



Vaibhav Global Limited

Q2 FY23 Financial Results

Committed, Focused and Agile

Declared 2nd interim dividend of Rs. 1.50 per equity share

Jaipur, October 27, 2022: Vaibhav Global Limited (VGL), a global E-tailer of Fashion Jewellery, Apparels, Lifestyle Products and Accessories on TV and Digital Platforms, announced its financial results for the quarter ended September 30, 2022.

Financial Performance Highlights:

Q2 FY23 performance overview

- Revenue:
 - Q2 FY23: Rs. 646 crore vs Rs. 635 crore YoY
 - Robust growth of 33% over pre-Covid period of Q2 FY20
 - 3 years compounded annual growth of 10%
- Digital Revenue Mix: 36% of B2C revenue
- Industry leading Gross Margins at 60%+ owing to vertically integrated supply chain and wider product mix
- EBITDA margin at 8.1% vs 11.5% in Q1FY23. Attributed to:
 - YoY lower gross margins due to product mix and prices not passed on fully
 - Conscious investment on digital & broadcasting network
- PAT for the quarter is Rs. 23 crores as against Rs. 42 crore last year
- ROCE at 18% and ROE at 13% (on TTM basis)
Return ratios reflects impact of lower profitability which have started seeing a sequential improvement. Hence, we expect to improve return ratios going forward
- Declared second interim dividend of Rs 1.50 per equity share (face value Rs 2 each). The total interim dividend for FY23 till H1 is Rs. 3.00 per equity share

Key Recent Developments:

- **Unique Customers** (TTM basis): **4,99,401**
Higher by 5% and 12% vs Sep-21 and Sep-20 respectively
- **New registrations** (TTM basis): **3.2 lakhs**
5% higher YoY and 25% up against Q2 FY21
- **New customer acquisition** (TTM basis): **2.5 lakhs**
Higher by 10% YoY and 16% up over Q2 FY21
- **Digital strengthening:** 59% of new customers acquired digitally
- **Germany:** Shop LC GmbH started **Live and Interactive** shopping on its website
- **Shop TJC (UK):** Impact of Freeview channel upgradation to slot #22
The rate of new TV customers stands at +49%, a delta of 65% over Feb-2022
- **'Your Purchase Feeds...':** Over 69 million meals donated since inception
- **Shop LC (US):**
 - Added 10 mn households (8 mn on net basis) in the US across OTA and cable platforms
 - Received LEED Gold certification for 2 buildings



Commenting on the performance for Q2 FY23 Mr. Sunil Agrawal, Managing Director, Vaibhav Global Limited said,

During the quarter gone by, we registered low single digit revenue growth, which is promising on the backdrop of current high inflationary environment in western economies. While the quarter looks soft, our 3 years compounded annual growth stands at 10% or 33% over Q2 FY20. Our margins, which bottomed out in Q1, have started seeing a sequential improvement and we expect to continue to improve in H2.

We continue to monitor macro environment & business trends and believe that we have the team and the experience to effectively manage our business in any environment. We believe that the long-term demand remains strong and our business model robust.

Amidst current broader economic challenges, we have seen a visible sequential improvement during last few months with revenue trends improving month-over-month and believe that this transient phase will be behind us soon. Considering current macro environment, we expect to deliver 2-4% topline growth with 8-9% EBITDA margin this financial year. Our mid-term outlook remains intact and we expect to deliver mid-teens revenue growth in subsequent years with operating leverage.

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About Vaibhav Global Limited

Vaibhav Global Limited (VGL) is listed on stock exchanges in India (BSE: 532156, NSE: VAIBHAVGBL, ISIN - INE884A01027). VGL is an omni-channel E-tailer of fashion jewellery, accessories, and lifestyle products in developed markets with direct access to ~135 million households (FTE) through its TV home shopping networks – Shop LC in US, Shop TJC in UK and Shop LC in Germany. The Company’s ecommerce websites www.shoplc.com in the US, www.tjc.co.uk in the UK and www.shoplc.de in Germany, complement TV coverage and diversify customer engagement. The Company is committed to ‘Delivering Joy’ to all the stakeholders. Through its flagship midday meal program, **‘Your Purchase Feeds...’** where a meal is provided for every piece sold at the retail channels, the Company has provided over 69 million meals in US, UK, Germany, and India at a run rate of 51,000 meals being donated every single school day since program’s inception.

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