

## Shoppers Stop Reported Revenue of Rs. 371.2 Crs and EBITDA Loss of Rs.83.3 Crs in Q2FY21

**Mumbai, Oct 16, 2020:** Shoppers Stop Ltd. (NSE: SHOPERSTOP | BSE: 532638) reported Sales of Rs. 371.2 Crs and EBITDA Loss of Rs.83.3 Crs in the quarter (Non-GAAP). GAAP adjusted; the turnover is Rs. 292.4 Crs and EBITDA (before exceptional item) of Rs.28.4 Crs.

Q2 performance has been impacted by intermittent lockdowns, Maharashtra and Mumbai were closed until 2<sup>nd</sup> week of August and the number of operating days were 20% lower than last year. The store timings were restricted. Customers continue to be cautious in visiting stores. A combination of these factors impacted our normal business and consequently our financial performance.

North and East are performing better than West and South; West being most impacted, primarily due to extended lockdown until Mid-August. Tier 2 and Tier 3 towns continue to outperform Metro cities.

Despite these operational constraints, during this quarter, we observed our customer visits were mission based resulting in significantly higher conversion and ATV. Our footfall had increased sequentially in 3 months. As the lockdown gradually eases and with confidence brimming down with festive season around the corner, we observe customers' response is encouraging.

### Overall Performance

Commenting on the quarterly performance of the company, Mr. B S Nagesh, Customer Care Associate, Non-Executive Chairman, Shoppers Stop Ltd. said "Within the operative constraints, our Company has performed better than expectations in all KPI's. Overall, easing of lockdown and festive season ahead, we expect better footfall, sales and performance in Q3. We continue to engage with Customers through Social Media Campaigns through a number of initiatives such as, live video assistance for online buying, chat enabled messenger services, etc.

The silver line in these dark clouds is our progress in E-Commerce. Our journey for a complete digital transformation and strengthening our Omni business continues. During the quarter, we made substantial progress such as, improved user interface on our App and Website, page download optimization, advanced analytics to generate demand and to achieve personalization and delivery turnaround time optimization. We reached out to customers in various innovative ways and improved customer's online interactions with our Personal Shoppers. This resulted in additional 22K First Citizens shopping online. Our E. Com sales grew by 50% year on year, contributing to 7.8% of the total revenue. We continue our journey to make Shoppers Stop a truly Omni Channel organization.

Our engagement with First Citizens continues with number of new initiatives. First Citizen trust on Shoppers Stop remains encouraging with a healthy Sales Mix of 83% (+600 bps vs LY).

Private Brands mix to overall shares increased to 15.5% in Q2 (370 bs vs LY), with increased product offerings such as Sleepwear, Loungewear and Innerwear besides sharpening our product price-points.



## For the Quarter

Our efforts to reduce the costs continues. We have made considerable savings of Rs.314 Crs vs Last Year in the first two quarters through number of initiatives. This is despite opening 11 new stores in FY20. Our focus is to conserve cash, maintain short-term liquidity and strengthen the balance sheet given the unprecedented times continue. The Company's cash and bank deposits are at Rs.87 Crs. as of September 30, 2020, to deal with exigencies in the coming quarters. With continued Lockdown, intermittent store closures, and a subdued retail landscape, the sales and margins are strictly not comparable with FY Q2 20.

## Financial Performance

\*Non-GAAP Press Release for Immediate Distribution Financials:

Rs. In Crs.	Non-GAAP		GAAP	
	Q2FY21	Q2FY20	Q2FY21	Q2FY20
Revenue from Operations	371.2	1,070.3	292.4	845.3
EBITDA	(83.3)	47.3	28.4	155.3
First Citizens	As at 31.09.2020 7.4 Million +130K added in the quarter.			
Total Retail Area	4.5M Sq. ft.			

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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**About Shoppers Stop Limited:** Shoppers Stop Ltd. is the nation's leading premier retailer of fashion and beauty brands established in 1991. Spread across 88 department stores in 44 Cities, the company also operates premium home concept stores (11 Stores), 135 Specialty Beauty stores of M.A.C, Estée Lauder, Bobbi Brown, Clinique, Smash box, Jo Malone and Arcelia, occupying an area of 4.5M 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 600+ recognised and trusted brands across an incomparable range of products that together serve our overarching objective of delivering customer delight.

For more information, contact:

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