



PRICE "LESS" FASHION

2nd August, 2019

Ref. No. CS/S/L-363/2019-20

To,

| | |
|---|---|
| <p>To: The Listing Department NATIONAL STOCK EXCHANGE OF INDIA LIMITED "Exchange Plaza" Bandra-Kurla Complex Bandra (E), Mumbai-400 051 Scrip Code: VMART Fax: 022-26598120 Email: cmlist@nse.co.in</p> | <p>To: The Corporate Relationship Department THE BSE LIMITED Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 Scrip code: 534976 Fax: 022-22723121 Email: corp.relations@bseindia.com</p> |
|---|---|

Sub: Presentation to Analysts/Investors

Sir,

Please find enclosed herewith the presentation being forwarded to Analysts/Investors on unaudited financial results of the Company for the first quarter ended 30th June, 2019.

The above presentation is also available on the company's website: <http://www.vmart.co.in>.

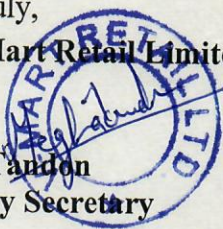
Request you to kindly take the same on record.

Thanking you,

Yours truly,

For V-Mart Retail Limited

Megha Tandon
Company Secretary



Encl.: As Above

V-MART RETAIL LTD.

CIN- L51909DL2002PLC163727

Corporate Office : Plot No. 862, Udyog Vihar, Industrial Area Phase V, Gurgaon - 122 016 (Haryana)
Tel. : 0124-4640030, Fax No. : 0124-4640046 • Email : info@vmart.co.in • Website : www.vmart.co.in
Registered Office : 610-611, Guru Ram Dass Nagar, Main Market, Opp. SBI Bank, Laxmi Nagar, New Delhi - 110092

Review of Financial Result Q1 FY'20

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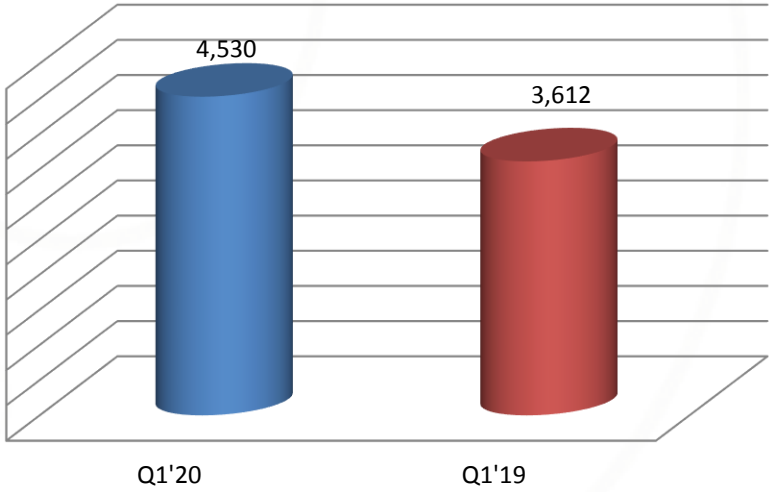
Key highlights : April-June FY'20 vs FY'19 results



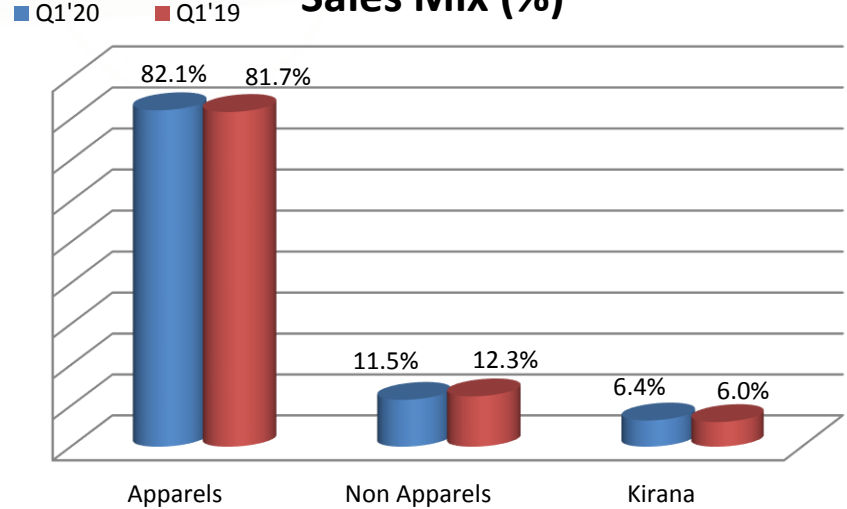
- **Number of Stores increases to 227**
- **Revenue grows by 25%**
- **Same Store Sales growth : Company 5%, Volume 6%**
- **Sales per sq. feet (per month) : Rs. 874**
- **Contribution of segment to total revenue :**
 - **Fashion 94%**
 - **Kirana 6%**
- **Net profit of Rs. 176 millions**
- **Ind-AS 116 adoption implemented w.e.f. April 1, 2019**

Financial Parameters : Q1 FY'20 vs FY'19

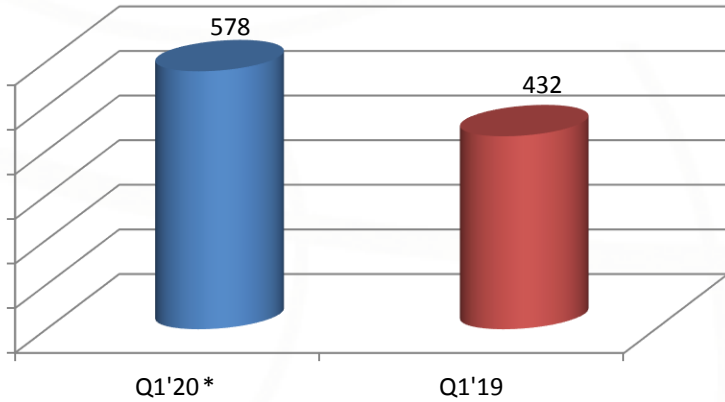
Sales (Rs. Mn)



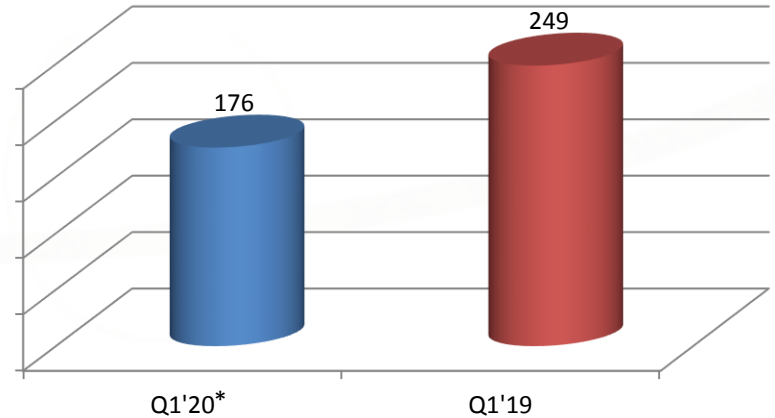
Sales Mix (%)



EBITDA (Rs. Mn)



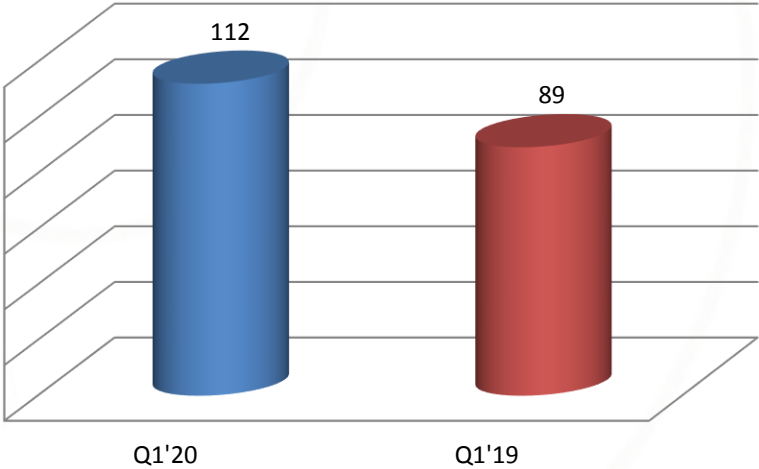
PAT (Rs. Mn)



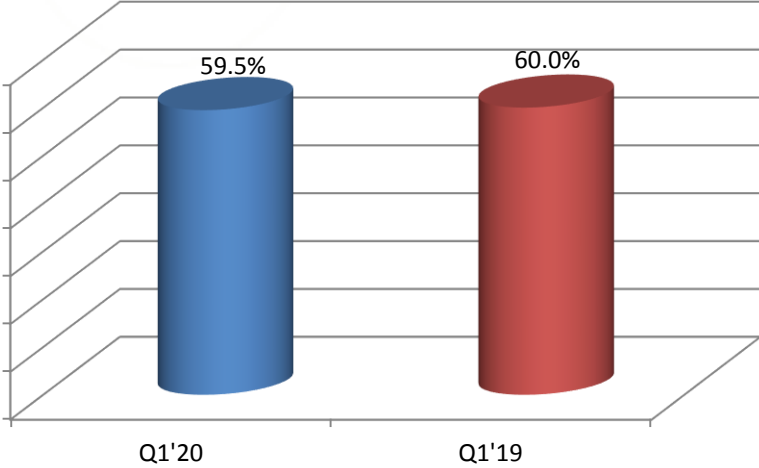
*Q1'20 numbers are adjusted on account of IND-AS 116

Operational Parameters : Q1 FY'20 vs FY'19

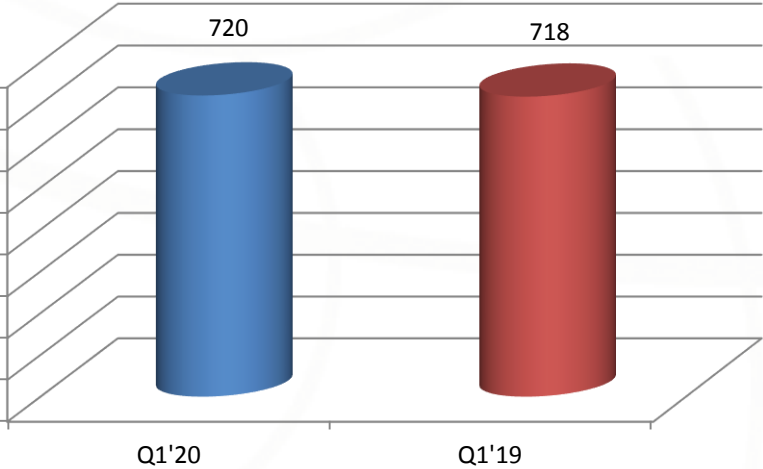
Footfall (lakhs)



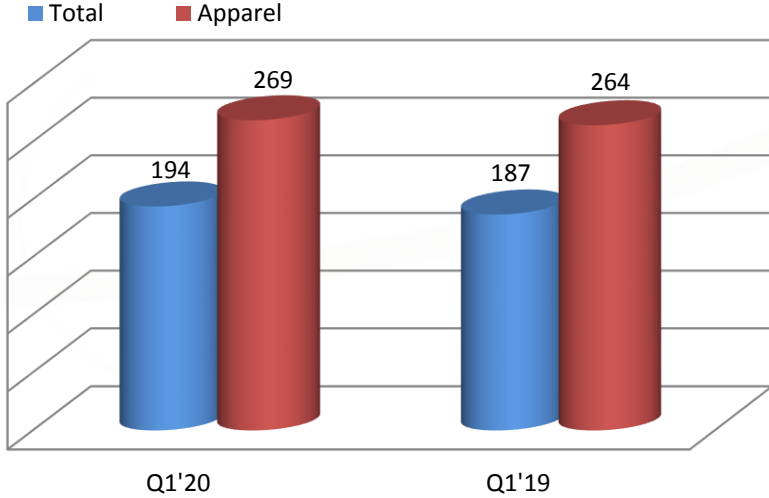
Conversion Rate (%)



Transaction size (Rs.)

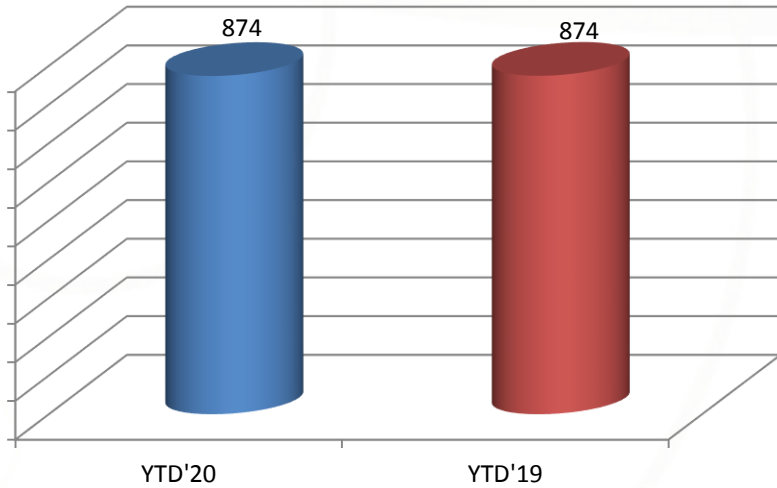


Average Selling Price (Rs)

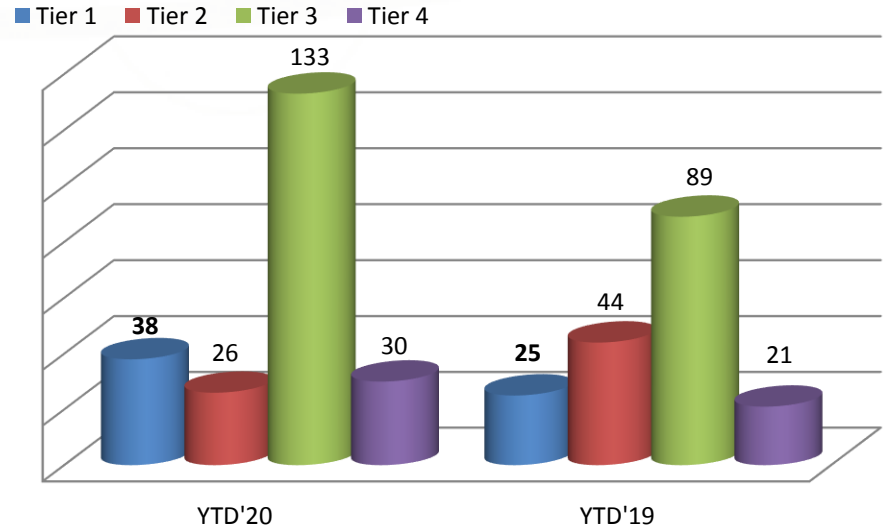


Operational Parameters : April-June FY'20 vs FY'19

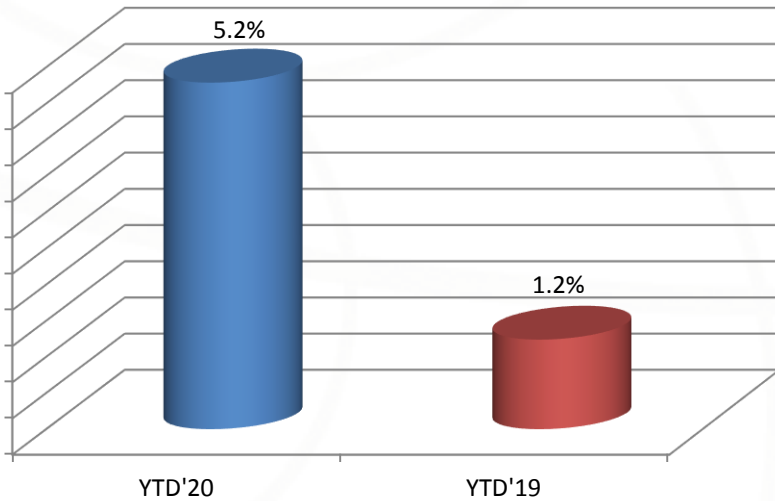
Sales per sq feet (per month)



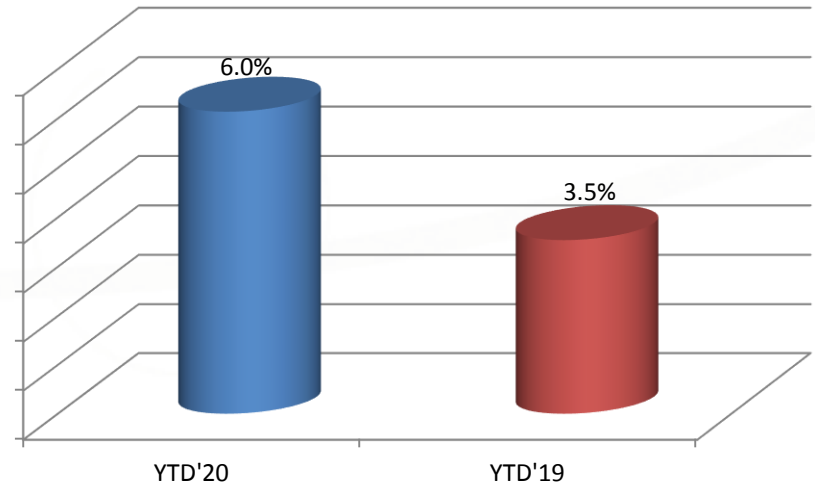
Store Count (No's)



Same Store Sales Growth (%)

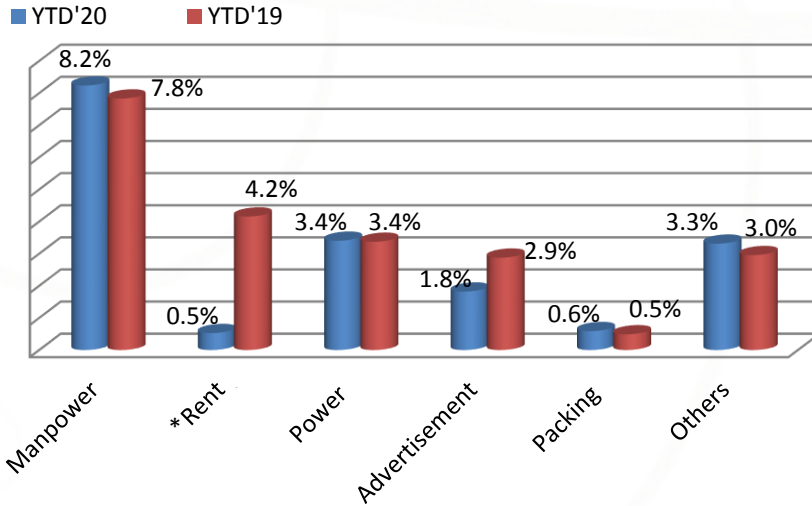


Same Store Volume Growth (%)

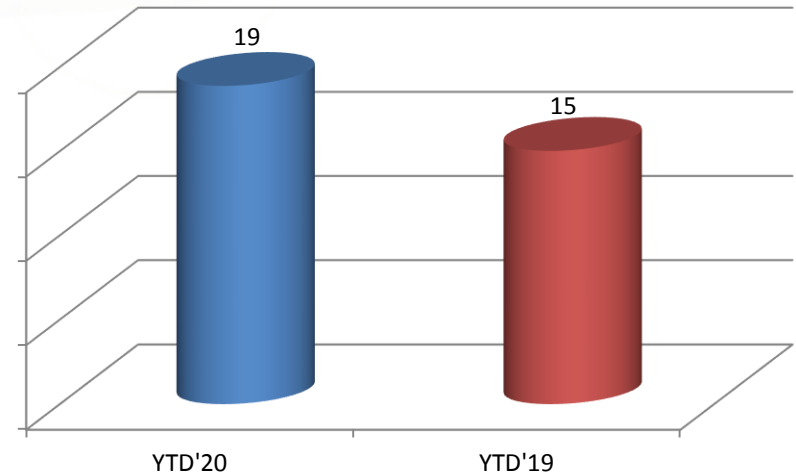


Operational Parameters : April-June FY'20 vs FY'19

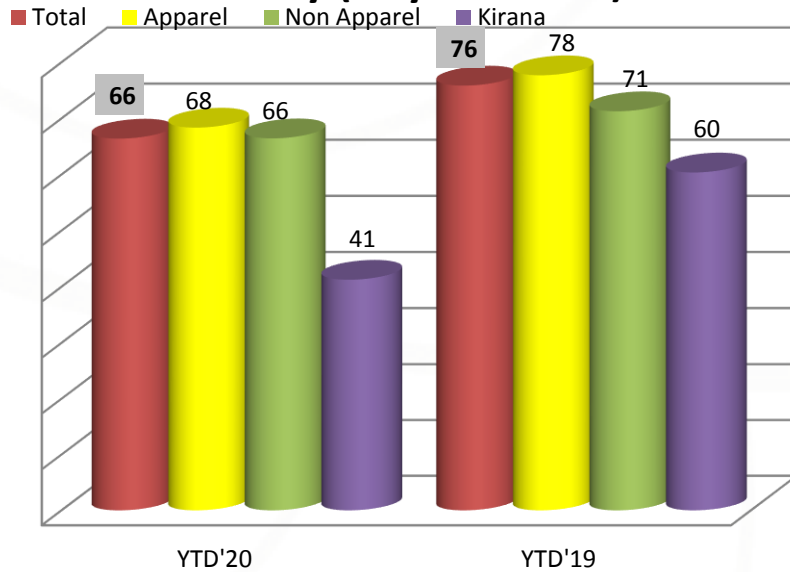
Expenses (% of Sales)



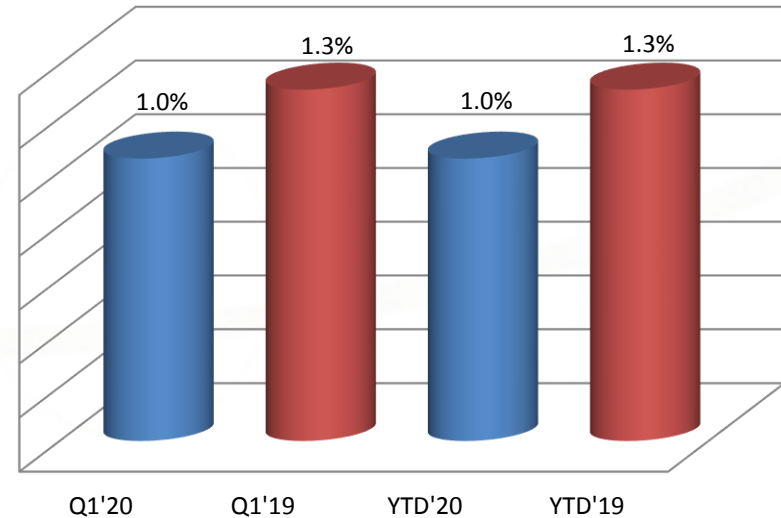
Retail Space (lakhs Sq feet)



Inventory (Days of Sales)



Shrinkage (% of Sales)



*Rent YTD'20 adjusted on account of Ind-AS 116

Ind-AS 116 – Leases

Introduction

MCA has mandated a new Accounting Standard IND-AS 116 for Accounting for Leases with effect from April 1, 2019

Impact

- Requires lessee to recognize leases on Balance Sheet measured at present value of minimum lease payments to be made over the lease period, as Right of Use Asset (ROU)
- Interest is added, payments are reduced from lease liability for the future period
- ROU is depreciated over the lease period on SLM basis
- **Rentals are replaced by Depreciation & Interest expense**, thereby:
 - increasing EBITDA (to the extent of rentals),
 - increasing Depreciation (future rentals depreciated on SLM) and
 - increasing Interest Expense (for interest on future rental liability)

Ind-AS 116 : P&L Impact

(Rs. in million)

| Adjustments to increase / (decrease) in PAT | Reported Q1'20 | Ind-AS 116 adj. | Comparable Q1'20 |
|---|----------------|-----------------|------------------|
| Revenues | 4,531 | (2) | 4,533 |
| Rent | 21 | (186) | 207 |
| Total Other expenses (incl. Rent) | 437 | (187) | 624 |
| Finance cost | 120 | 118 | 2 |
| Depreciation & Amortization | 220 | 140 | 80 |
| PBT | 259 | (74) | 333 |
| Reconciliation | | | |
| Revenues | 4,531 | (2) | 4,533 |
| EBITDA | 578 | 187 | 391 |
| PBT | 259 | (74) | 333 |
| EBITDA margin (%) | 13% | | 9% |
| PBT margin (%) | 6% | | 7% |

Financial Review – Profit & Loss Statement



Rs. in million (except per share data)

| Particulars | For the period ended | |
|--|----------------------|--------------|
| | 30.06.2019 | 30.06.2018 |
| | (Unaudited) | (Unaudited) |
| I. Revenue from operations | 4,530 | 3,612 |
| II. Other income | 21 | 9 |
| III. Total Revenue (I + II) | 4,551 | 3,621 |
| IV Total Expenses (IV) | 4,292 | 3,247 |
| V Profit before tax (III-IV) | 259 | 374 |
| VI Total tax expense* (VI) | 83 | 125 |
| VII Profit for the year (V-VI) | 176 | 249 |
| VIII Other Comprehensive Income | -1 | 0 |
| IX Total Comprehensive Income for the period (VII+VIII) | 175 | 249 |
| X Earnings per share (before extraordinary items) (of ` 10 each) (not annualized) | | |
| (a) Basic | 9.70 | 13.72 |
| (b) Diluted | 9.69 | 13.68 |

* Tax expense includes deferred tax

Financial Review - Balance Sheet and CFS



Rs. in million (unless stated otherwise)

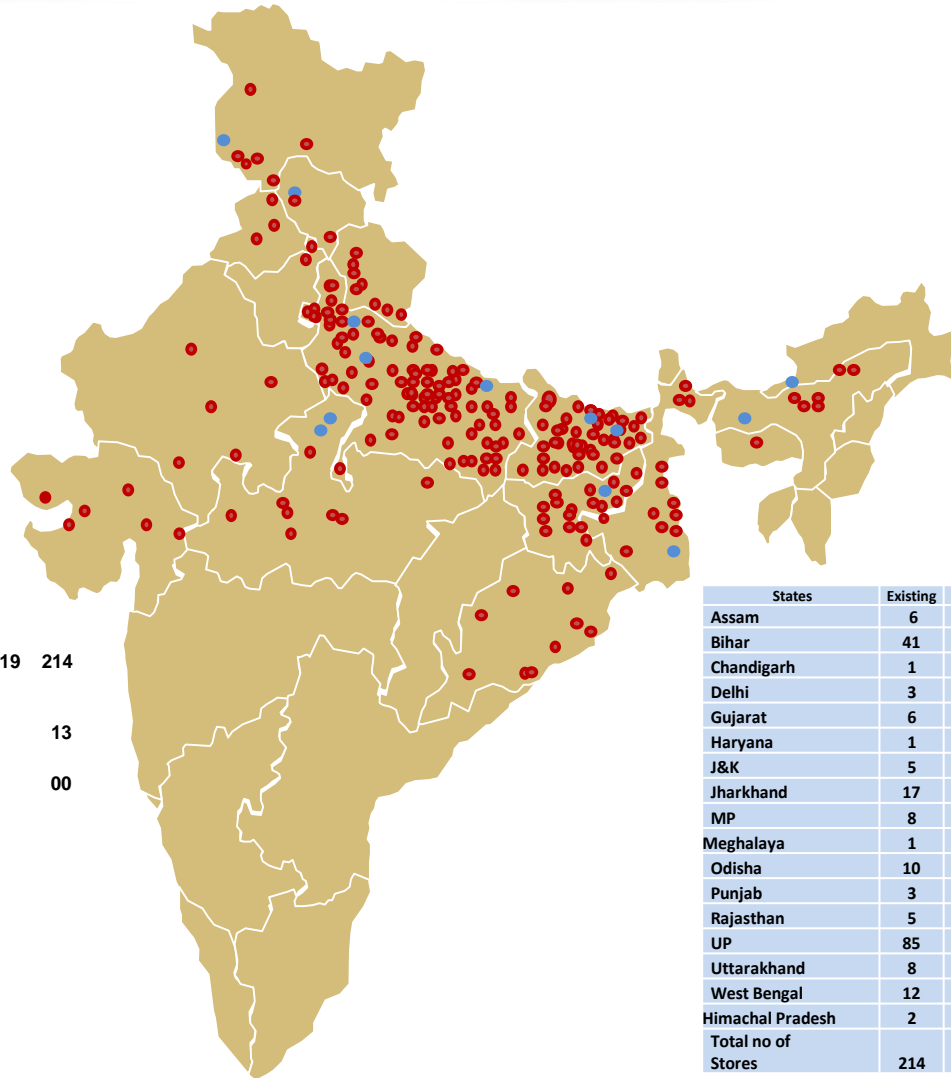
| V-Mart Retail Limited | | |
|---|------------------------|-------------------------|
| Balance Sheet as at June 30, 2019 | | |
| | As at 30 June, 2019 | As at 31 March, 2019 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 1,665.97 | 1,622.08 |
| Right to use | 4,153.39 | - |
| Capital work in progress | 22.21 | 40.10 |
| Intangible assets | 33.45 | 32.87 |
| Financial assets | | |
| Investments | 98.49 | 98.25 |
| Loans | 99.71 | 96.02 |
| Other financial assets | 13.78 | 11.77 |
| Deferred tax assets (net) | 157.20 | 118.30 |
| Other non-current assets | 79.30 | 83.21 |
| | <u>6,323.50</u> | <u>2,102.60</u> |
| Current assets | | |
| Inventories | 3,319.28 | 3,289.84 |
| Financial assets | | |
| Investments | 777.65 | 508.53 |
| Loans | 0.55 | 0.56 |
| Cash and cash equivalents | 140.69 | 123.17 |
| Other bank balances | 25.93 | 42.69 |
| Other financial assets | 16.54 | 25.70 |
| Other current assets | 241.07 | 225.32 |
| | <u>4,521.71</u> | <u>4,215.81</u> |
| | <u>10,845.21</u> | <u>6,318.41</u> |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity share capital | 181.53 | 181.30 |
| Other equity | | |
| Security premium | 945.85 | 934.51 |
| Amalgamation reserve | 15.48 | 15.48 |
| Other reserves | 3,145.62 | 2,961.42 |
| | <u>4,288.48</u> | <u>4,092.71</u> |
| Liabilities | | |
| Non-current liabilities | | |
| Financial liabilities | | |
| Borrowings | - | 0.26 |
| Other financial liabilities | 4,281.27 | 59.95 |
| Employee benefit obligations | 54.52 | 51.08 |
| | <u>4,335.79</u> | <u>111.29</u> |
| Current liabilities | | |
| Financial liabilities | | |
| Trade payables | | |
| a) total outstanding dues of micro enterprises and small enterprises | - | 236.26 |
| b) total outstanding dues of creditors other than micro enterprises and small enterprises | 1,490.24 | 1,246.34 |
| Other financial liabilities | 471.82 | 423.40 |
| Employee benefit obligations | 27.85 | 21.16 |
| Short term provision | 158.60 | 97.18 |
| Other current liabilities | 72.43 | 90.07 |
| | <u>2,220.94</u> | <u>2,114.41</u> |
| | <u>10,845.21</u> | <u>6,318.41</u> |

V-Mart Retail Limited

Cash Flow Statement for the period ended June 30, 2019

| | For the period ended 30 June 2019 | For the period ended 31 March 2019 |
|--|---|--|
| A. Cash flows from operating activities | | |
| Net profit before tax and before extra-ordinary items | 258 | 993 |
| Adjustment for: | 413 | 373 |
| Operating profit before working capital changes | 671 | 1,366 |
| Movements in working capital : | 59 | (270) |
| Cash generated from operations | 730 | 1,096 |
| Taxes paid | (60) | (332) |
| Net cash flow from operating activities | 670 | 764 |
| B. Cash flows used in investing activities | | |
| Net cash flow used in investing activities* | (543) | (734) |
| C. Cash flows from/(used in) financing activities | | |
| Net cash flow from/(used in) financing activities | (109) | (44) |
| Net increase/(decrease) in cash and cash equivalents | 18 | (14) |
| * Investment in fixed assets is `129 million (previous year: `407 million) in net cash flow used in investing activities | | |

**STORES GEOGRAPHIC SPREAD
&
SALES PROMOTIONS
Q1 FY'20**



- Stores opened till FY19 214
- Stores Opened during FY20 13
- Stores closed during FY20 00

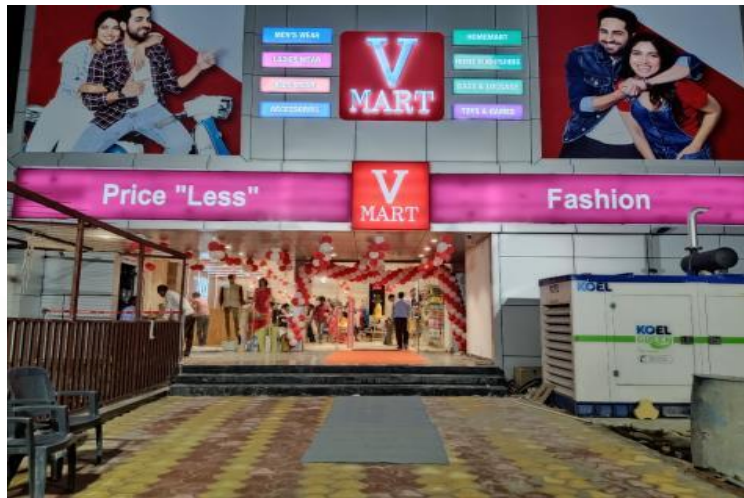
| States | Existing | New | Closed | Total |
|---------------------------|------------|-----------|--------|------------|
| Assam | 6 | 2 | | 8 |
| Bihar | 41 | 2 | | 43 |
| Chandigarh | 1 | | | 1 |
| Delhi | 3 | | | 3 |
| Gujarat | 6 | | | 6 |
| Haryana | 1 | | | 1 |
| J&K | 5 | 1 | | 6 |
| Jharkhand | 17 | 1 | | 18 |
| MP | 8 | 2 | | 10 |
| Meghalaya | 1 | | | 1 |
| Odisha | 10 | | | 10 |
| Punjab | 3 | | | 3 |
| Rajasthan | 5 | | | 5 |
| UP | 85 | 3 | | 88 |
| Uttarakhand | 8 | | | 8 |
| West Bengal | 12 | 1 | | 13 |
| Himachal Pradesh | 2 | 1 | | 3 |
| Total no of Stores | 214 | 13 | | 227 |

New Stores



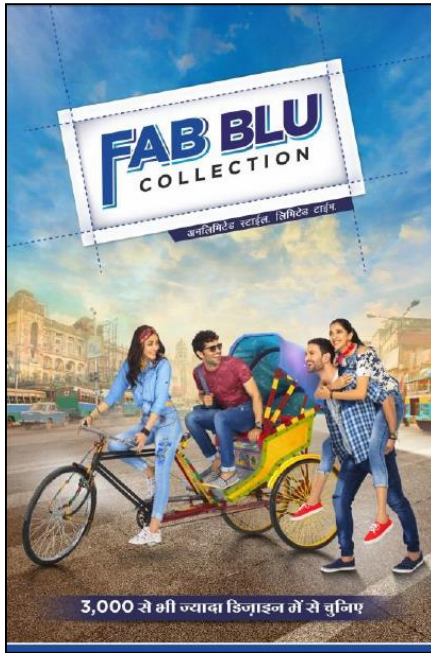
| S. No. | State | Retail Space (Sq ft) |
|--------|------------------|----------------------|
| 1. | J & K | 9,800 |
| 2. | Bihar | 6,481 |
| 3. | West Bengal | 6,139 |
| 4. | Uttar Pradesh | 7,629 |
| 5. | Himachal Pradesh | 8,400 |
| 6. | Assam | 5,721 |
| 7. | Uttar Pradesh | 5,793 |

New Stores



| S. No. | State | Retail Space (Sq ft) |
|--------|----------------|----------------------|
| 8. | Madhya Pradesh | 7,441 |
| 9. | Jharkhand | 10,405 |
| 10. | Assam | 6,019 |
| 11. | Uttar Pradesh | 8,626 |
| 12. | Bihar | 8,527 |
| 13. | Madhya Pradesh | 8,717 |

PROMOTIONS – CAMPAIGNS – Q1



| Campaign | Period |
|-------------------------|--------|
| <i>Pana Sankarant</i> | April |
| <i>Indigo</i> | April |
| <i>Eid Ready</i> | May |
| <i>Jamai Shashti</i> | May |
| <i>Savitri Amavasya</i> | May |
| <i>Rajjo Sankaranti</i> | June |
| <i>EOSS</i> | June |

Thank you

In case of any queries, pls contact the IR Team :

Anand Agarwal – anand.agarwal@vmart.co.in

Girish Garg – girish.garg@vmart.co.in

Mobile - +91-9899560707