retailer on TV and Digital Platforms

PROPRIETARY 'TV CHANNELS'



Reaching TV homes through
Cable, Satellite and OTA broadcasts (Over The Air)

'DIGITAL' PLATFORMS

Proprietary Digital Platform

www.shoplc.com
www.tjc.co.uk
www.shoplc.de

Mobile Applications



Third Party Marketplaces



Social Retail



OTT Platforms

Roku TV


Google TV

DIRECTV
stream



2. Vertically Integrated Supply Chain

Manufacturing in Asian countries



Selling in western countries



India & China

Primary Retail Markets

SHOP LC
DELIVERING JOY
USA

tjc.co.uk
UK

SHOP PLC
PREISWERTE QUALITÄT
Germany

Resulting in industry leading gross margin of 60%+



2. Complemented by a Robust Sourcing Base



Sourcing Countries

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

3. Constantly Reimagining Growth Through New Designs & Products



Fashion Jewellery & Gemstones

- ~14K-15K new jewellery designs launched annually
- In-house testing lab and manufacturing

Life-Style Products

- A rich product basket of ~5000 unique SKUs
- Facilitated by innovation & global sourcing base of 30 countries

Some of the best-selling products



**Hanabi Cut
Ring**



**Rhapsody Tanzanite
Ring**



**Shungite Water
Bottle**



**Soul Smart
Watch**



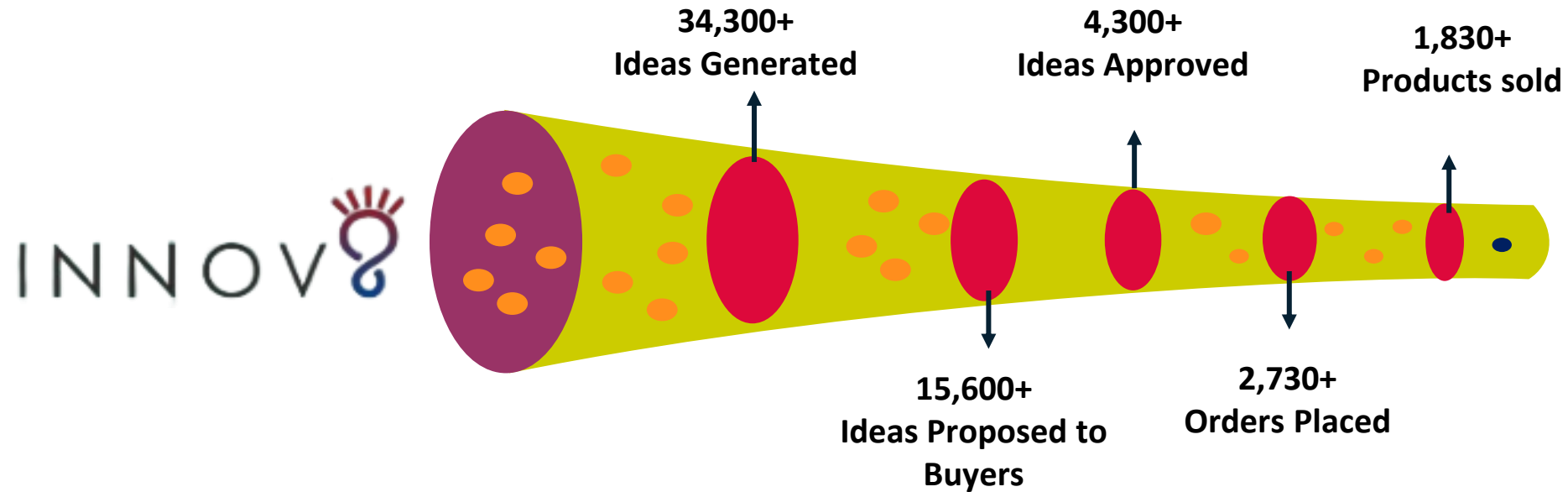
4. Strengthening Own Brand Portfolio

- Leveraging manufacturing & digital capabilities
- Number of brands: 31
- Current revenue mix: ~29% of B2C revenue
- Target revenue mix: **~50% by FY27 of B2C revenue**
- **Strategic brand matrix** (price laddering and offering)
- Increase repeats and retention using **Brand Archetype Frameworks**
- Inorganic opportunities (example: Rachel Galley, Mindful Souls, Ideal World)





4. 'Innovation' Focused



Global Search Program

A Global product innovation and search program

Crowdsourcing of Ideas

From employees, customers and external stakeholders

Revenue contribution of 'new items introduced' (TTM basis):

~70%

Other Programs



RESULTING IN



Top decile shareholders' returns

Growing Consistently

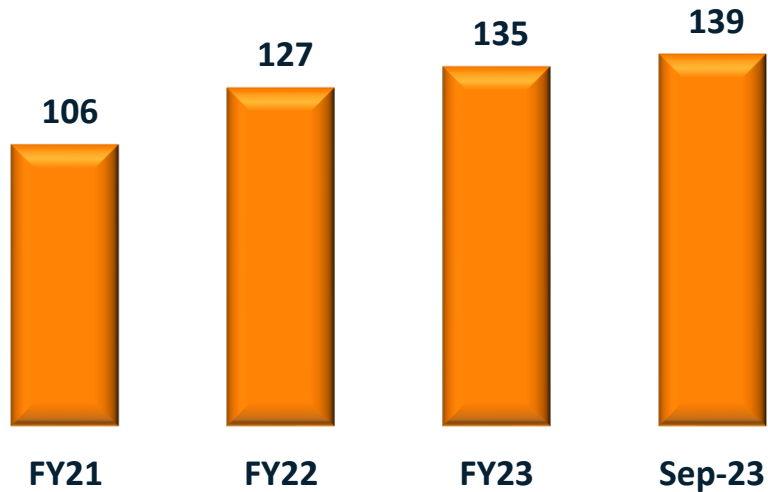
Parameters (Rs. in crores)	FY 98	FY 23	CAGR (25 years)	Return (x times)
Revenue	43.6	2,690.9	17.9%	62
EBITDA	6.2	227.3	15.5%	37
Profit Before Tax	5.4	141.4	13.9%	26
Profit After Tax	5.3	105.1	12.7%	20
Net Worth	21.8	1,201.3	17.4%	55

~25% CAGR in market cap. since IPO (~388 times), excluding dividend



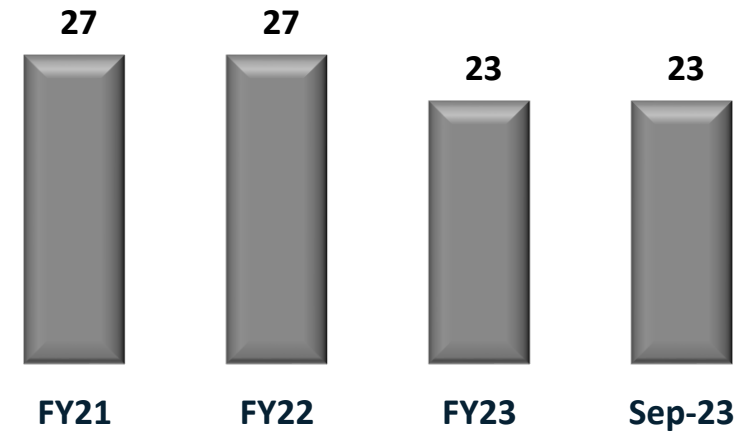
With Consistent Business Delivery

**Global Households Reach
(in million)**



Reach

**Repeat Purchases
(no. of pieces)**



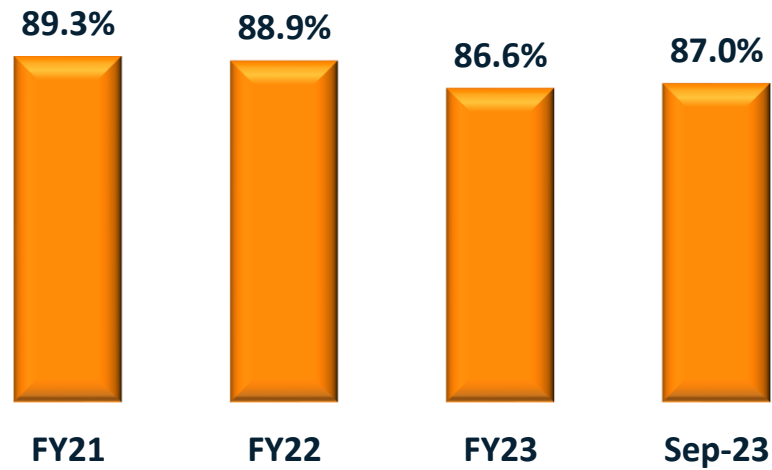
Repeat Purchases

Note: Households numbers for past period have been reinstated due to change in methodology by the transponders



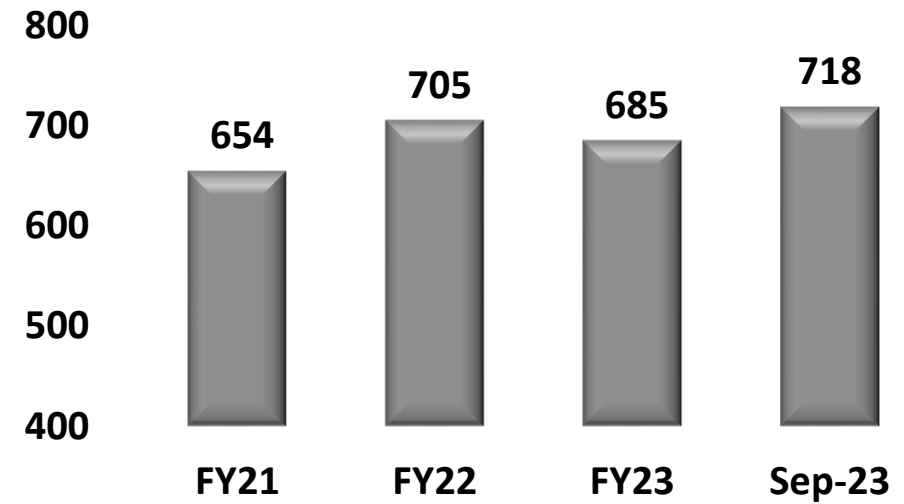
With Consistent Business Delivery

Retention (20+ Purchases)*



Retention Rate

Spend per customer^
(in \$)



Spend per customer

* Retention data comprises Shop LC (US) and Shop TJC (UK)

* Refers to retention rate of customers who have bought more than 20 times on TTM basis

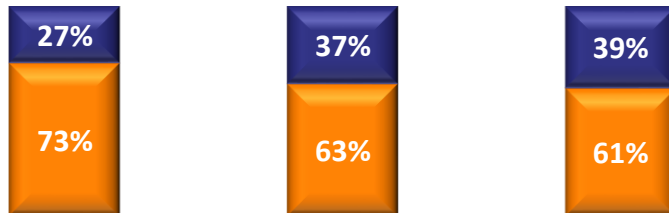
^ Sept-23 numbers are calculated on TTM basis



Broad Based E-tailer

B2C Revenues by Format

■ TV revenues ■ Digital revenues



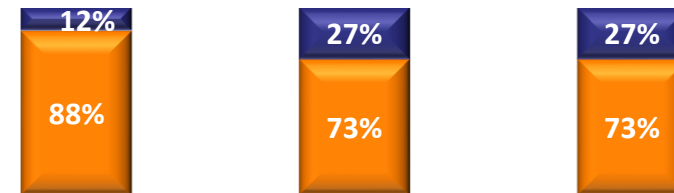
FY18

FY23

H1 FY24

B2C Revenues by Product Category

■ Jewellery ■ Lifestyle



FY18

FY23

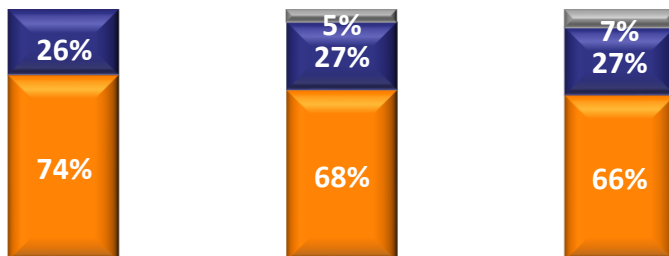
H1 FY24

Jewellery : Fashion Jewellery, Gemstones and Accessories

Lifestyle : Home Décor, Beauty & Hair Care, Apparels & Accessories

B2C Revenues by Geography

■ US ■ UK ■ Germany



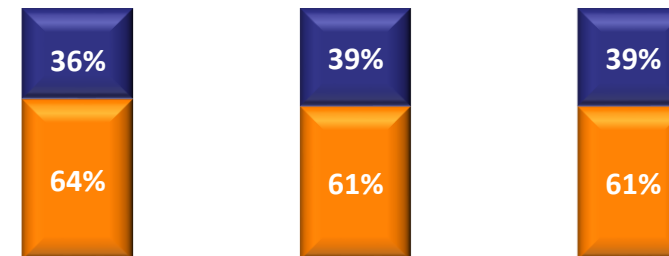
FY18

FY23

H1 FY24

Budget Pay penetration of B2C Revenues

■ Non-Budget Pay revenues ■ Budget Pay revenues



FY18

FY23

H1 FY24

Revenue breakup based on figures in USD million

Budget Pay revenues refer to products sold on EMI basis



Recent Acquisitions





Ideal world



About the company

- Brand legacy: 21 yrs+
- Presence in 27 million households
- Serving customers in UK & Ireland
- Sale platform: TV and Digital



Lifestyle Products

- Home decor
- Health & Beauty
- Apparels
- Accessories



Key Business Matrixes

- Turnover £60mn (FY23)
- ASP: ~£25
- Customer Base ~480K
- Purchase consideration: £1.125mn (upfront payment)



Opportunities

- Operational efficiencies: lean cost structure
- Leverage VGL's sourcing & manufacturing capabilities
- Market share expansion

- Expect to breakeven in next 12 months
- To surpass pre-acquisition revenue profitably in 3-5 years



About the company

- Incorporated in 2018 in Netherlands
- Serving customers in
 - US
 - Canada
 - UK & EU
 - Australia



Personal Care & Selflove Products

- Fashion Jewellery & Gemstone
- Home decor
- Other lifestyle products



Key Business Matrixes

- 2022:
 - Turnover : €18mn
 - PBT margin: 10%
- Active Customer Base ~127K
- Purchase consideration: €12.5mn:
 - €9mn upfront payment
 - €2.3mn deferred consideration (2 yrs.)
 - €1.2mn contingent consideration



Opportunities

- Digital learning
- Expansion outside US
- Cost synergies
- VGL's product knowledge
- Global sourcing & manufacturing capabilities of VGL Group



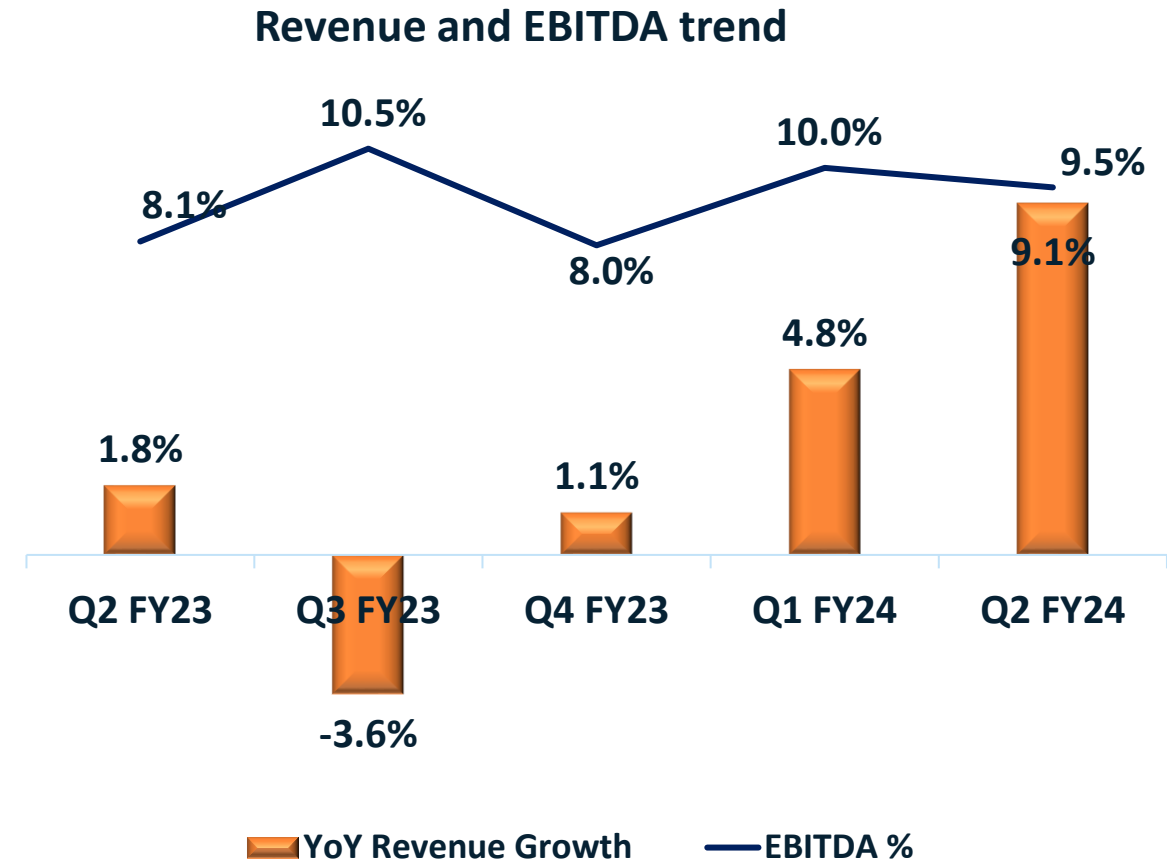
Q2 FY24

**Operational &
Financial Highlights**

Being Resilient



- Growth primarily driven led by improved product offering and increased household penetration
- Positive outlook for upcoming season
- Improvement in EBITDA owing to
 - Better pricing
 - Operational efficiencies





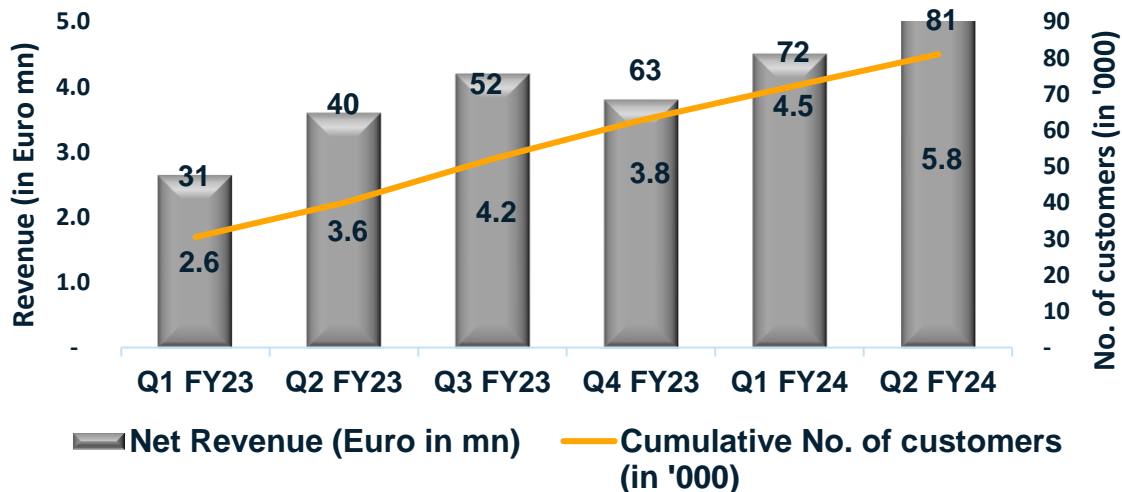
An update on Germany

Germany venture increase in TAM (immediate addressable market) by ~20%

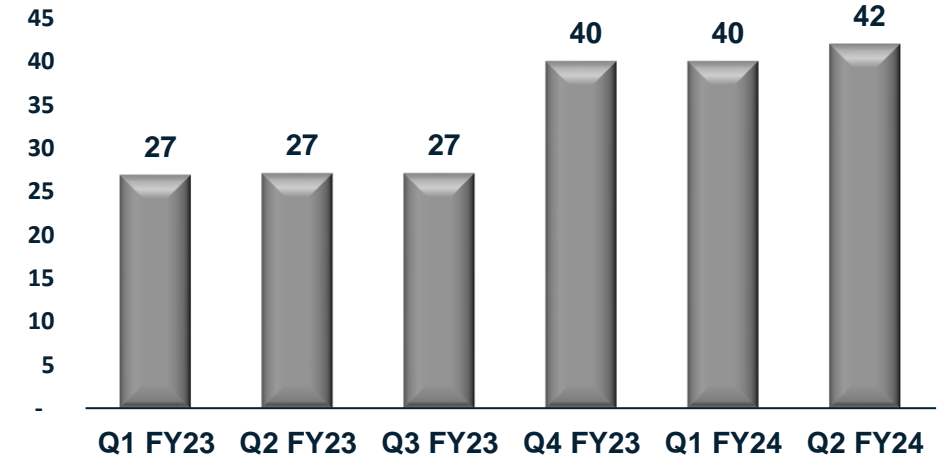
- Now clocking monthly revenue of Euro 1.86 mn+ at 60%+ gross margins
- Omni-channel presence (digital is now 28%)
- Presence in 42 million households
- Dispatching 3.6k+ pieces/day
- Positive customer orientation: CSAT 96%+



Revenue and Customer Trend



No. of HH (in millions)





Germany: Consolidating Customer Reach

- Partnered with Vodafone and Tele Columbus' HD channels:
 - Vodafone: 13 million HD households
 - Tele Columbus: 2 million HD households
- HD broadcasting rights to further strengthen visibility and market share gains
- 95% household penetration within 2 years of operations



Till March-2023

**Presence in 60%
Households in Germany**

**27mn households (incl. 2
mn in Austria)**



After March-2023

**Now present in ~95%
Households**

**~42 mn households (incl. 2mn
in Austria)**

Positioned alongside market leaders in terms of household penetration

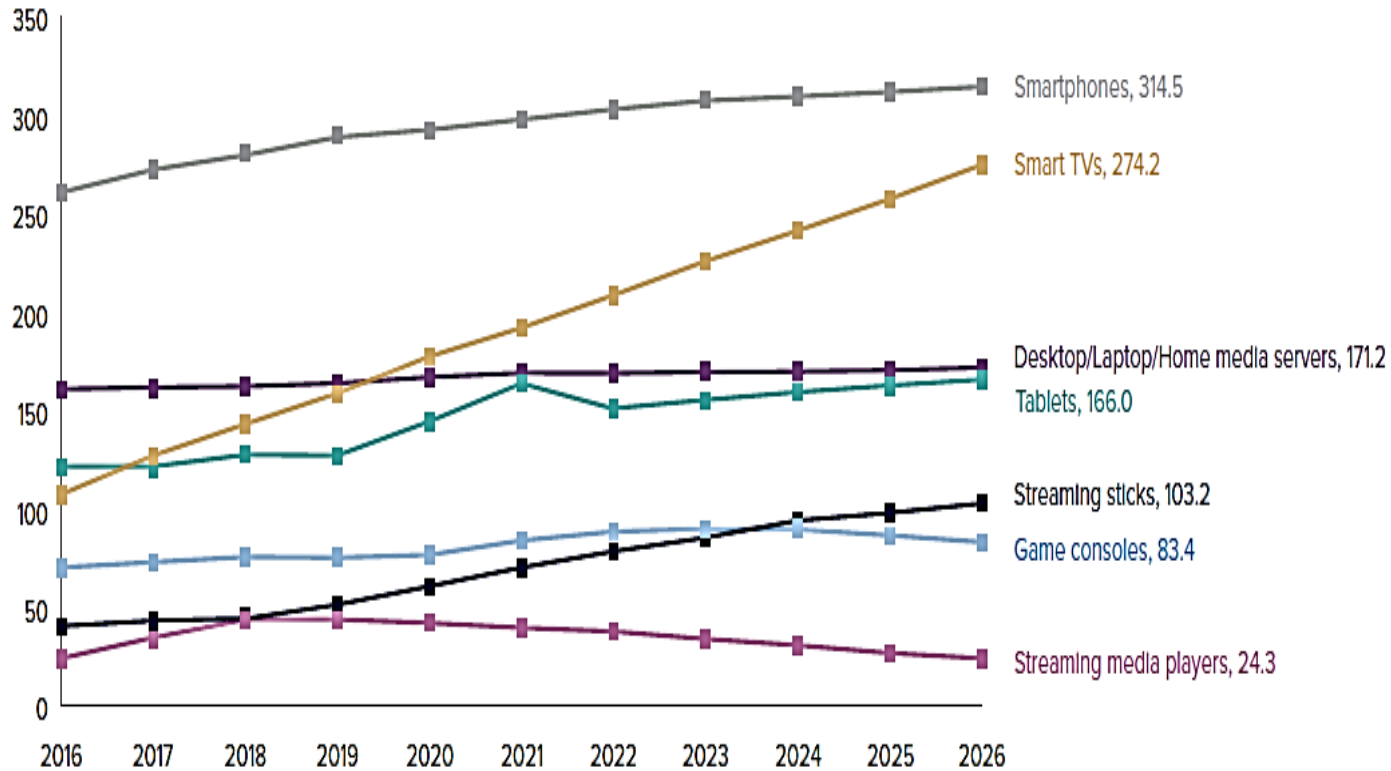
Widening Digital Presence

OTT: Huge Growth opportunity



In US, OTT's are projected to be the fastest growing video distribution medium

US internet connected device installed base, 2016 to 2026

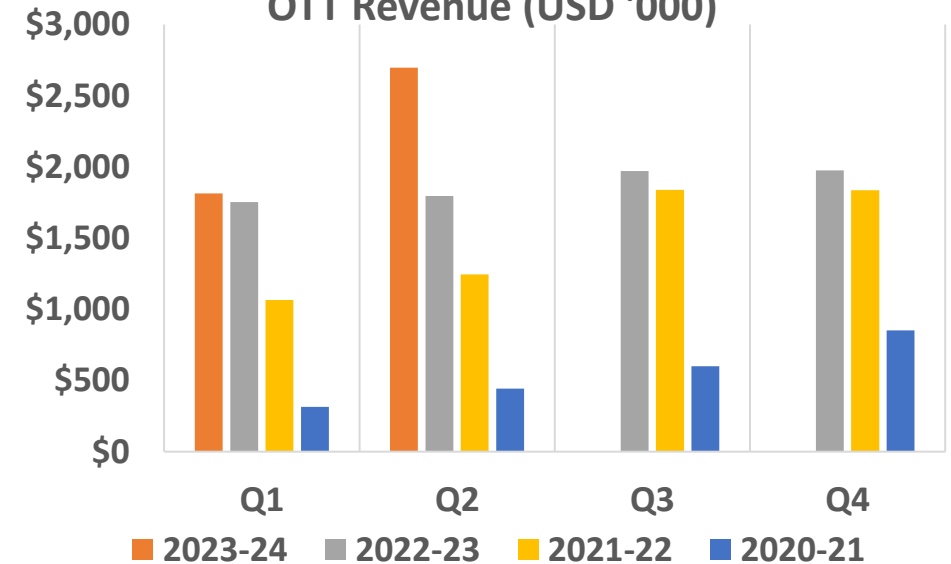


Source: Industry estimates

Live & Interactive Apps



Shop LC (US)
OTT Revenue (USD '000)

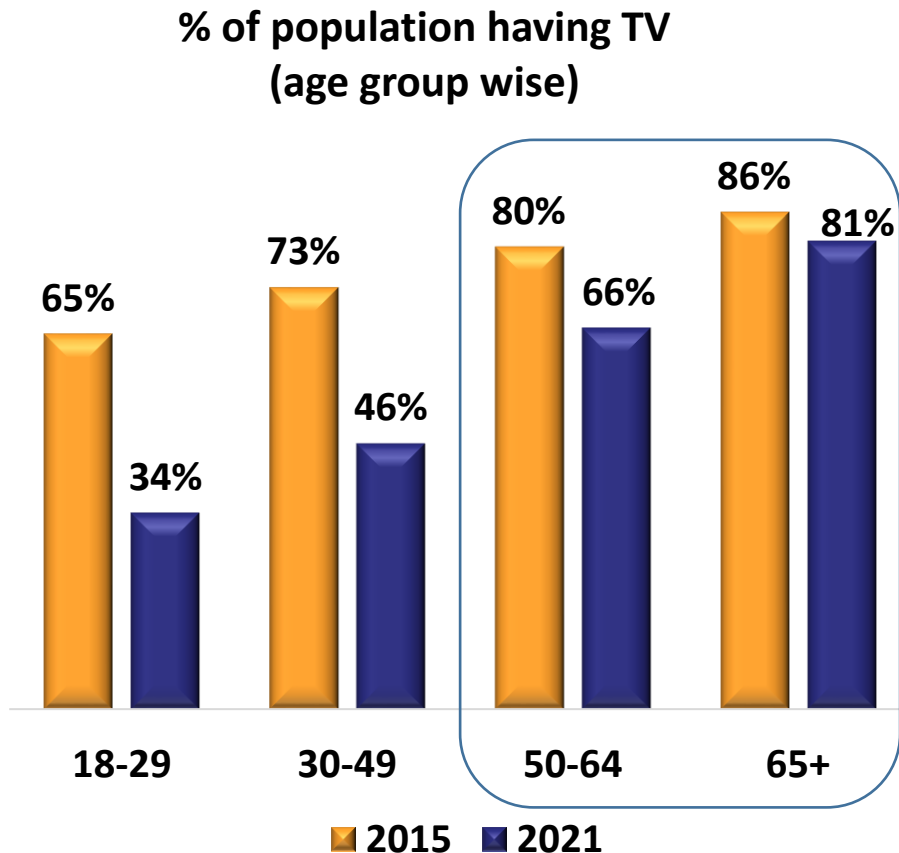


By 2026, there would be 1.1 bn connected devices in US, implying 3 devices per person- 'A HUGE OPPORTUNITY FOR OTT'



Capitalizing Cord Shifting through OTA

Our target demographics prefer watching traditional Pay-TV



Expanding presence through OTA

Total OTA HH in US:
23mn

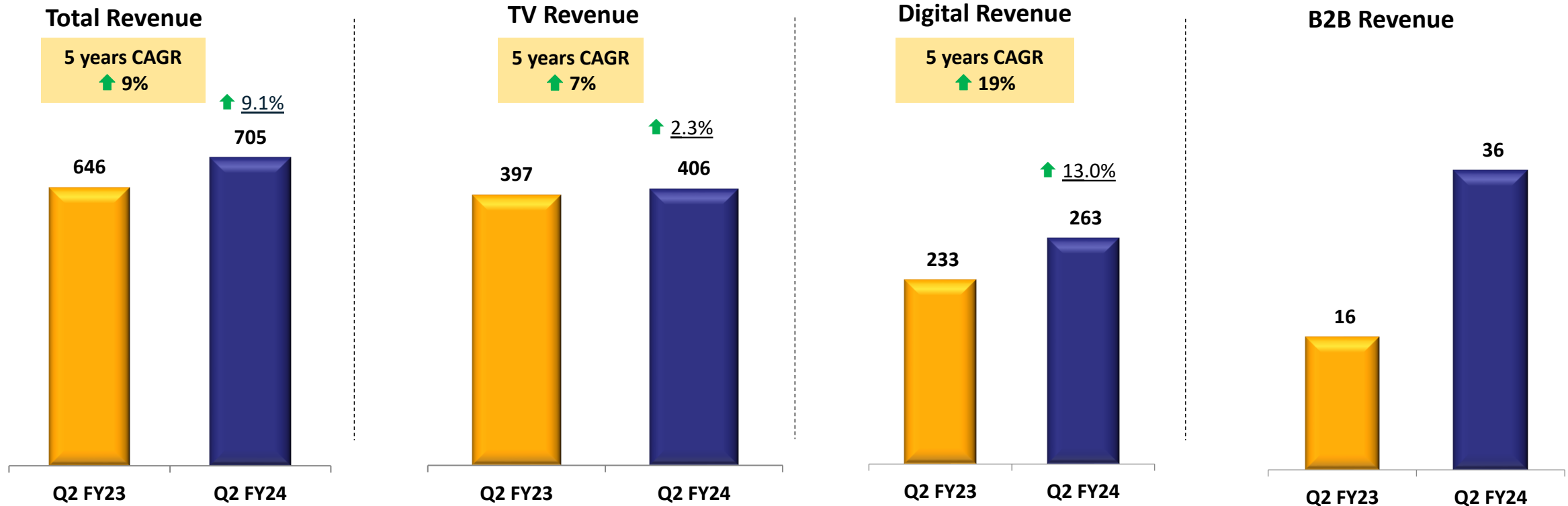
Shop LC's Presence
Low Power: ~18mn HH
Full Power: ~5mn HH

Revenue Mix
~31% of TV revenue



Financial Highlights – Q2 FY24 Performance

Fashion Jewellery, Lifestyle Products & Accessories (Rs. Cr)

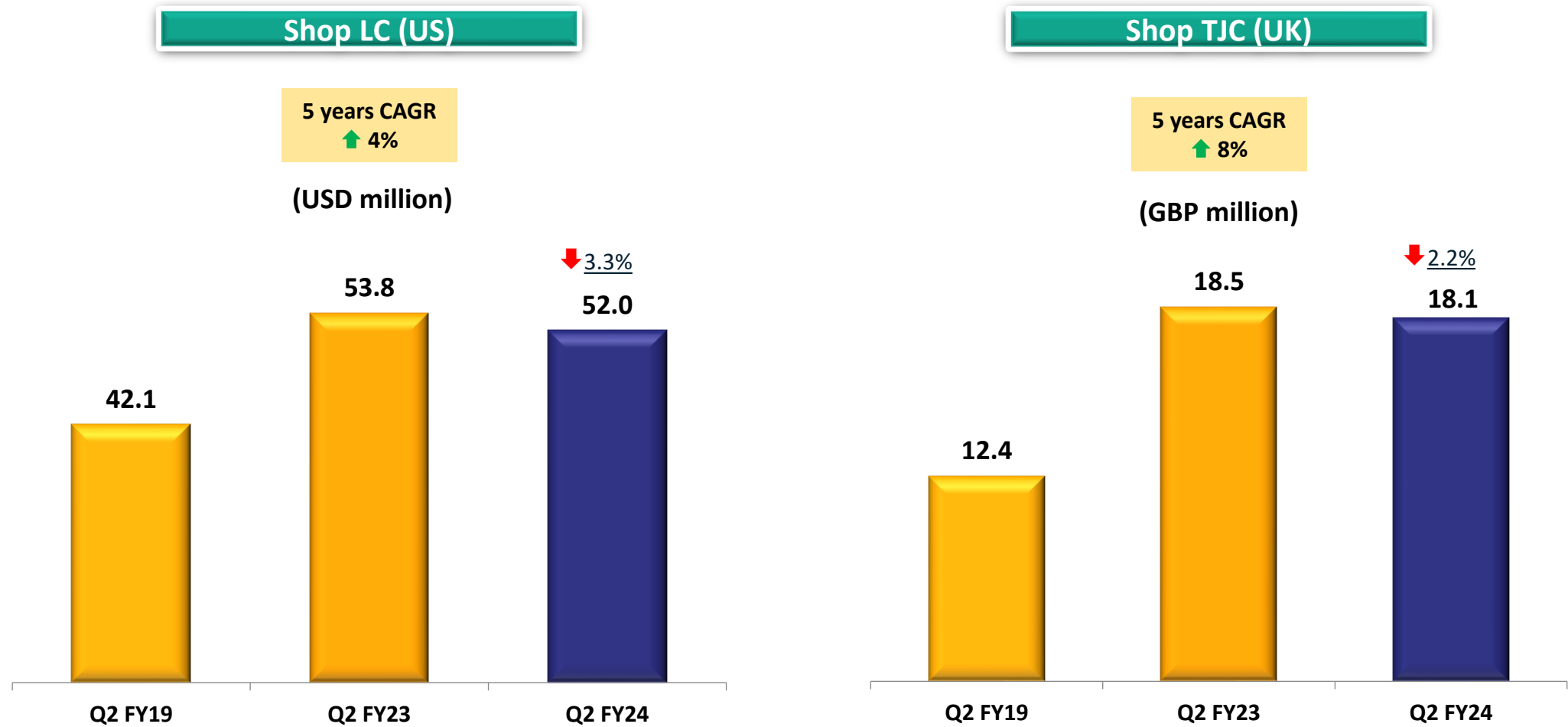


Note: B2B has been non-core and opportunistic business segment



Financial Highlights – Q2 FY24

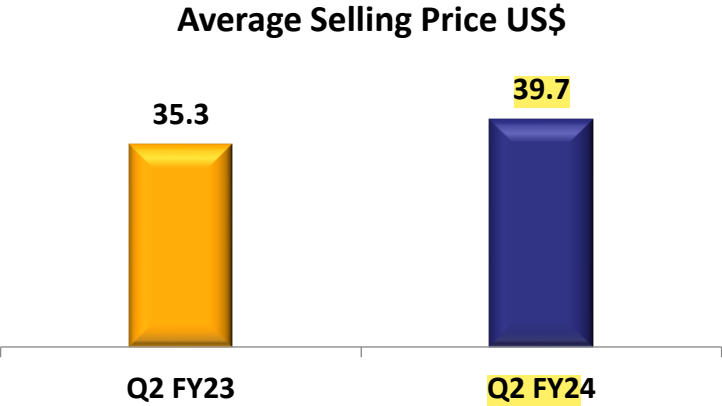
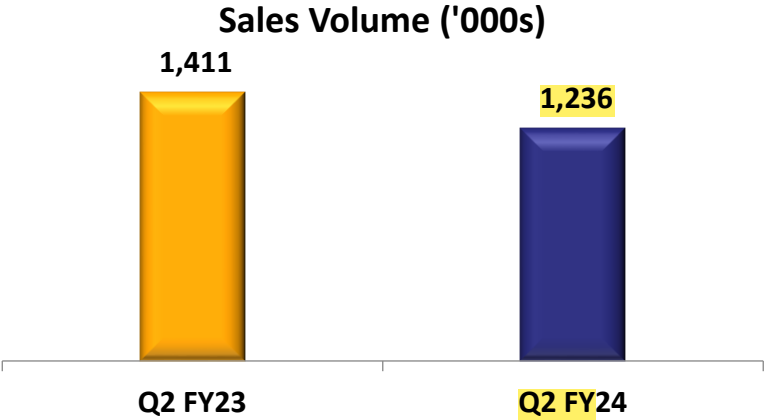
Revenue – (Local Currency)



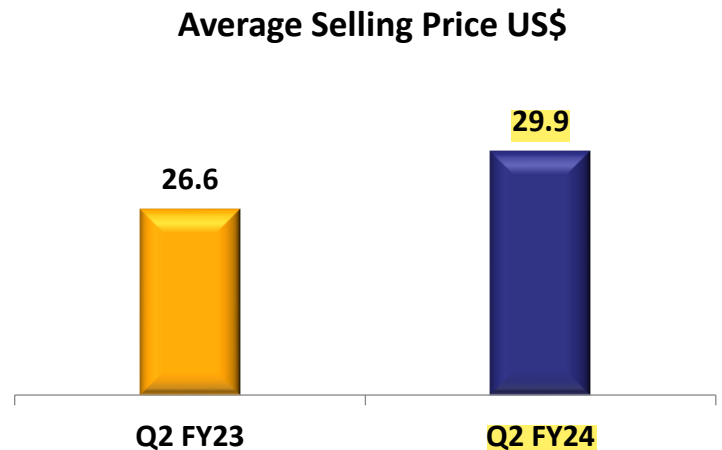
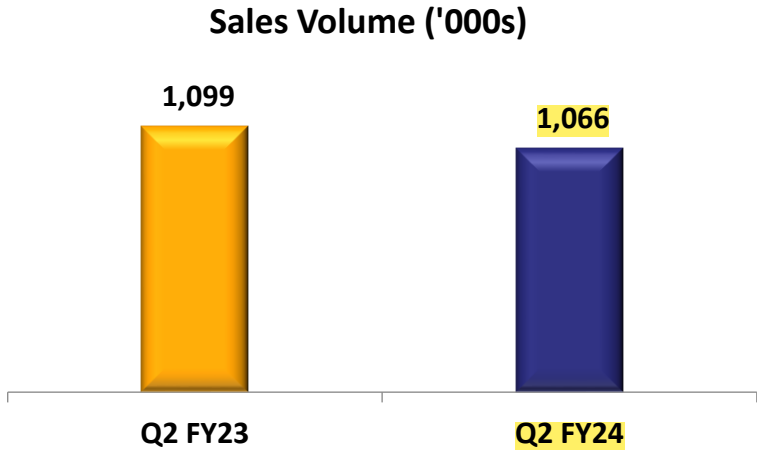


Retail Performance Trends – Q2 FY24

TV Sales



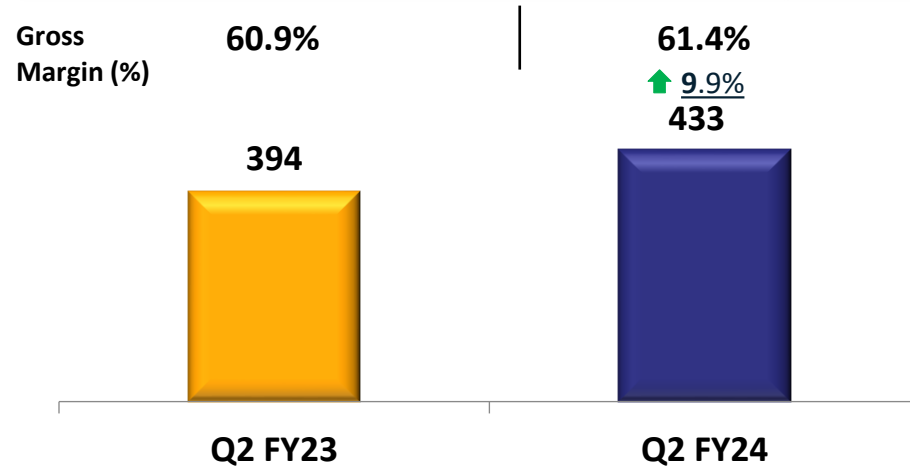
Digital Sales



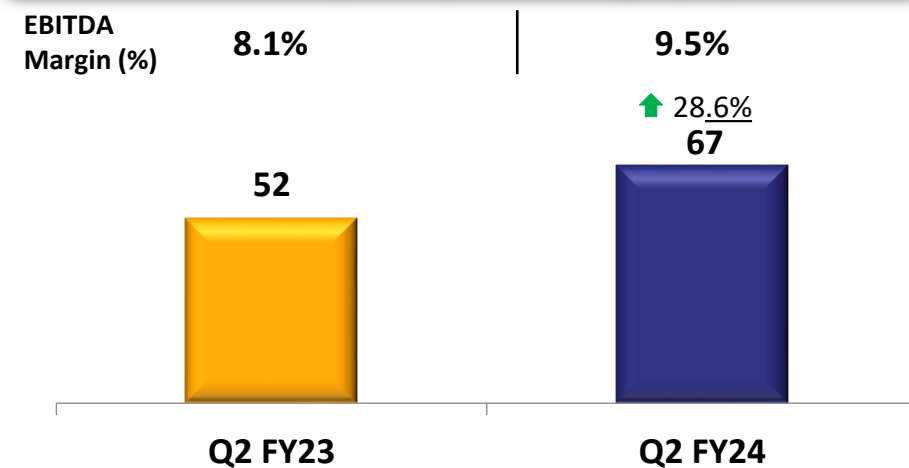


Financials – Q2 FY24 Performance

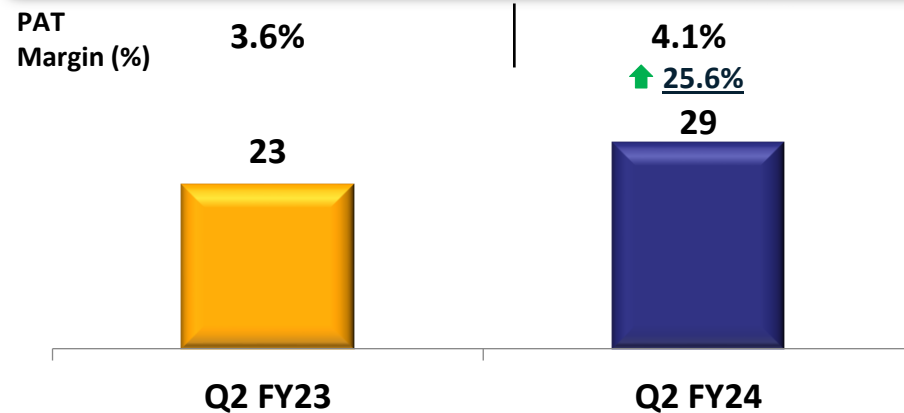
Gross Profit (Rs. Cr) and Margin (%)



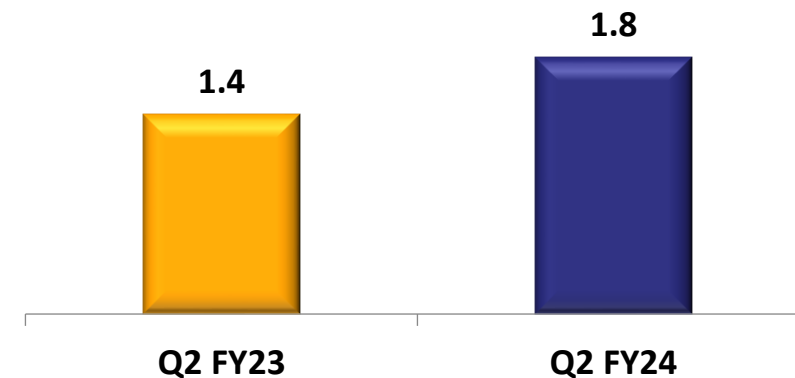
EBITDA (Rs. Cr) and Margin (%)



PAT (Rs. Cr) and PAT Margin %



EPS (Rs.)





EBITDA Margin Walk

Particulars	% to Revenue	Remarks
EBITDA Q2 FY23	8.1%	
Gross Margin	↑ 0.5%	Better pricing
Germany	↓ (0.2%)	Impact pertains to currency conversion
Logistics cost	↑ 1.1%	Cost renegotiation and volume
EBITDA Q2 FY24	9.5%	

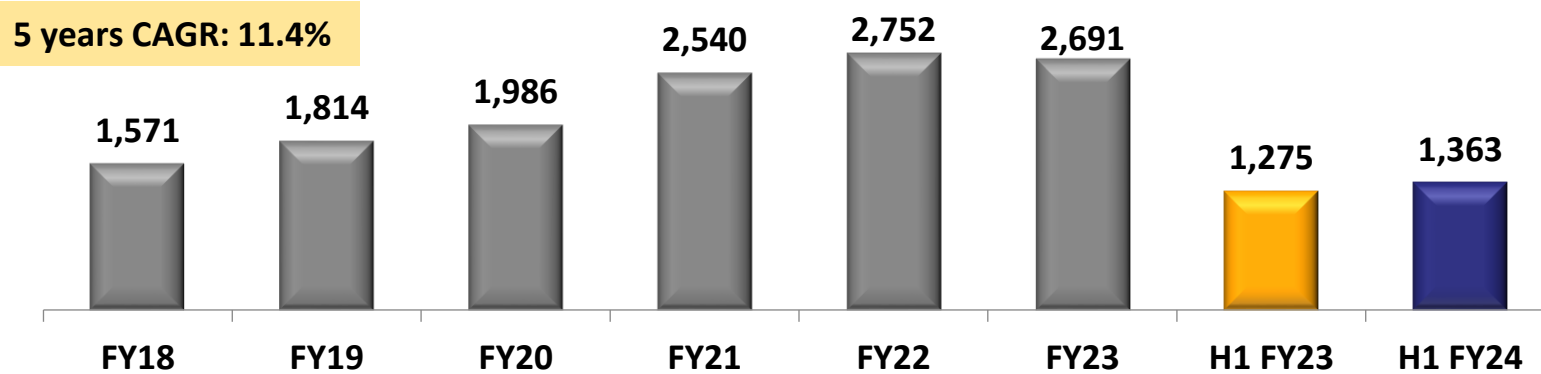


Financial Performance Trends



Financial Performance Trends

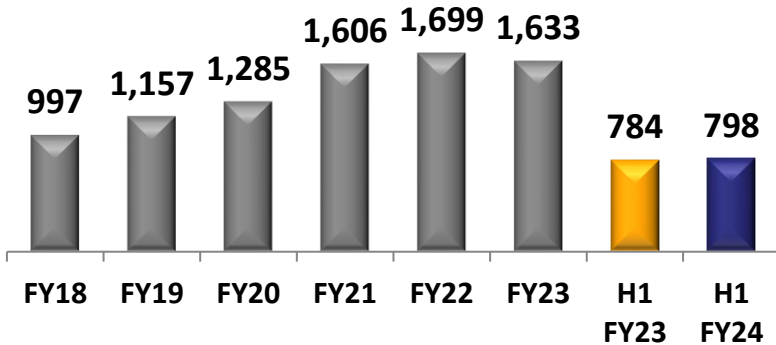
Revenue Breakdown – (Rs. crore)



Fashion Jewelry, Accessories & Lifestyle Products (Rs. Crore)

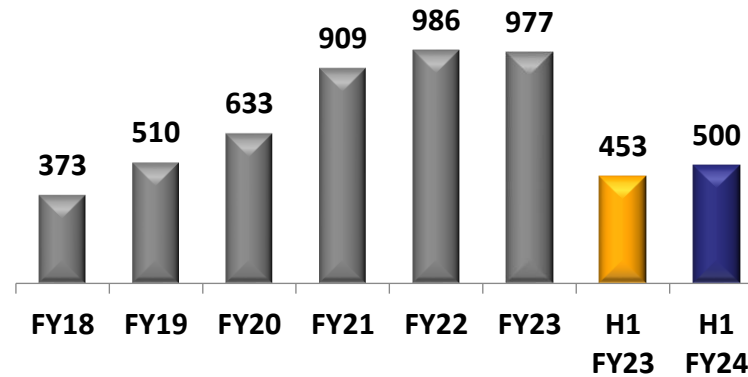
5 years CAGR: 10.4%

TV Revenue

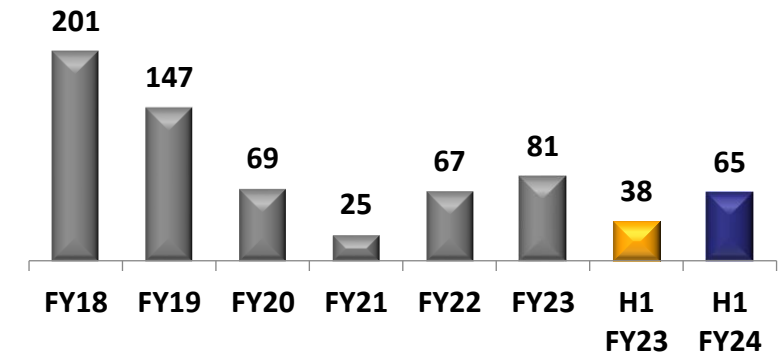


5 years CAGR: 21.2%

Digital Revenue



B2B Revenue

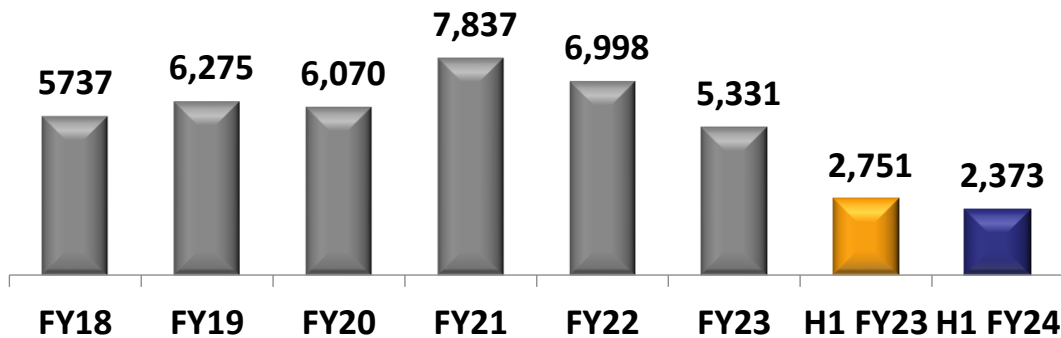




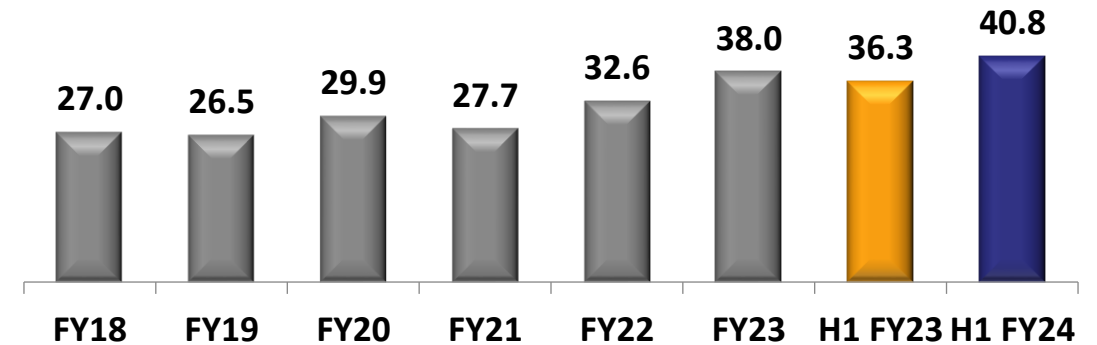
Retail Performance Trends

TV Sales

Sales Volume ('000s)

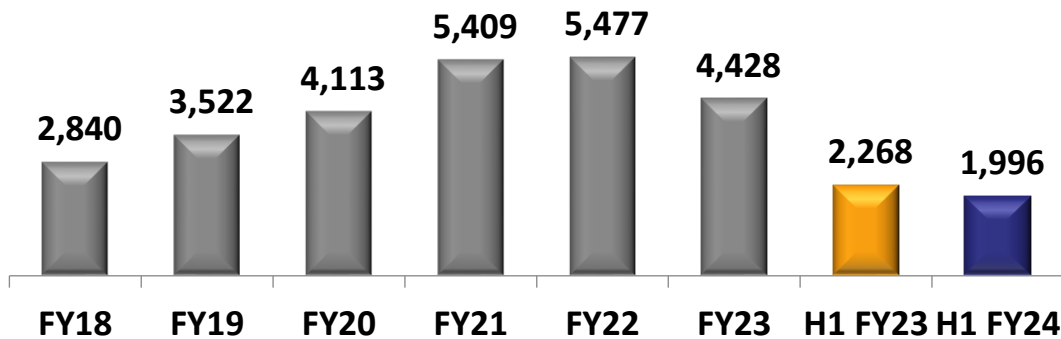


Average Selling Price US\$

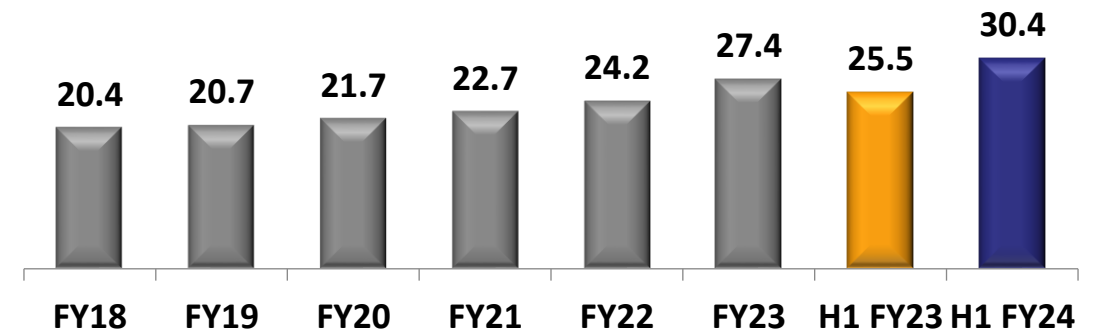


Digital Sales

Sales Volume ('000s)



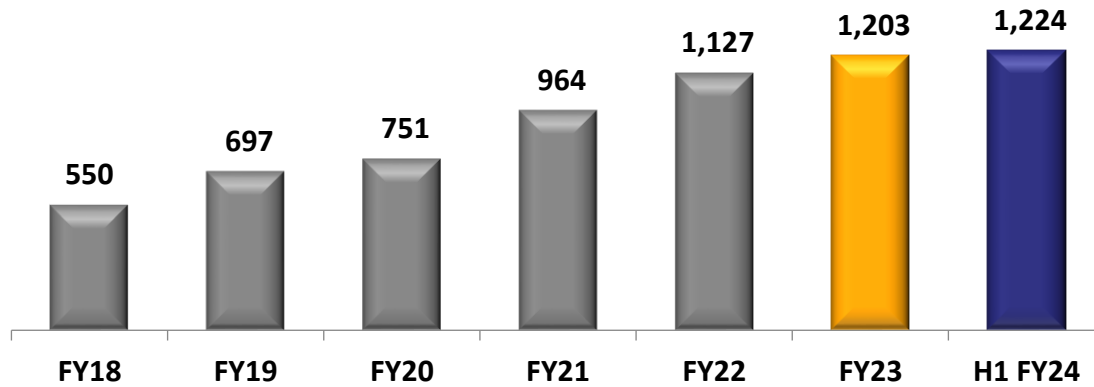
Average Selling Price US\$



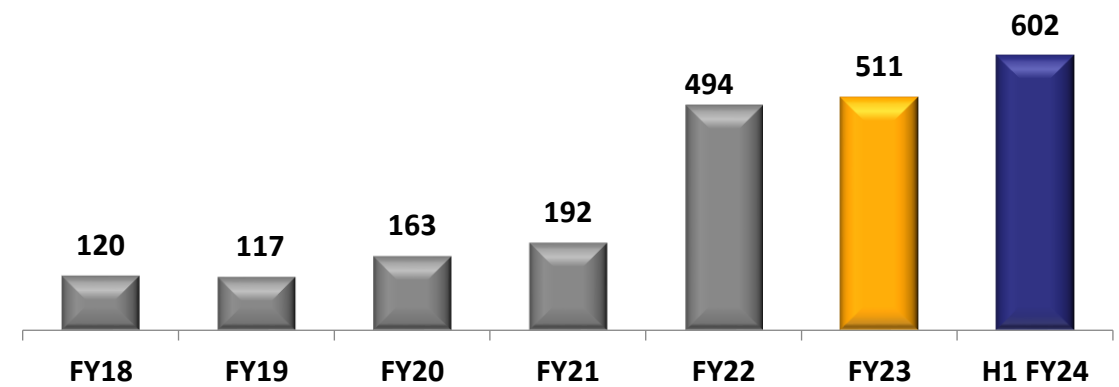


Financials – Annual Financial Performance

Shareholders' Equity (Rs. Cr)



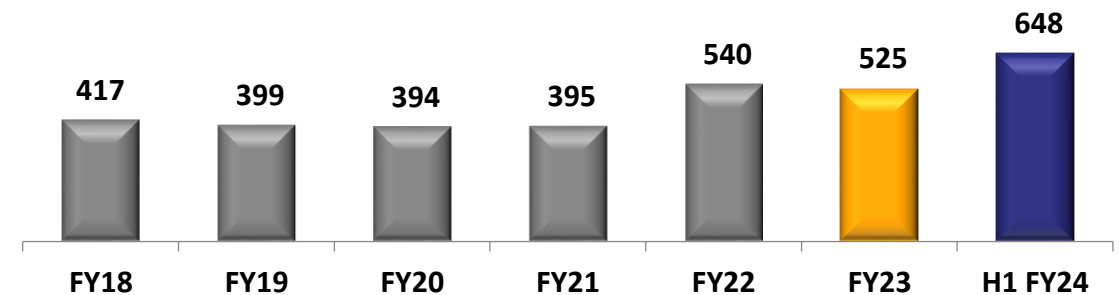
Fixed assets including intangibles (Rs. Cr)



Net Debt (Rs. Cr)



Net Assets* (Rs. Cr)



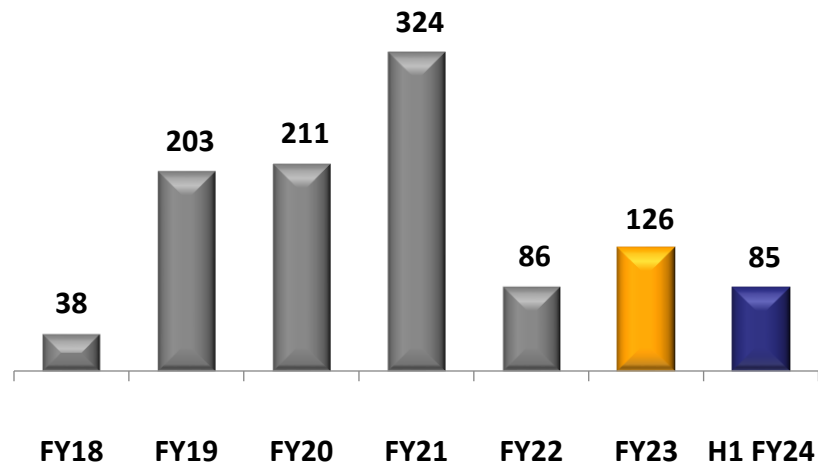
Note: Negative net debt even after recent acquisitions reflects strength of our balance sheet and robust cash generating business model

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

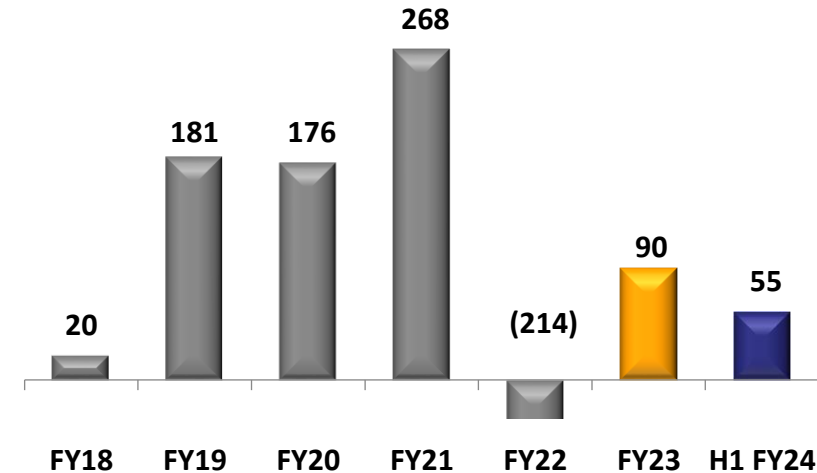


Financials Performance Trends & Ratios

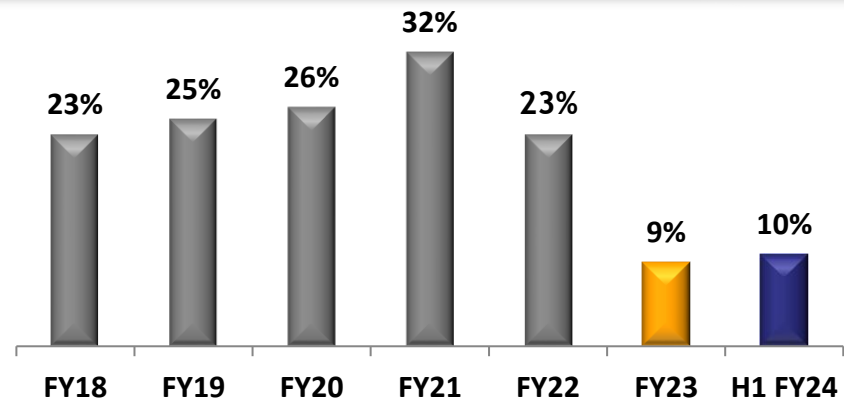
Operating Cash flow (Rs. Cr)



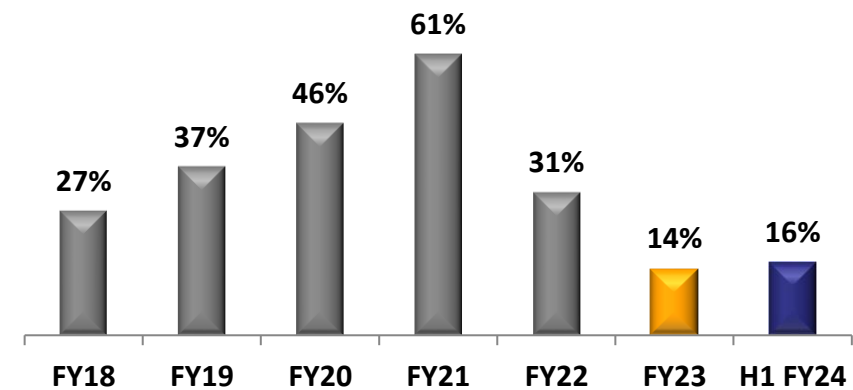
Free Cash Flow (Rs. Cr)



ROE (TTM)



ROCE (TTM)





Annexures

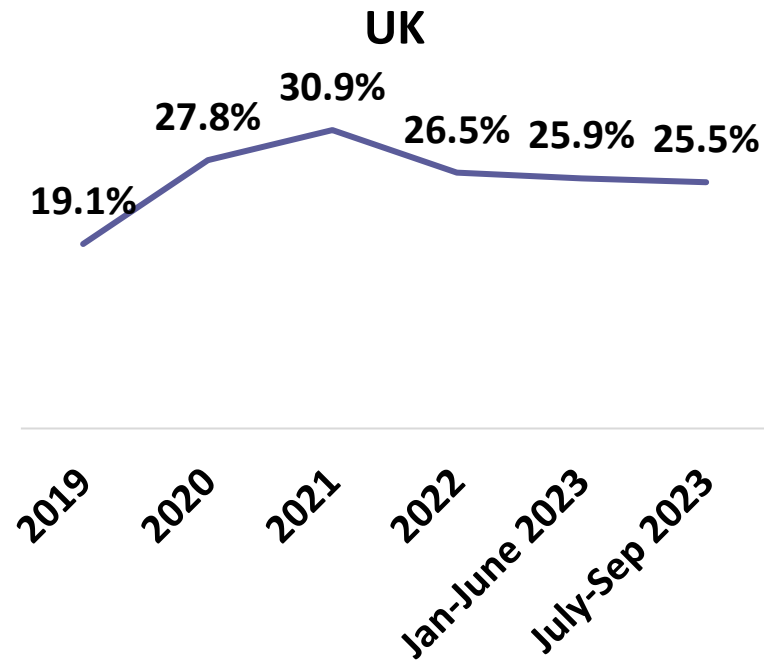


Growth In Digital Commerce Markets

Broader macro challenges tapering down

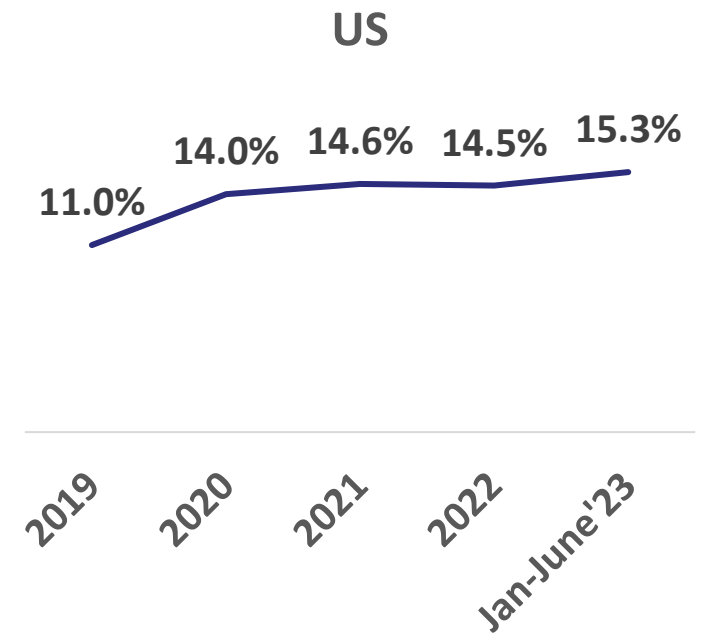
UK

- Muted consumer sentiments
- Cost of living crisis
- Resultant industry wide stagnancy in online sales mix



US

- Gradual recovery in consumer demand and confidence





Robust Corporate Governance

H1 FY24

~Rs. 50 crores

Interim Dividends

Dividend Payout Policy

- 20-30% of consolidated free cash flows
- Balance between resource conservation and shareholder reward

BSR & Co. LLP
Statutory
Auditors

Credit Rating
Long-term
ICRA A
(Stable Outlook)

Credit Rating
Short-term
ICRA A1

DELOITTE
Internal Auditors

CARE A
(Stable)

CARE A1

Awards & Accolades

India Risk Management Award
from ICICI Lombard & CNBC-TV18



ICSI National Award for Excellence
in Corporate Governance



LEED's PLATINUM &
GOLD Certification



'Net Zero Energy Building' certified



India, US, UK & China GPTW®
Certified





Strong & Experienced Management



Mr. Sunil Agrawal

Managing Director, VGL Group



Mr. Nitin Panwad

Group CFO, VGL Group



Mr. Vineet Ganeriwala

President, Shop LC (US)



Mr. Srikant Jha

*Managing Director,
Shop TJC (UK)*



Mr. Deepak Mishra

*Managing Director,
Shop LC (Germany)*



Mr. Ankur Sogani

*Vice President, Commercial,
Shop LC (US)*



Mr. Deepak Sharma

*Vice President, Operations,
Shop LC (US)*



Mr. Raj Singh

*Vice President, Supply Chain,
VGL Group*



Mr. Pushendra Singh

*Vice President, Human
Resources, VGL Group*



Mr. Mohammed Farooq

Group Chief Technology officer



Mr. Ashish Dawra

Vice President, Global IT



Sustainability Initiatives



ENERGY

Solar
3.23 mw

Solar power capacity meets 100% power requirement at manufacturing units in Jaipur. Generated 13.5 Mn KWH units since inception.

EV

184 two-wheelers & 3 four-wheelers for employees' commute. Replaced 12 buses till date.

BIODIVERSITY

~28,000

Saplings planted for developing 2 Miyawaki forests.

~7,500

Additional saplings planted till date in office premises, RIICO Garden and Government Schools.

WATER

6100 KL Rainwater harvested per annum.

500 KL Rainwater Storage Tank commissioned.

WASTE

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

2,200 Kg E-waste recycled till date.

~1,800 Kg Plastic waste recycled till date.

To Become Carbon Neutral in Scope 1 and 2 GHG emissions by 2031



Growth With Responsibility



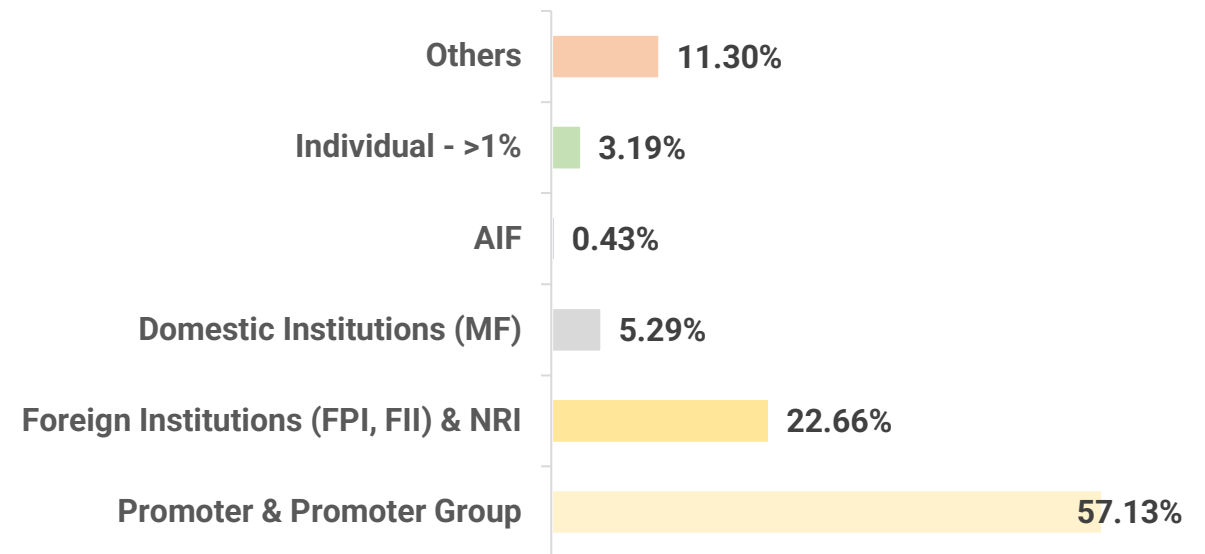
- Till date Served **81 million** meals to underprivileged children through flagship One for One Program, ***'Your Purchase Feeds...'***
- Local charity partners
 - ✓ Akshaya Patra in India
 - ✓ No Kid Hungry and Backpack Friends in US
 - ✓ Magic Breakfast & Felix Project in UK
- Serving ~46k meals every school day
- To serve 1 million meals per day by FY31



Shareholding Pattern: As on 30th September 2023

Key Shareholders	Holding as on 30th-Sep-23
Nalanda India Fund Limited	10.16%
Motilal Oswal Flexi Cap Fund	5.26%
Malabar India Fund Limited	5.38%
Vanguard	1.46%
Taiyo Greater India Fund	2.10%
Vijay Kedia	1.98%
Ashish Kacholia	1.21%
Government Pension Fund Global	0.32%

Shareholding Pattern





VAIBHAV GLOBAL LIMITED

Company:

Vaibhav Global Limited

Nitin Panwad, Group CFO

Nitin.panwad@vlggroup.com

Prashant Saraswat

Head-Investor Relations

Prashant.saraswat@vlggroup.com

www.vaibhavglobal.com

Investor Relations Advisors:

Adfactors PR Pvt. Ltd.

Amit Sharma

Amit.Sharma@adfactorspr.com

Disha Shah

Disha.shah@adfactorspr.com

www.adfactorspr.com