

Shoppers Stop Reported Revenue of Rs. 825.3 Crs and EBITDA Profit of Rs.10.5 Crs in Q4FY21 vs Rs. 16.7 Cr. Loss in Q4FY20

Mumbai, May 21, 2021: Shoppers Stop Ltd. (NSE: SHOPERSTOP | BSE: 532638) reported Sales and EBITDA as under:

Rs. In Crs.	Non-GAAP			GAAP		
	Q4FY21	Q4FY20	Growth%	Q4FY21	Q4FY20	Growth%
Revenue	825.3	915.5	-9.9%	671.1	709.2	-5.4%
EBITDA	10.5	(16.7)	-	116.2	82.9	40.1%
First Citizens	As on 31.03.2021 7.8 M +106K added in the quarter.					
Total Retail Area	4.5M Sq. ft.					

The business rapidly recovered from the pandemic in Q4. The recovery in footfalls and sales had begun in Q3 vs preceding quarters and it continued in Q4. For the quarter, we had 90% of FY20 sales, the strongest recovery in the last 4 quarters. However, with the pandemic in India, taking a severe turn in the second half of March, the year has ended on a sombre note.

Some of the highlights of the quarter are:

1. Sales at Rs. 825 Cr, -10% of FY20 and EBITDA at Rs.10.5 Cr vs Rs. 16.7 Cr loss Of LY
2. Our Omni Channel sales grew 188% vs LY (3X growth)
3. Gross margins improved by 189 bps with improved mix from Private brands
4. Private Brand grew by 11.5% (volume 38%) and its share to total business increased by 250 bps,
5. Operating efficiencies continuing to improve; costs were lower by Rs.43 Crs

Overall Performance

Mr. Venu Nair, MD and CEO commented "Business recovery till Mid-March had been very encouraging. However, with surge in Covid cases, we witnessed a drop in footfall resulting into drop in revenue.

Despite the Covid impact, we had our strong performance in all our strategic pillars. Our Omni channel grew by 188% (3 times), Private Brands volume grew by 38%, Beauty outperforming with the start of make-up from mid-January.

Specifically, on Omni Channel, our dream run continues. During the quarter, we did the first phase of the upgrade of the home page and continued to add new brands. We also improved our fulfilment parameters by changing the allocation logic which improved the Turnaround Time. We are investing heavily in this channel and have begun the second phase of the upgrade of our App, with a complete redesign of UI/UX, analytics and personalization.



Our success in transforming and revamping Private Brands continue to yield results. During the quarter, we launched performance wear and athleisure brand, ALTLIFE and INSENSE in the women's sleepwear category. We have significantly improved our fashion quotient relevant to latest trends, besides upgrading the quality of merchandize. We have simplified the price matrix. Our customers are recognising the improvements that have been made offering great fashion, & quality at affordable price points. This resulted in 38% volume growth, overall sales growth of 11.5% and increased share to the business by 250 bps.

Our First Citizens contributed 72% of our revenue. We have added 106K loyalty members during the quarter and as of March 31st, 2021. As on date, we have 7.8M trusted Loyal Members. In our premium Annual Membership Program "Black Card", enrolment grew by 172% - this is a subscription service at Rs. 4,500. We continue to engage with our loyal customers through our personal shoppers' program. During the quarter – personal shopper program contributed 14.7% (+80 bps)

Our store expansion was deferred due to the Covid impact in FY21. We commenced our store expansion, and plan to add 20+ stores across large and small formats in FY22.

For the Quarter

The company reported positive EBITDA for the second consecutive quarter, driven by healthy recovery in demand in Jan-Feb months and various initiatives on costs optimization. Our savings continues - Rs 43 in Q4 and Rs 433 Crs for the full year. The company is maintaining sufficient cash reserves to deal with any exigencies in coming quarters. We continue to remain debt free.

Covid Recovery

Shoppers Stop is committed to making a difference in the lives of all our stakeholders and we are confident to overcome these extremely difficult times at the earliest and emerge stronger from it. Our rebound in Q3 and Q4 exhibits the inherent strength of the brand and the business. We expect the business to remain resilient amidst uncertainty in the near term and see through the current health crisis. Over the medium term, the company will continue to prioritise maintaining volume-driven growth momentum, expanding inorganically and continue to sustain costs to grow the overall profitability.

Note:

The Ministry of Corporate Affairs (MCA) has mandated Accounting Standard AS 116 for accounting the Lease Contracts. A detailed working has been included in our Quarterly Performance presentation uploaded in our corporate website. 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.

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A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "SHOPPERS STOP LIMITED" around the top edge and "MUMBAI" in the center, with a small star at the bottom.

About Shoppers Stop Limited: Shoppers Stop Ltd. is the nation's leading premier retailer of fashion and beauty brands established in 1991. Spread across 84 department stores in 44 Cities, the company also operates premium home concept stores (11 Stores), 127 Specialty Beauty stores of M.A.C, Estée Lauder, Bobbi Brown, Clinique, Smash box, Jo Malone and Arcelia and 23 Airport doors, occupying an area of 4.5 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 revolutionising the way Indians shop; bringing more value, comfort and convenience to customer experiences. The brands diversified Omni channel offering spans over 800+ recognised and trusted brands across an incomparable range of products that together serve our overarching objective of delivering customer delight.

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