

MONTE CARLO 

It's the way you make me feel

Investor Presentation

Q3FY23 & 9M FY23

Monte Carlo Fashions Limited



MONTE CARLO 

It's the way you make me feel



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01

Financial Highlights

Investor Presentation
Q3FY23 & 9MFY23



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It's the way you make me feel



● ● ●
**9M
FY23:
Performance
at a Glance**

- Revenue for 9MFY23 stood at ₹ 8,810 Mn up by 19% YoY. The Company reported its good sales for 9M on the back of strong brand positioning, quality products aided by normalised macro environment.
- Reported an Operating EBITDA of ₹ 1,854 Mn for 9MFY23 up by 18% YoY and EBITDA Margin of 21%
- Cash PAT for 9MFY23 stood at ₹ 1,415 Mn
- Business Update:
 - Cotton segment contributed 51.4% to the total revenue
 - Online sales contributed ₹ 287.4 Mn in Q3 FY23, bringing it to ₹ 409.18 Mn for 9MFY23
 - Online Sales through our own portal stood at ₹27.5 Mn for 9MFY23

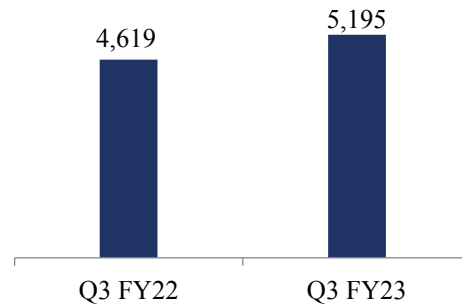
Q3 & 9M FY23: Financial Highlights



Investor Presentation
Q3FY23 & 9MFY23

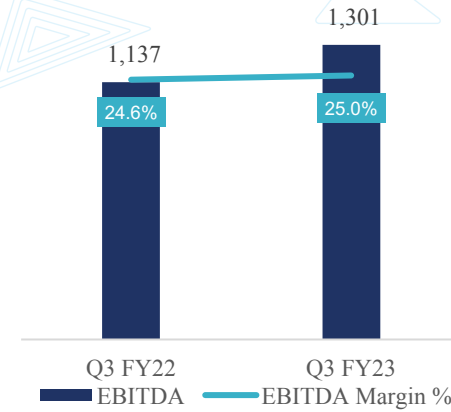
In ₹ Mn

REVENUES

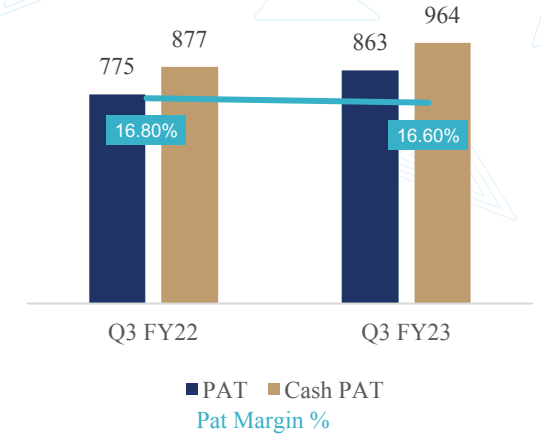


Q3 FY23

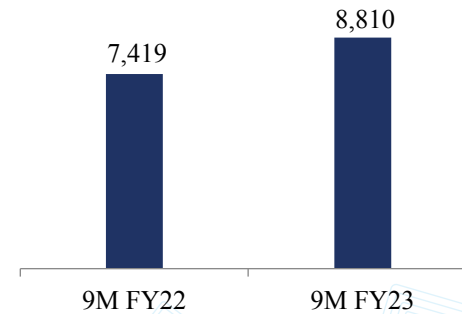
EBIDTA* & EBITDA MARGIN%



PAT, CASH PAT & PAT MARGIN%

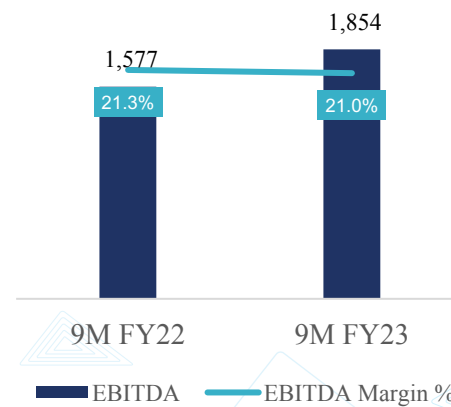


REVENUES

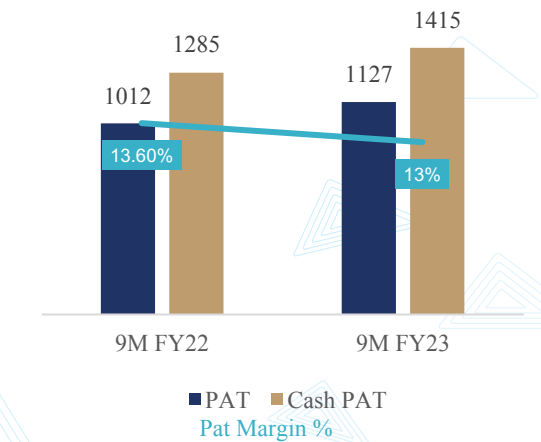


9M FY23

EBIDTA* & EBITDA MARGIN%



PAT, CASH PAT & PAT MARGIN%



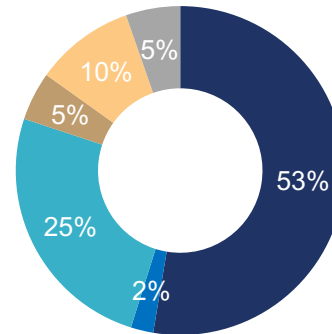
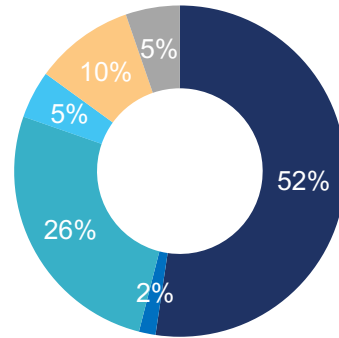
*EBITDA excludes other income

Q3 FY23: Revenue Details

REVENUE BREAKUP- REGION WISE (Including Online Sales)

Q3 FY22: Rs 4,591 Mn

Q3 FY23: Rs 5,395 Mn

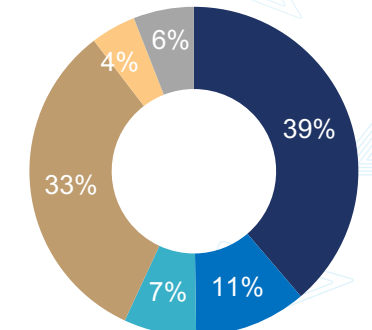
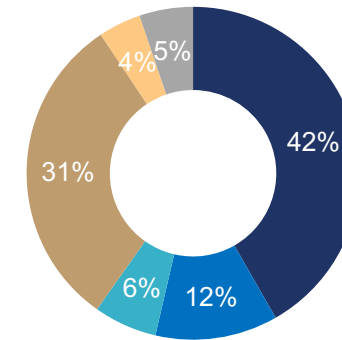


■ North ■ South ■ East ■ West ■ Central ■ Others Including Online

REVENUE BREAKUP - CHANNEL WISE

Q3 FY22: Rs 4,591 Mn

Q3 FY23: Rs 5,395 Mn



■ MBO ■ NCS ■ EBO-COCO ■ EBO-FOFO ■ Corporate/ CSD/ Govt. ■ Online

Online Sales (₹ Mn)

287



Q3 FY22

240



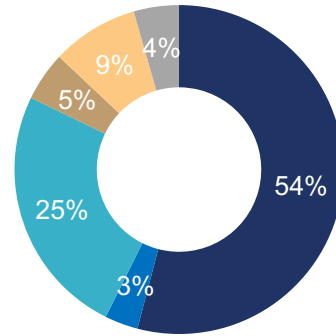
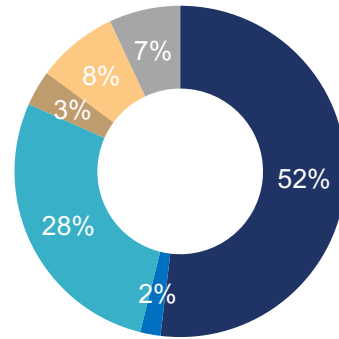
Q3 FY23

9M FY23: Revenue Details

REVENUE BREAKUP- REGION WISE (Including Online Sales)

9M FY22: Rs 7,545 Mn

9M FY23: Rs 9,219 Mn

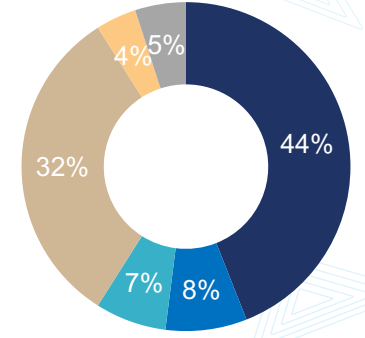
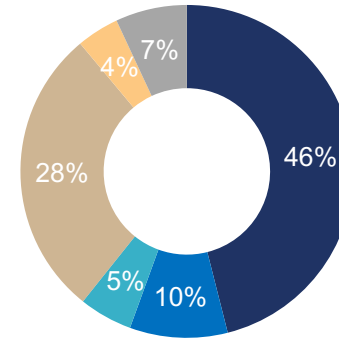


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REVENUE BREAKUP – CHANNEL WISE

9M FY22: Rs 7,545 Mn

9M FY23: Rs 9,219 Mn



■ MBO ■ NCS ■ EBO-COCO ■ EBO-FOFO ■ Corporate/CSD/ Govt. ■ Online

Online Sales (₹ Mn)

481

9M FY22

409

9M FY23

Q3FY23 & 9MFY23: Revenue Analysis

REVENUE BREAKUP - SEGMENT WISE

In ₹ Mn	Q3 FY22	Q3 FY23	9M FY22	9M FY23	FY22
Total Revenues*	4,591	5,395	7,545	9,219	9,239
Cotton Segment	47.8%	47.9%	50.3%	51.5%	54.7%
Woollen Segment	33.1%	34.3%	26.6%	26.8%	24.0%
Home Textiles	10.5%	9.9%	15.5%	14.3%	13.7%
Kids	8.6%	7.9%	7.6%	7.4%	7.6%

- Revenue from core products (Excluding Yarn, Fabrics & Miscellaneous sales)

Q3 FY22 Sales of scrap and accessories was Rs. 6.19 Mn, Other Operating revenue was Rs. 5.52 Mn & INDAS adj. was Rs. 16.02 Mn

Q3 FY23 Sales of scrap and accessories was Rs. 25.62 Mn, Other Operating revenue was Rs. 6.86 Mn & INDAS adj. was Rs. -239.24 Mn

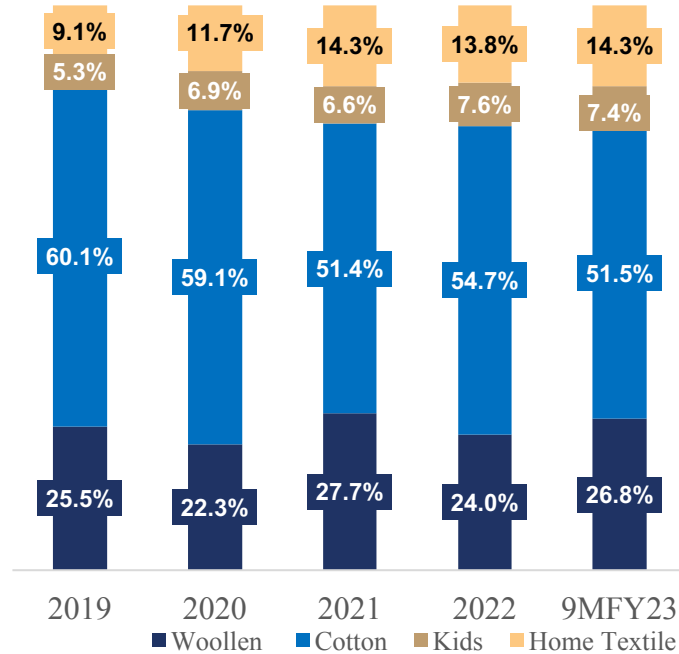
9M FY22 Sales of scrap and accessories was Rs. 20.41 Mn, Other Operating revenue was Rs. 9.67 Mn & INDAS adj. was Rs. -156.66 Mn

9M FY23 Sales of scrap and accessories was Rs. 36.57 Mn, Other Operating revenue was Rs. 13.53 Mn & INDAS adj. was Rs. -459.5 Mn

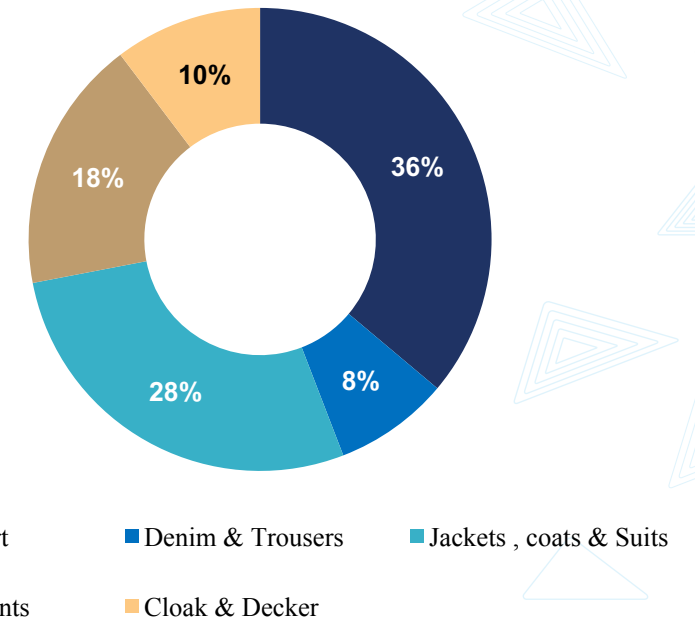
FY22 Sales of scrap and accessories was Rs. 26.76 Mn, Other Operating revenue was Rs. 13.87 Mn & INDAS adj. was Rs. -236.61 Mn

Diversified Portfolio

SEGMENT COMPOSITION



COTTON SEGMENT BIFURCATION – 9M FY23



- The company is focusing on the diversification strategy, emphasising more on cotton segment
- Cotton share maintained above 50% of total 9MFY23 revenue reflecting shift towards Cotton from Woollen segment

Q3FY23 & 9MFY23: Profit and Loss Statement

(Standalone)



Investor Presentation
Q3FY23 & 9MFY23

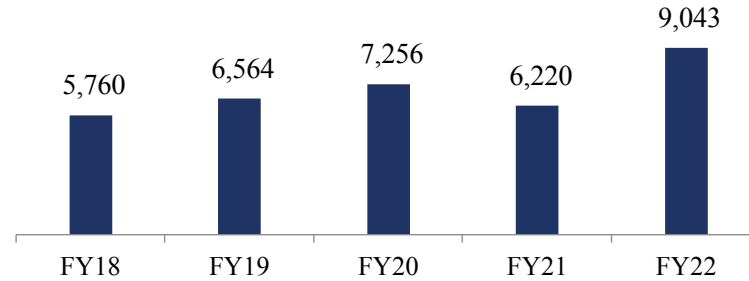
Particulars (In ₹ Mn)	Q3 FY23	Q3 FY22	YoY%	9M FY23	9M FY22	YoY%	FY22
Revenue From Operations	5195	4619	12%	8810	7,419	19%	9043
Material Cost	2903	2678	8%	4494	3,914	15%	4677
Gross Margin	2292	1941	18%	4316	3505	23%	4366
Gross Margin %	44.1%	42.00%	212bps	49%	47.20%	179bps	48.3%
Personnel Expenses	276	251	10%	710	614	16%	812
Advertisement Expenses	149	83	80%	325	145	124%	241
Other Expenses	566	470	25%	1427	1169	24%	1512
Operating EBITDA	1301	1137	14%	1854	1577	18%	1801
EBITDA Margin %	25.0%	24.60%	44bps	21%	21.30%	-26bps	19.9%
Other Income	59	49	20%	131	172	-24%	255
Depreciation	101	102	-1%	287	273	5%	373
Finance cost	98	43	128%	191	115	65%	157
PBT	1161	1041	12%	1507	1361	11%	1526
Tax Expense	298	266	12%	380	349	9%	386
PAT	863	775	11%	1127	1012	12%	1140
PAT Margin %	16.6%	16.80%	-21bps	13%	13.60%	-79bps	12.6%
EPS (Rs.)	41.63	37	13%	54	49	11%	55

Financial Performance

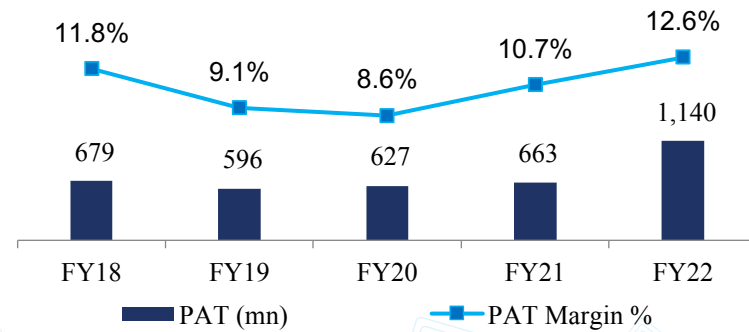


Investor Presentation
Q3FY23 & 9MFY23

CONSISTENT REVENUES



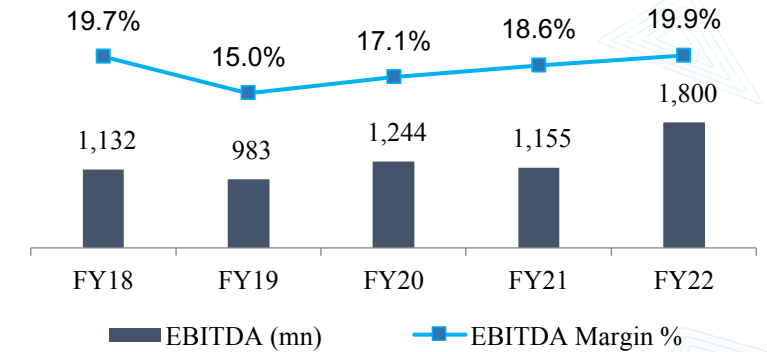
PAT & PAT MARGIN



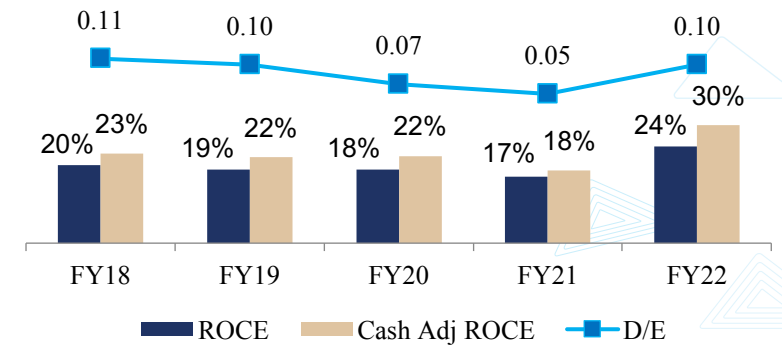
Note – EBITDA does not include other income
Revenues exclude Raw Material Sales (Yarns, Fabrics & Trims)
Inventory Data related to FY18 onwards is according to the cost method of valuation and the data related prior to FY18 is according to retail method of valuation

In ₹ Mn

EBITDA & EBITDA MARGIN

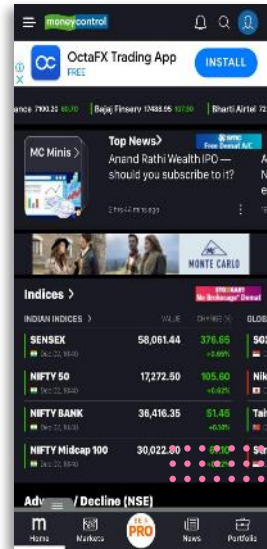
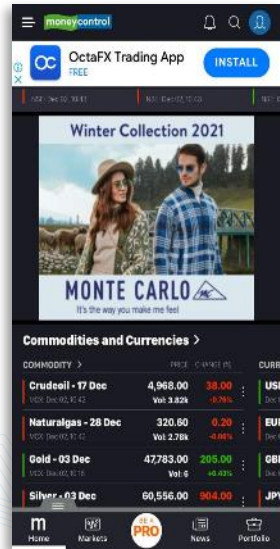


LEVERAGE & RETURN RATIOS



9M FY23 Advertising Campaigns

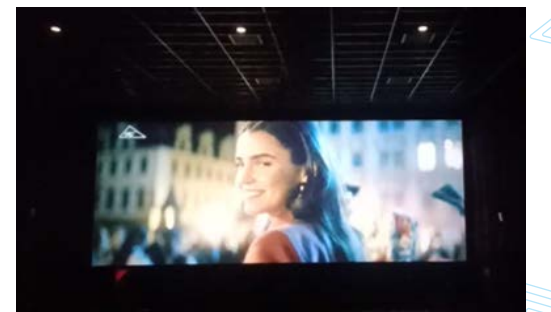
DIGITAL



PRINT



OTHERS



02

Company Overview

Investor Presentation
Q3FY23 & 9MFY23



MONTE CARLO 
It's the way you make me feel



Monte Carlo:

**INDIA'S First
Organised Lifestyle
Apparel Brand**

**Investor Presentation
Q3FY23 & 9MFY23**



Strong Pedigree

Leading Winter wear Brand, launched in 1984 promoted by Sh. Jawahar Lal Oswal ,CMD, Oswal woolen Mills Ltd and Nahar Group



Super Brand

Recognized as Super brand for woolen knitted apparel in India



Wide Reach

Presence across India through various distribution channels



Cash Balance

Cash balance of Rs. 2,647 Mn as on 31st December 2022

(includes cash and bank balance along with current and non-current investments)



Manufacturing Plants

2 Manufacturing Plant located in Ludhiana



Diversified Product Portfolio

Successfully diversified brand across Woollen, Cotton, Kids & Home Furnishing



In House Designing Team

35+ professionals closely tracking the trending global fashion



Low Debt

Long-Term borrowing at Rs. 59 Mn as on 31st December 2022

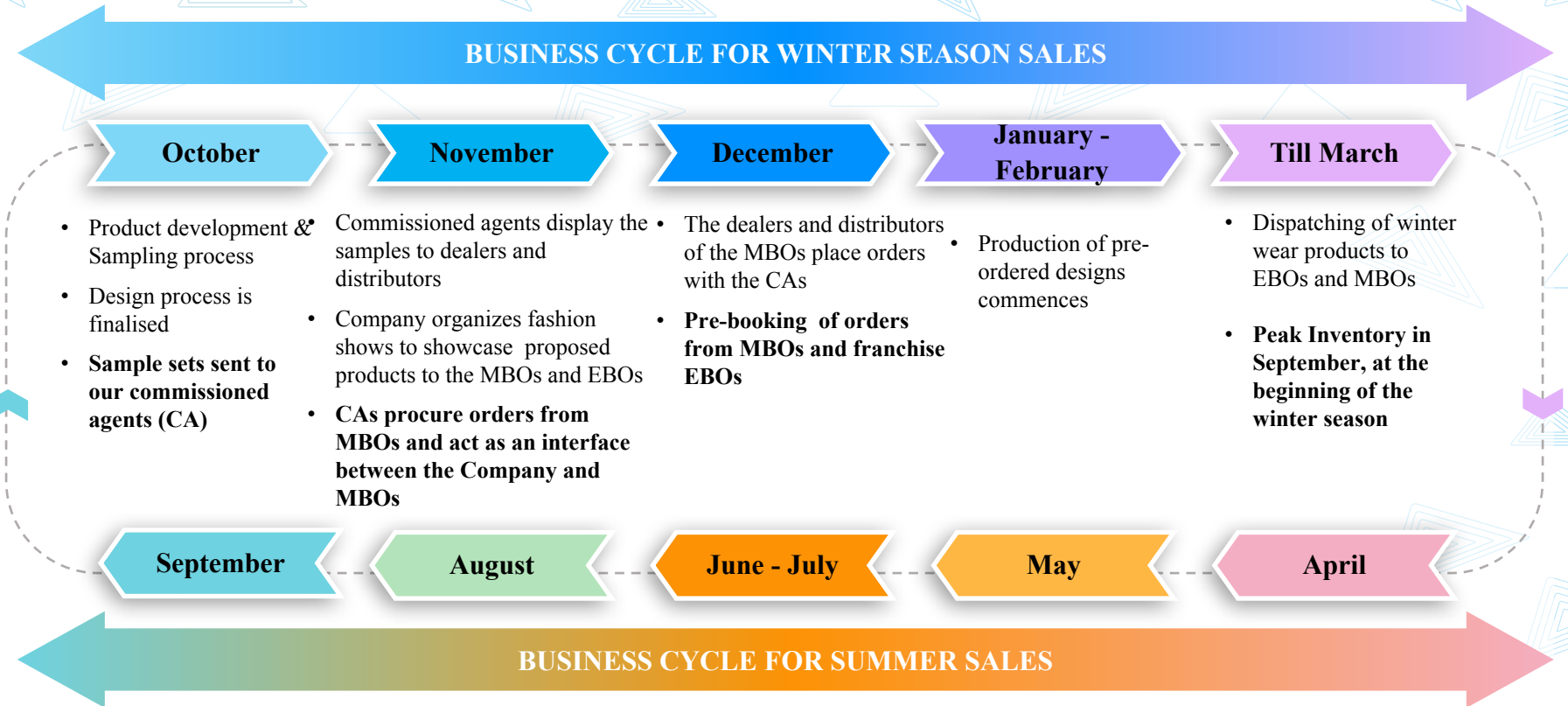
Diversified Product Portfolio

TRENDY AND PREMIUM QUALITY APPROACH TO CLOTHING

Range	Woolen	Cotton	Home Furnishing	Kids
Monte Carlo Mid Premium / Premium	Sweaters, Pullovers thermals, woolen accessories (caps, mufflers, shawls, stoles)	Shirts, trousers, t-shirts, track-suits and jackets	Mink blankets, bed sheets and quilts	-
Luxuria - Mid Premium / Premium	Cash wool sweaters , blazers ,coats	Cotton Shirts, trousers and t-shirts	-	-
Denim- Mid Premium / Premium	-	Denim Trouser (jeans) and Shirts	-	-
Alpha – Women wear	Sweaters, cardigans	Shirts, T-shirts, Trousers , jackets and sweat-shirts	-	Sweat - Shirts
Tweens – Kids wear (7-13 years)	-	-	-	Sweaters, Cardigans, Shirt , T-Shirts and Bottoms
Cloak & Decker– Men’s wear	Sweaters, cardigans	Cotton and cotton blended T-shirts	-	-
Rock It – Sports wear	-	Tank, Polo T-Shirt, Shorts, Track Pants	-	-



Our Business Model



DESIGNING IS AN ONGOING PROCESS THROUGHOUT THE YEAR FOR BOTH COTTON AND WOOLLEN GARMENTS

PRODUCTION OF PLAIN AND BASIC DESIGNS CONTINUE THROUGHOUT THE YEAR FOR BOTH WOOLLEN AND COTTON GARMENTS

Distribution Model



	MBO and Distributors	NCS	Shop In Shop	EBO-COCO	EBO –FOFO
Distribution Sale Model	Pre-Booking of orders Outright Sales	SOR – Sale or Return / Outright Sales	Pre-Booking of orders Outright Sales	Inventory owned by Company	Pre-Booking of orders Outright sale
Goods Return Risk	No	Yes	No	N.A	Minimal 5% - 10 % of Products Return Allowed
Discount Sharing	No	Yes	Yes	Yes	Yes Range of 5% - 17.5%
Payment Collection Credit Risk	Exclusive commissioned agents are liable to pay	Reputed retail chains	Exclusive commissioned agents are liable to pay	-	Bank guarantee's and PDC taken from franchise



03

Investment Rationale

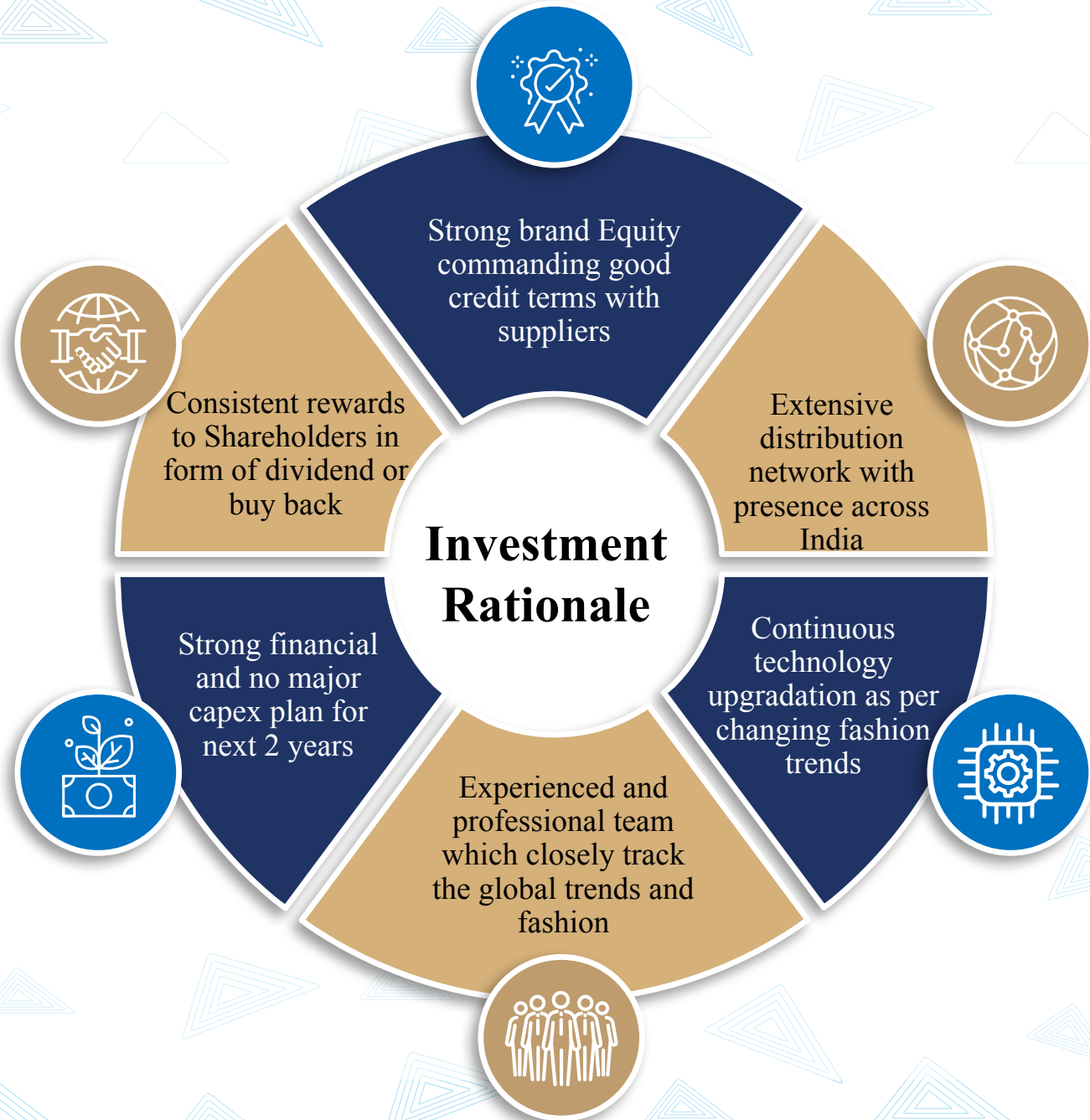
Investor Presentation
Q3FY23 & 9MFY23



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Investment Rationale



● ● ●

Strong brand equity

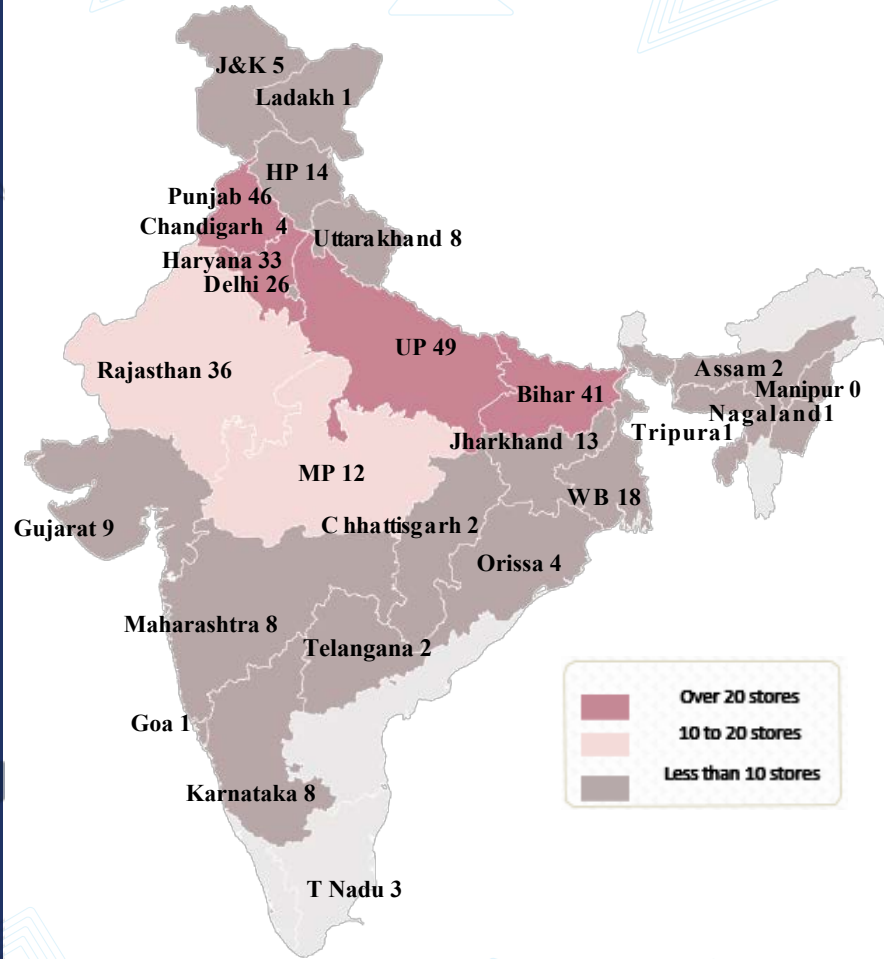
- ❖ Monte Carlo” has Strong Brand Equity
- ❖ Being a Premium Brand, Monte Carlo enjoys Pricing Power & Customer Loyalty
- ❖ Regular Investment in Brand Building & Marketing Initiatives

Investor Presentation
Q3FY23 & 9MFY23



Aspire to service end to end wardrobe requirements of Indian consumers by further introducing exciting range of new products

Our Pan-India Presence



DISTRIBUTION NETWORK

STORE NETWORK			
Type of Store	FY21	FY22	9MFY23
EBO – COCO	43	55	69
EBO – FOFO	256	260	278
MBO and Distributors	1,777*	2,108	2364
NCS	622	740	788
SIS	153	287	306

E-Commerce Own sitesales and online channels.

*MBO, SIS & Distributors count have been taken on the basis of Primary billing done during the period.

EBO – NET ADDITIONS			
	FY21	FY22	9M FY23
Existing	278	298	315
New Opened	28	24	38
Closed	8	7	6
Total EBOs	298	315	347

Continuously upgrading our technology

Whole Garment Machine



Cotton



Woollen



- 35+ professionals closely tracking the trending global fashion
- To meet the standards of technology upgradation and modernisation, Company has installed the automatic whole-garment state-of-art manufacturing facility, at the existing Ludhiana's unit.
- This technology, in knit is one entire piece which provides a seam-free fit and comfort, unmatched by any other knitwear. This helps in elimination of multiple manufacturing processes, thereby, reducing the wastage and increasing the efficiency.

● ● ●

Led by Experienced Management Team



Sh. Jawaharlal Oswal
Chairman & MD

- Sh. Jawahar Lal has More than 51 years of experience in the textile and woollen industry
- Awarded the 'Udyog Ratna Award' by the PHD Chamber of Commerce and Industry, the 'LMA-Sat Paul Mittal Life Time Achievement Award' by the Ludhiana Management Association and the 'Achievers of the North' by the Economic Times



Sh. Sandeep Jain
Executive Director

- Sh. Sandeep Jain has more than 22 years of experience in the field of administration
- He is Bachelor's in Pharmacy, Diploma in Export Management and certified in wool from AWTA AUSTRALIA
- Prior to joining Monte Carlo he worked with Oswal Woolen Mills as its executive Director and he was also past chairman CII Punjab



Sh. Rishabh Oswal
Executive Director

- Rishabh Oswal is part of third generation of Oswal family
- He has completed his BA Hons in Management Studies from University of Nottingham, UK in 2013 and then went on to pursue an Executive MBA from the prestigious Indian School of Business, Hyderabad



Sh. Dinesh Gogna
Director

- Sh. Dinesh Gogna has more than 36 years of experience in the field of Corporate Finance and Taxation
- He has Bachelor's Degree in Law, completed the United States Money and Capital Market Seminar conducted by New York Institute of Finance

Resulting in Strong Financials



Healthy Return Ratios

Ability to sustain Robust growth without any major capex; Return Ratios set to improve



Strong Balance Sheet Position

Cash balance of Rs 2,647 Mn (includes cash and bank balance along with current and non-current investments) as on 31st December 2022



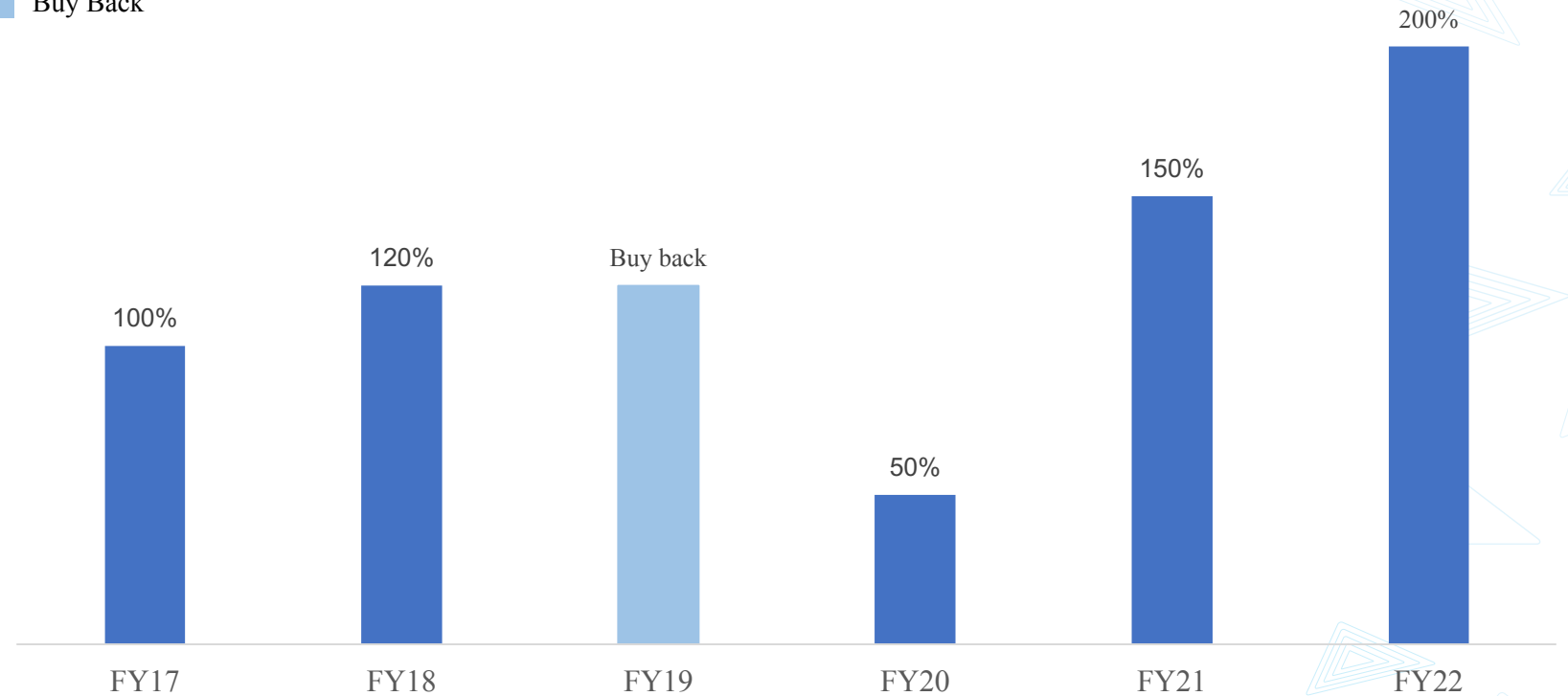
Lower Debt

Low overall debt; Long-term borrowing at Rs. 59 Mn as on 31st December 2022

Consistent Reward to Shareholders

Strong Track Record and Proven Expertise to Generate Healthy, Predictable and Sustainable Returns

 Dividend%
 Buy Back



COMPANY HAS DONE BUY BACK OF RS. 550 MN IN FY19 TO REWARD SHAREHOLDERS. PROMOTERS HAVE NOT PARTICIPATED IN THE BUY BACK

04

Annexure

Investor Presentation
Q3FY23 & 9MFY23



MONTE CARLO

It's the way you make me feel



Branding Initiatives

Proven track record in building brands in India

Clothing partner for the blockbuster Bollywood films Saaho, Barfi, Mary Kom, Bhaag Milkha Bhaag, and Student of the Year



TIE-UPS WITH ONLINE PLATFORMS



TIE-UPS WITH NATIONAL CHAIN STORES



STRATEGIC TIE-UPS with Theatres, Air Lines & Digital



CSR Activities



Investor Presentation
Q3FY23 & 9MFY23



Education



WE BELIEVE IN “FULFILLING ASPIRATIONS AND TRANSFORMING LIVES“

The organization has worked towards the **betterment of various schools & institution** at Dhandari Kalan Government Primary school , Govt School (Magra Lulu), Brailee Bhawan Ludhiana by providing them operational & Financial support



Environment



Oswal Foundation **renovated fountain chowk in Ludhiana** also **planted numerous trees** to promote greenery and to enhance the flora and fauna



Sports



Contributed in this field by **organizing on open women Taekwood Championship** at LETC, Katani Kalan, Ludhiana



Health



In this sector Oswal Foundation has done its bit by **organizing eye camp** & by **providing medical support** to those in need ,through various means



Thank You >>>

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Mr. Dinesh Gogna
Director

Mr. Sandeep Jain
Executive Director

Mr. Rishabh Oswal
Executive Director

Email: investor@montecarlocorporate.com

Disclaimer:

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DICKENSON

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