

SHOPPERS STOP

Reports quarterly sales of Rs 1,207 Cr, up +7% YoY and EBITDA of Rs.219 Cr (GAAP)

- Beauty outperformed +10%, led by Fragrance +41%; Make up +6%; Overall Mix at 18%
- Private Brands Mix at 13% and apparels Mix at 19%; Women Indian wear outperformed +7%
- Premiumization on rise; ATV +6%
- Added 13 stores during the quarter; 4 Department, 4 Beauty, 4 Intune and 1 Airport; Capex Investments @ Rs.51 Cr for Q3 and YTD Rs162 Cr
- Debt free with Net Cash surplus of Rs 40 Cr

Mumbai, January 18, 2024: Shoppers Stop Ltd. a leading department store with premier fashion and beauty brands, has declared its results for the quarter ended 31st December 2023.

Key financial highlights for Q3 FY24

Rs. In Cr	Non GAAP			GAAP		
	Q3FY24	Q3FY23	Growth%	Q3FY24	Q3FY23	Growth%
Sales	1,484	1,430	4%	1,207	1,132	7%
Gross Margin	37.1%	37.8%	(70) Bps	39.7%	40.9%	(110) Bps
EBITDA	91	128 [^]	-29%	219	240 [^]	-9%
PBT	54	91 [^]	-40%	49	85 [^]	-42%
PAT	40	68 [^]	-40%	35	62 [^]	-43%

[^]FY23 numbers includes reversal of Interest on GST Rs.17 Crs in other income and Rs.3 Crs in finance cost owing to repealing of certain section in the statutes

Management Comments:

Commenting on the Q3FY24 results, **Mr. Kavindra Mishra, Executive Director and CEO, Shoppers Stop Ltd**, said, “With considerable slowdown on the discretionary spending, we have demonstrated notable resilience in these tough conditions. Our Company has delivered admirable financial results with a Sales growth of 7% despite muted consumer demand. And during the festive period, the sales grew by 9% (LTL +5%). Average Transaction value grew by 6% driven by premiumization and Items per Ticket grew by +5%. Some of the outliers for Q3 are, our external Brands both apparel and non-apparel have grown above average, with better yields on our KPI’s. Our Home Stop has turned around and had an impressive growth of 10%, with a sale of Rs. 42 Crs. We reported a GAAP EBITDA of Rs.219 Crs vs Rs.240 Crs in FY23. Our EBITDA has been lower due to one-time Income of Rs.17 Crs as other Income in FY23 and we have made provision for obsolescence of circa Rs.9 Crs during the quarter.

We have observed that despite the overall muted market conditions our customers have upped their spends on the differentiated mix of premium brands and experiences across various categories wherein SSL is a destination”.

Performance of strategic pillars in Q3FY24:

- **First Citizen** – Our First Citizen Members contributed 78% to overall sales, out of which 65% were repeat and 13% new members. Our Premium Black Card members contributed 13% to the overall sales, an increase of 18% YoY. During the quarter we added 191K members and total base at the quarter end is 9.7Mn. The customer engagement continued to be strong, with events such as sailing and cocktail making organized for First Citizen Black Card members which had a good response. We had 118 Customer events across all our stores, making it a memorable shopping experience for our customers.
- **Private Brands** – Private Brands sales were at Rs 189 Cr with an overall contribution of 13% to the Sales and 19% to apparel's sale. Women's Indian Wear grew +7%. Our Sanya X Kashish campaign had a good response from customers. Kashish outperformed with Sales growth of +18%. Kidswear within the brand STOP grew by 8%.
- **Beauty** – Beauty grew by +10%, outperforming other segments in the retail with an overall sale of Rs.262 Crs. Beauty Contribution to overall sales increased to 18%. We have been building Beauty Eco Systems through customer engagements and in store experiences. This has further strengthened by our 266,000 Makeovers and 138 Master Classes covering “Bridal makeup and Party Glam Look” this quarter. During the quarter, we opened State of the Art Beauty Store sprawling 3000 sq ft at the prestigious T2 Bengaluru Airport.
- **Intune** –Our “Fashion for all” format, Intune has been one of the promising and fast-growing segment. We have added 4 stores during the quarter and total store count is 10 across 6 cities. Akin to previous quarters, we had a Full price sell thru of 65%. The format received strong acceptance for Family shopping with Kidswear Mix at 27%. We are planning to add 14 Intune stores in Q4FY24, aggregating to 24 by FY24 end.
- **Beauty Distribution** – Beauty distribution business clocked Rs 39 Cr sales with distribution network expanded to over 334 doors. We added Fragrance brand Armaf and Makeup brand Soda Makeup in our distribution portfolio taking total brand count to 18 consisting 10 Fragrance, 2 Makeup, 3 Skincare and 3 Full line brands.
- **Store Expansion** – The company is on course to meet the guided store expansion for FY24. We opened 4 department stores, 4 beauty stores, 4 Intune and 1 Airport stores in this quarter, aggregating to 13 stores this quarter and 33 stores year to date. The company made an investment of Rs 51 crores on expansion during the quarter.

Note:

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

About Shoppers Stop Limited: Shoppers Stop Ltd. is the nation's leading premier retailer of fashion and beauty brands established in 1991. Spread across 105 department stores, the Company also operates 7 premium home concept stores, 88 Specialty Beauty stores of M.A.C, Estée Lauder, Bobbi Brown, Clinique, Jo Malone, Too Faced, SS Beauty, 10 Intune stores and 23 Airport doors, occupying area of 4.1 M sq. ft. Shoppers Stop is home to one of the country's longest running and most coveted

loyalty program 'First Citizen'. The Company's one-of-a-kind shopping assistance service, 'Personal Shopper' is revolutionizing the way Indian's shop, bringing more value, comfort, and convenience to customer experiences. The brand's diversified Omni channel offering spans over 800+ recognized and trusted brands across an incomparable range of products that together serve our overarching objective of delivering customer. delight.

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