

SHOPPERS STOP

SEC/81/2023-24

October 18, 2023

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001.
Stock Code : 532638

National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex, Bandra (East),
Mumbai 400 051.
Stock Symbol : SHOPERSTOP

Dear Sir / Madam,

Sub.: Press Release and Investor Presentation for the quarter and half year ended September 30, 2023

Please find enclosed Press Release and Investor Presentation dated October 18, 2023 for the captioned subject.

This information is also being made available on the corporate website of the Company i.e. <https://corporate.shoppersstop.com/investors/>.

Kindly take the above on record.

Thank you.

Yours truly,
For **Shoppers Stop Limited**

Vijay Kumar Gupta
Vice President- Legal, Company Secretary & Compliance Officer
ACS No: 14545
Encl: A/a

Shoppers Stop Limited

Registered & Service Office : Umang Tower, 5th Floor, Mindspace, Off. Link Road, Malad (W), Mumbai 400 064, Maharashtra.
T 022- 42497000 CIN : L51900MH1997PLC108798. Email : customercare@shoppersstop.com Website: www.shoppersstop.com
Toll Free No.:1800-419-6648 (9 am to 9 pm).



SHOPPERS STOP

PERFORMANCE HIGHLIGHTS

Q2 FY24



1

KEY HIGHLIGHTS

2

STRATEGIC PILLARS

3

FINANCIALS

MARKET OUTLOOK

Customer

- Consumers increasingly prefer branded garments, driven by buoyant corporate activity⁽¹⁾
- Increasing Formal Retail in Value segment. Offers Customer better choices and “value for money”

Industry

- With onset of the festive / wedding season, industry expects demand should improve materially in the third quarter (~35% of annual revenues)⁽¹⁾
- Good Movies often complement increase in footfall in malls. Retail grew in August owing to blockbuster movies

Omni Channel

- 77 per cent of Indian shoppers prefer to shop from an omnichannel brand
- Fast fashion categories seeing higher traction on Online platforms

Expansion

- Big Mall developers bet on smaller cities with an aspiring customer base
- New mall development meeting Global design standards

⁽¹⁾ CRISIL – Mint Sep 23, 23

Q2 HIGHLIGHTS

- Sales Flat at Rs 1,271 Crs due to combination of shifting of Pujo (2.7 % of Sales) and softer demand
- **ATV +5%** (Rs 4,383 from Rs 4,179), **ASP +5%** (Rs 1,539 from Rs 1,466) led by premiumization. Items per Ticket (**IPT**) increased by 1%
- **First Citizen** contributed 77%, Sales Mix from Repeat 64% and New enrollment 13%
- Non-Apparel +4%, led by **handbags +14%**, **Luggage +5%**, **Footwear +5%**
- Beauty outperformed, +6% led by **Fragrance +20%**; Strong Customer engagement with 240k **Makeovers**
- Opened 4 Departmental, 3 Beauty and 4 Intune Stores with area addition of 1.35 lacs sq ft, to continue investing in growth



Q2 IN NUMBERS

(Non GAAP)

Financials

Revenue	Rs 1,271 Crs	Flat
EBITDA	Rs 41 Crs	3.7% of Sales
PBT	Rs (2) Crs [^]	(0.2%) of Sales
PAT	Rs (3 Crs) [^]	(0.2%) of Sales

Expansion and Renovation

- 11 Stores Opened 4 Department + 3 Beauty + 4 Intune
- 19 Under Fit-out 6 Department + 6 Beauty + 7 Intune
- Renovated 1 Department store
- Capex Rs 46 Crs, Continue to invest in growth

[^]Includes Rs.5 Crs provided for stocks damaged under fire in Delhi, though confident of receiving nearly full amount from Insurance co



H1 IN NUMBERS

(Non GAAP)

Financials

Revenue	Rs 2,513 Crs	+2%
EBITDA	Rs 99 Crs	4.4% of Sales
PBT	Rs 17 Crs [^]	0.8% of Sales
PAT	Rs 11 Crs [^]	0.5% of Sales

Expansion and Renovation

- 20 Stores Opened 4 Department + 1 HomeStop + 9 Beauty + 6 Intune
- Renovated 4 Department + 1 HomeStop Store
- Capex Rs 89 Crs, Continue to invest in growth

[^]Includes Rs.5 Crs provided for stocks damaged under fire in Delhi, though confident of receiving nearly full amount from Insurance co

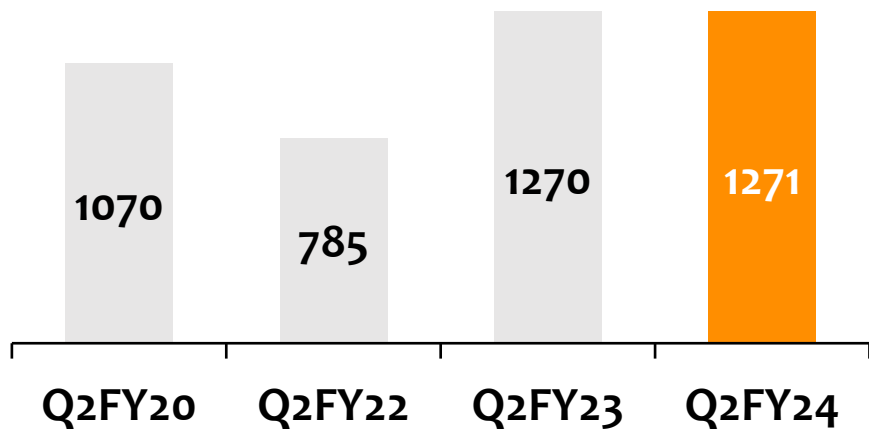


QUARTERLY TREND

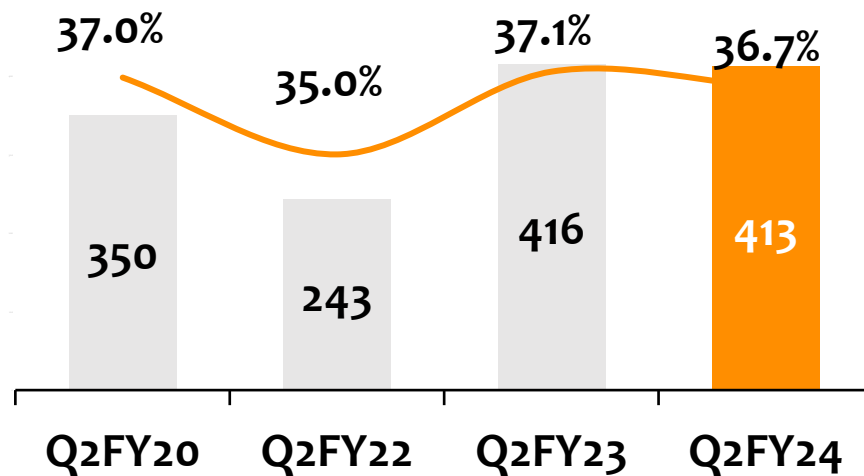
Non GAAP

(Rs in Crs)

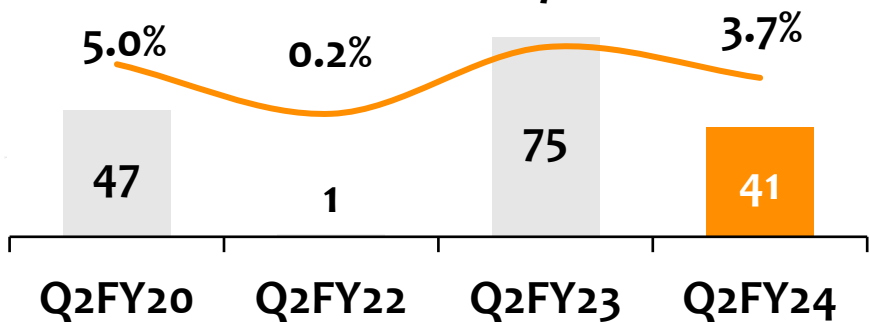
Sales



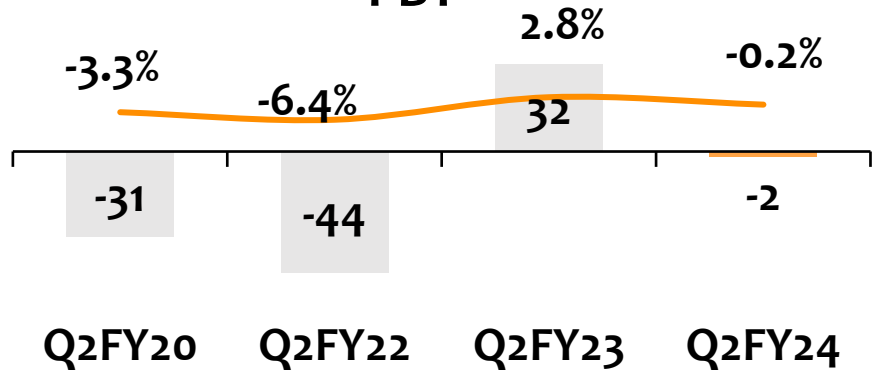
Margin



EBITDA



PBT

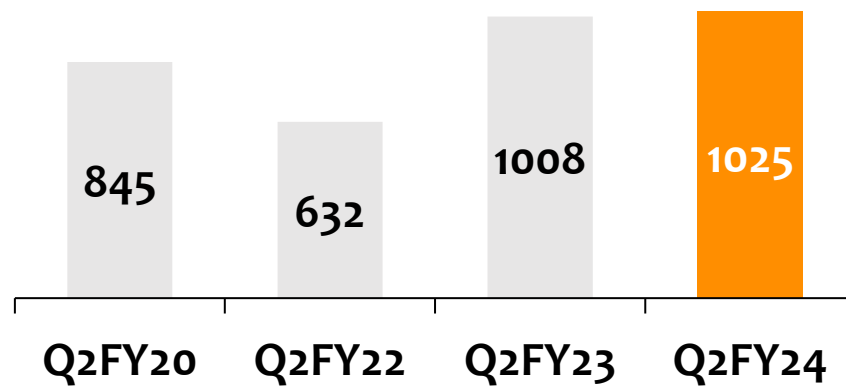


GAAP

QUARTERLY TREND

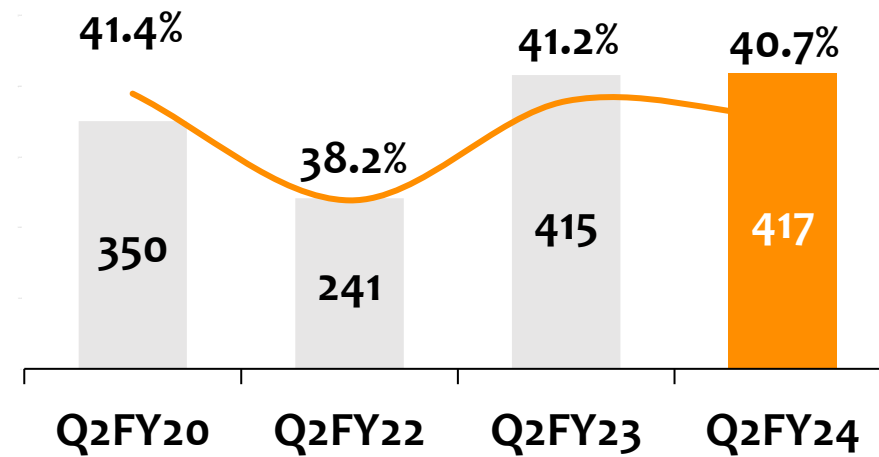


Sales

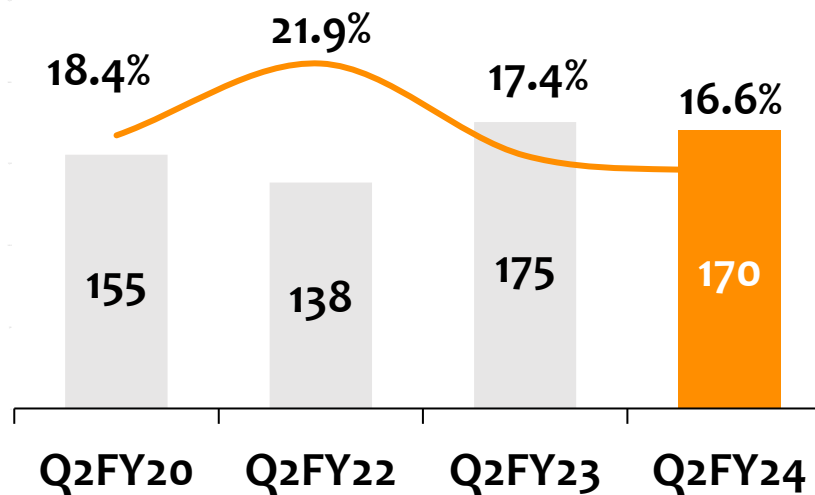


Margin

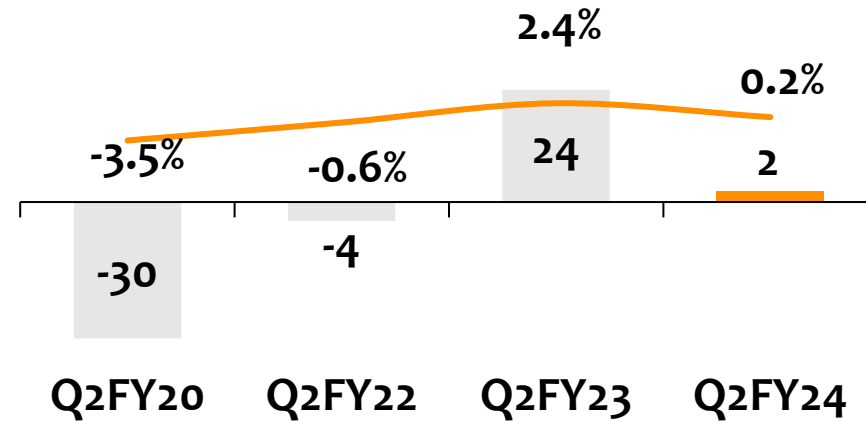
(Rs in Crs)



EBITDA



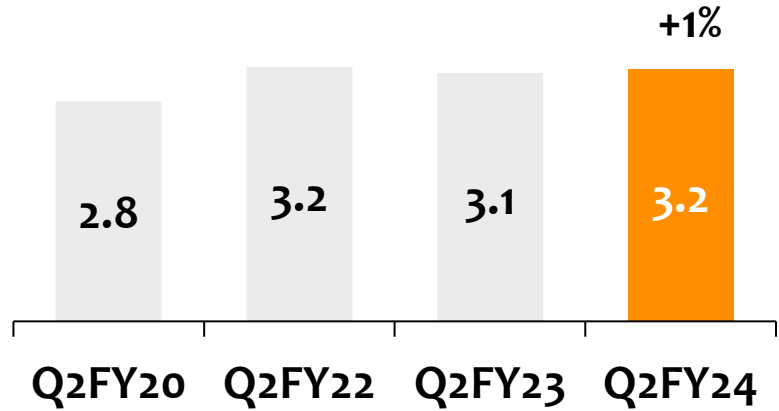
PBT



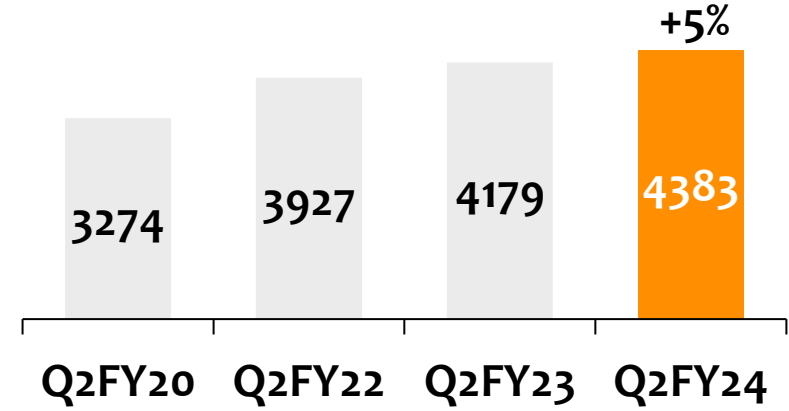


OPERATIONAL KPIs

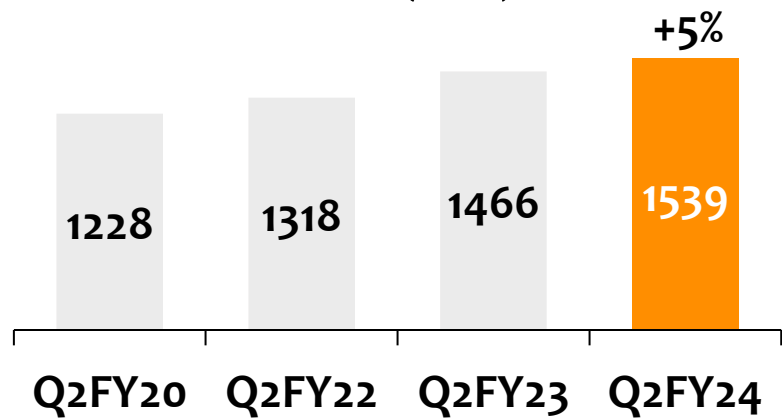
Items per Txn. (Nos.)



ATV (Rs/-)



ASP (Rs/-)



STOP

(Offline Only)



HAUTEcurry

1 KEY HIGHLIGHTS

2 **STRATEGIC PILLARS**

3 FINANCIALS

STRATEGIC PILLARS



FIRST CITIZEN

Sales contribution:

- Overall 77%
- New members 13%
- Repeat 64%

Black Card Members :

- Contribution 12% to Overall Sales
- ATV 2X of First Citizen
- Members Spend 4X of First Citizen
- Sales Growth +32%

Customer Engagement :

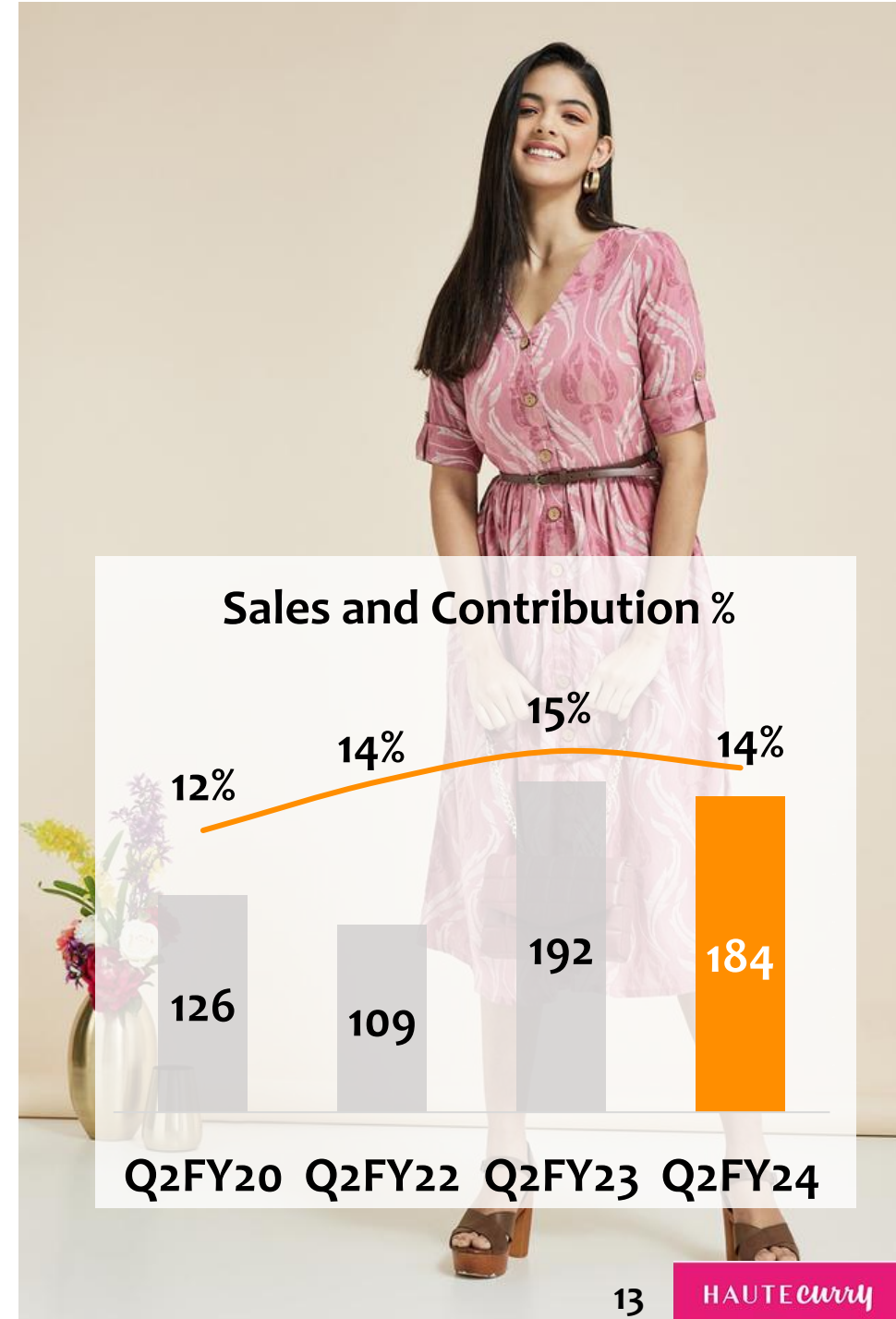
- 2.3X higher response rate for personalized campaigns
- Season launch with curated trend callouts under 'Workwear Redefined'
- Shopping : Exclusive hours during Onam, Rakshabandhan & EOSS



PRIVATE BRANDS

Sales **Rs.184 Crs**

- PB Contribution (sustained at LY levels)
 - Overall 14%
 - Apparels 21%
- Strong growth continues in Indianwear, **Haute Curry +38%**
- **Sanya X Kashish** campaign being planned for the Wedding/festive Season
- Price-points sharpened to driver higher volume



INTUNE BUSINESS UPDATE

- Added 4 stores during the quarter, Total Store count 6 as on date
- Cluster based expansion in Hyderabad, Bangalore, Mumbai and Pune
- Store size Avg 5,000 Sq ft, area addition 20K during the quarter

Key Insights

- **Consumer Feedback** – Quality and Post wash Confidence
- **Families with Kids** are the predominant buyers
- **Women's Indianwear** is the dominant anchor category driving the family purchase
- Above par Contribution from **Formal and Casual Shirts** led to Menswear productivity
- Higher than average **IPT**, driving Sales



INTUNE BUSINESS UPDATE

- Sales of Rs 8 Crs; Store EBITDA 10%+
- Robust productivity - **SPSF** of Rs 14K+, Avg. Annual Revenue per store of Rs 7 Crs
- **ASP** of Rs 450/- driven by Sharp pricing and Table offers
- **Items per Ticket (IPT)** at 3.6 driving **ATV** of Rs 1,642/-

Expansion

- Planned to open 18 stores in H2FY24
- Avg Capex of Rs 1800/- sq ft



New Intune Stores

Xperia, Dombivali Mumbai



L&T, Hyderabad



Hinjewadi, Pune



RMZ Galleria, B'lore



BEAUTY

(Vs Q2 FY23)

Sales **Rs.215 Crs.** **+15%**
 Rs.197 Crs. **+6% (excl. Distribution)**

- Strong customer engagement with 240K Makeovers, Conversion 56% and Sales generated Rs 42 Crs
- Strong traction during Showstopper Campaign +12%
- Launched SSBeauty Store at Ambience Mall, Gurugram
- Upcoming events – NARS Launch, Singles Day and Block Friday
- Planned to open 7 stores in H2FY24 (2 SS Beauty and 5 EBOs)

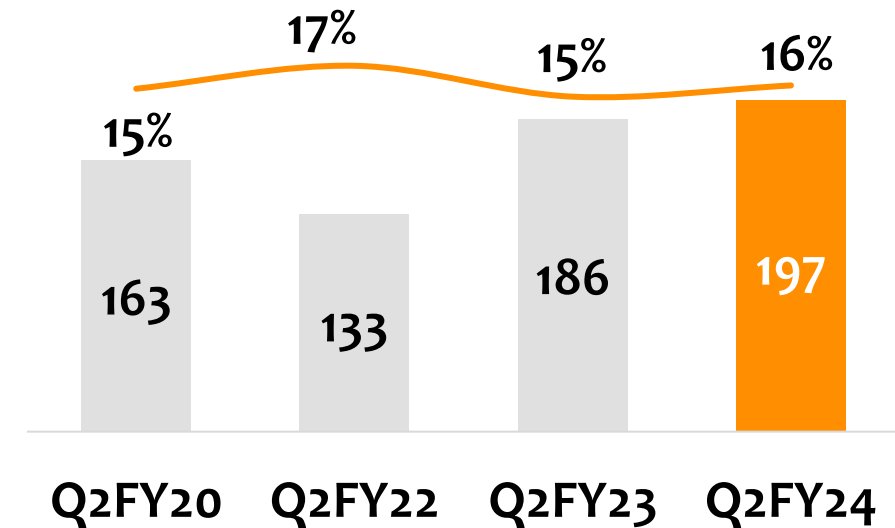
Beauty Business Network

Channel	Format	Store count
Offline	Department stores*	159
	EBOs (incl. SSBeauty)	87
	Distribution	292
Online	Shoppersstop.com	
	SSBeauty.in	
	ELCACosmetics.in	
	Amazon	

*incl. Shop in Shops



Sales and Contribution %



BEAUTY DISTRIBUTION

Sales **Rs 23 Crs; EBITDA Positive**

- Distribution network expanded to 292 doors
- Launched Armani Fragrances with 9 retailers and across 125 doors
- Brands portfolio expanded with onboarding;
 - Skin care brand “**FRE**”
 - Makeup range from “**Prada**” and “**Valentino**”



New Store – SSBeauty @ Ambience Mall, Gurugram



New Beauty Store @ Phoenix Millennium, Pune



HOME STOP

Sales **Rs 22 Crs; Store count 7**

- Improving Sales trend Month on Month
- Store size optimisation to improve productivity
- Introduces Experiential shopping categories e.g. Massage chairs, Live Plants etc.
- Bill Buster offers to drive Volumes, Celebrity and Customer engagements



EXPANSION

Store Footprint as on 30th Sept23

Format	Store count
Department Stores	102
Beauty Stores	87
Intune	6
Home Stop	7
Airport Doors	22

Investments (Rs In Crs)	Q2 FY24
New Stores and Renovation	43
Technology/Others	3
Total	46



EXPANSION Way Forward

Additions

Store	FY23	H1	H2	FY24	FY25	FY26	Total	Area (Mn Sq ft)	FY26
Department	98	4	11	15	15	15	45	1.15	143
Beauty	85	9	7	16	27	27	70	0.05	155
SSBeauty	10	2	2	4	15	15	34	0.04	44
EBOs	75	7	5	12	12	12	36	0.01	111
Intune		6	18	24	60	80	164	0.80	164
HomeStop	7	1		1	7	10	18	0.11	25
Total Stores	190	20	36	56	109	132	297	2.10	487

Expected Investment of circa Rs 300 Crs on annual basis

(Above exclude 22 Airport stores existing as on 30th Sept23)

New Store – Dept Store @Forum Prestige mall, Kochi



New Store – Dept Store @Phoenix Padmavathi mall, Guntur



New Store – Dept Store @Phoenix Millennium, Pune



New Store – Dept Store @ Prayagraj



Renovated Store @ Manupasna, Jaipur





STOP

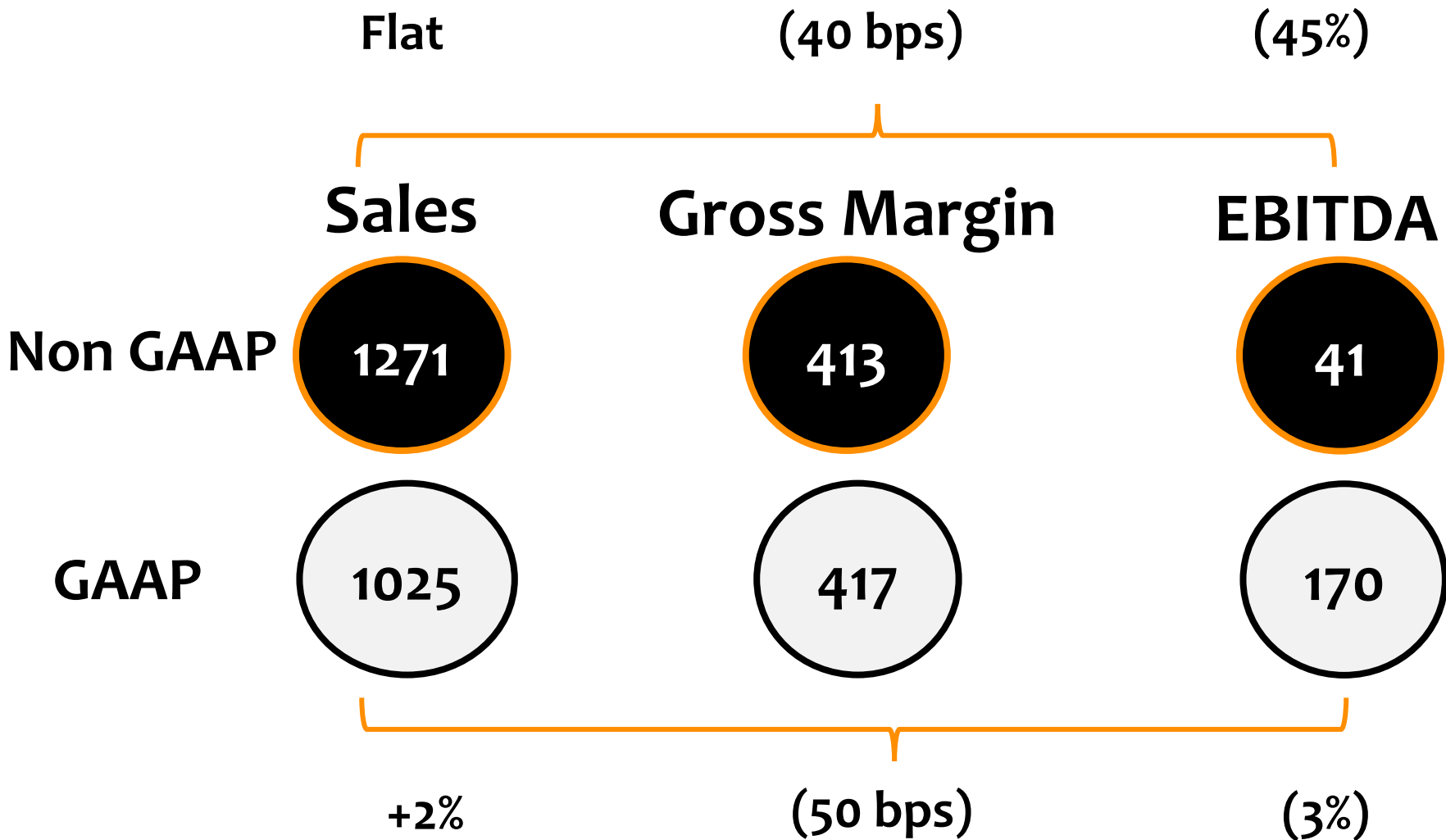
1 KEY HIGHLIGHTS

2 STRATEGIC PILLARS

3 FINANCIALS

KPI PERFORMANCE – Q2

Vs Q2FY23

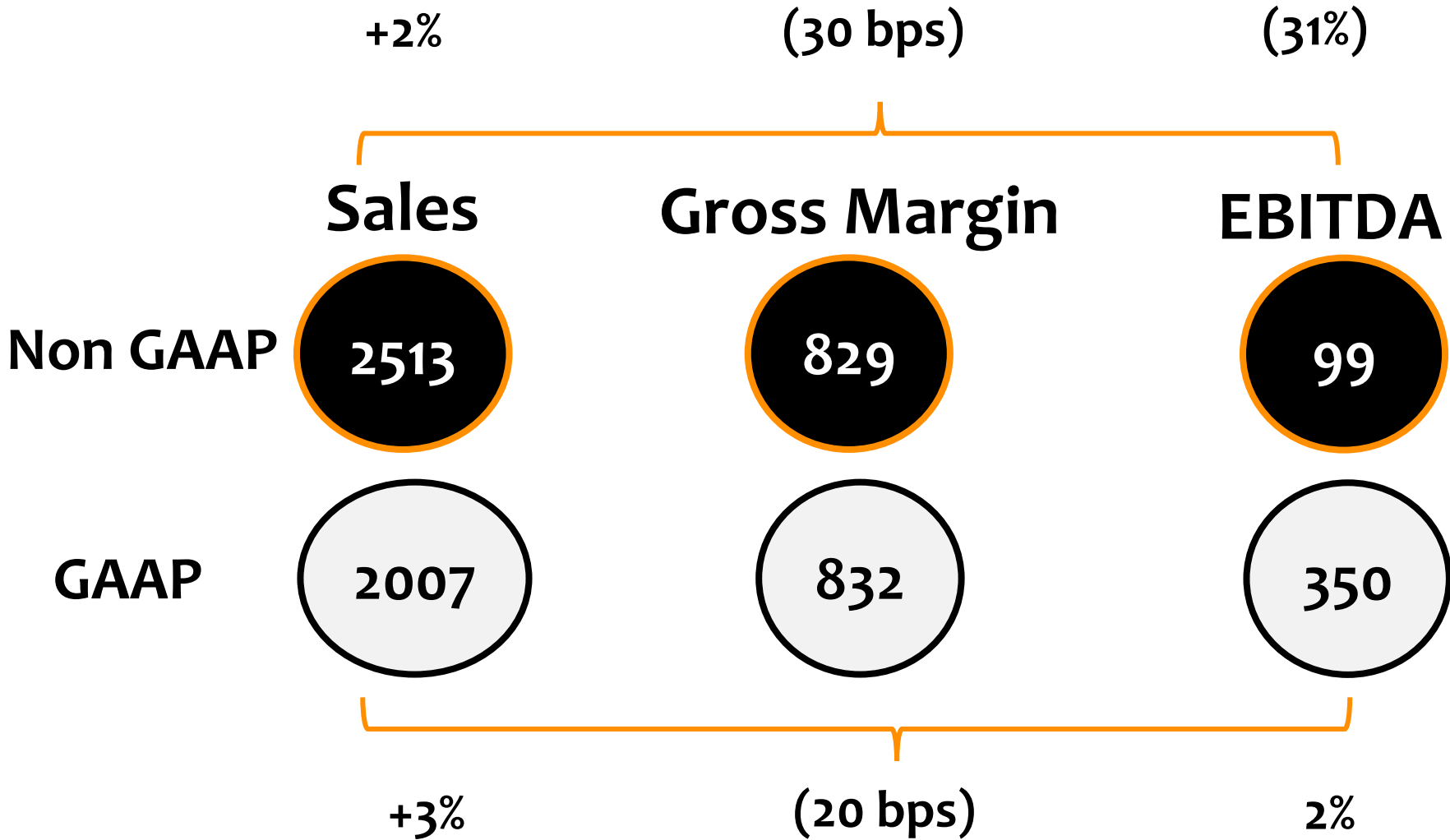


(Rs Crs)



KPI PERFORMANCE – H1

Vs H1 FY23



(Rs Crs)



FINANCIALS Q2 FY24

Particulars	Non - GAAP Financials			GAAP Financials		
	FY24	FY23	Gr%	FY24	FY23	Gr%
Gross Revenue	1271	1270	0%	1149	1133	1%
Net Revenue	1123	1121	0%	1025	1008	2%
Other Income	22	20	11%	11	4	172%
Total Revenue	1145	1140	0%	1036	1012	2%
Margin	413	416	-1%	417	415	0%
Margin%	36.7%	37.1%	(40 Bps)	40.7%	41.2%	(50 Bps)
Operating Exp.	393	361	9%	257	244	5%
EBITDA	41	75	-45%	170	175	-3%
Depreciation	33	36	-7%	108	93	17%
Finance Cost	3	5	-45%	55	51	7%
PBT	5	34	-85%	7	31	-76%

Previous years numbers are regrouped/rearranged wherever necessary

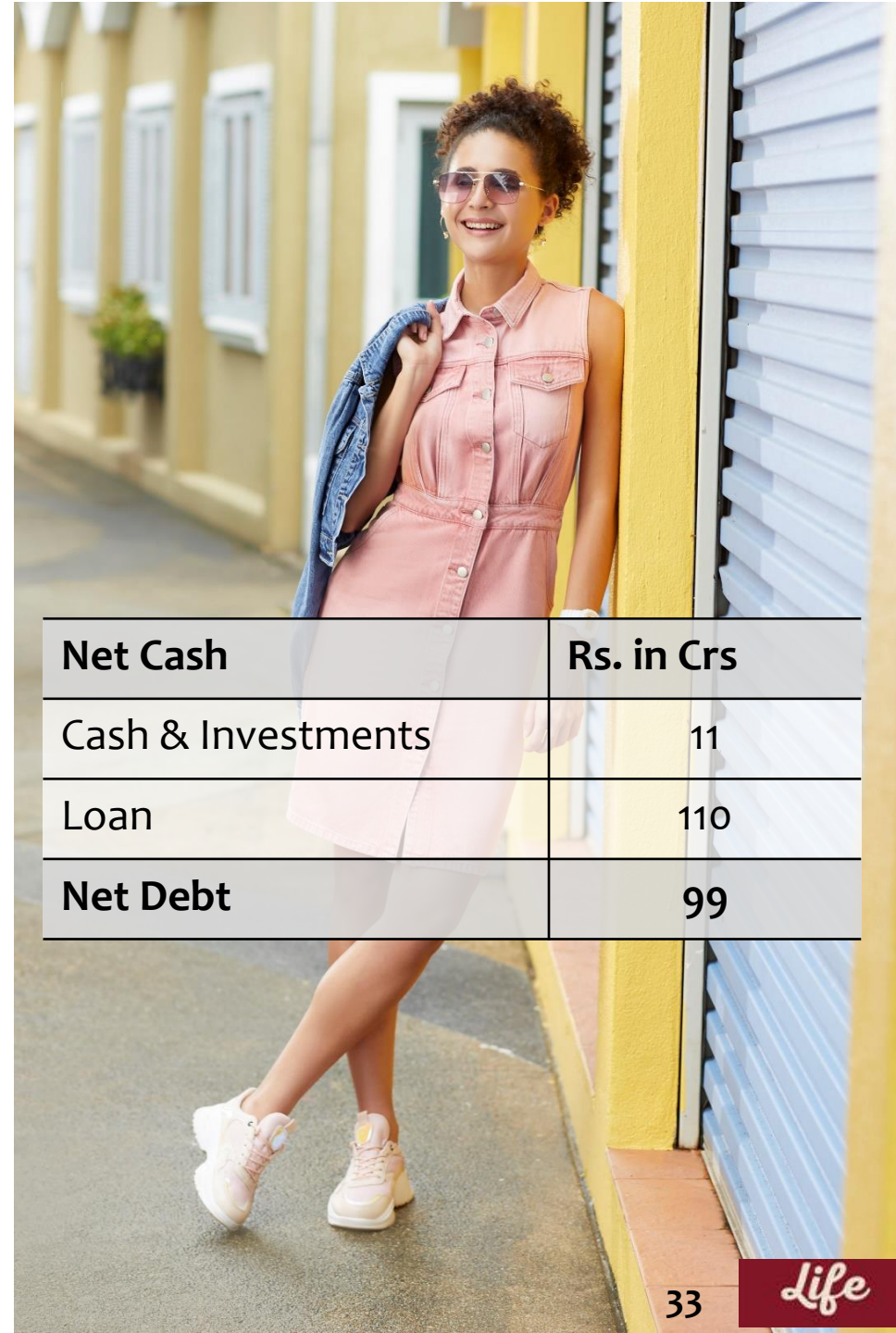


BALANCE SHEET

Particulars (Rs. In Crs.)	Sept'23	Mar'23
Net worth	787	765
Loan Fund	110	104
Total Liabilities	897	869
Fixed Assets + Lease Deposit	838	795
Investments	34	77
Inventory*	1652	1488
Other Assets	525	525
Total Current Assets	2058	1883
Trade Creditors Goods*	1705	1539
Others	446	475
Total Current Liability	2152	2015
Net Current Assets	-94	-131
Total Assets	897	869

Previous years numbers are regrouped/rearranged wherever necessary

*Includes ROR Inventory of Rs 1,116 Crs and Creditors of Rs 1,439 Crs in FY24 and Rs 923 Crs and Creditors of Rs 1,240 Crs in FY23



Net Cash	Rs. in Crs
Cash & Investments	11
Loan	110
Net Debt	99

CASH FLOW

Particulars	Sept'23	Mar'23
Cash Profit from Operations (after tax)	94	-17
Changes in Working Capital	-59	124
Cash generated from Operations	35	106
Fixed Assets /Reduction in Capex Creditors*	-103	-120
Cash generated from Operations	-67	-13
Redemption of Investments (Net)	43	-24
Cash post Investing Activities	-24	-37
ESOP	9	2
Interest & Finance Cost	-6	-19
Loans Repayment	6	44
Net Increase/(decrease) in Bank Balance	-15	-9

*Includes Security Deposit of Rs. 21 Crs for New stores



WAY FORWARD

Customer

- Focus on personalization of consumer experience through usage of deep data and AI
- Build Our Store as a “**Wedding destination**” during the coming quarters

Expansion

- Retail expansion to continue in “Full Scale”
- Plan meticulously to open stores for the balance period as scheduled
- Intune expansion of 20+ stores in H2

Omni

- Investments to continue in beauty.com
- Geo targeted events for Festive

Brands

- Premiumization of brands in non apps to continue
- Market segmenting to identify strong regional brands and drive them in specific categories

Beauty

- Increase depth to gain market share; grow beyond metro cities
- Targeted Growth based Customized communication
- Maximize opportunity during festive season

Global SS Beauty

- Capitalize Launch of NARS
- New business on the accelerated growth trajectory

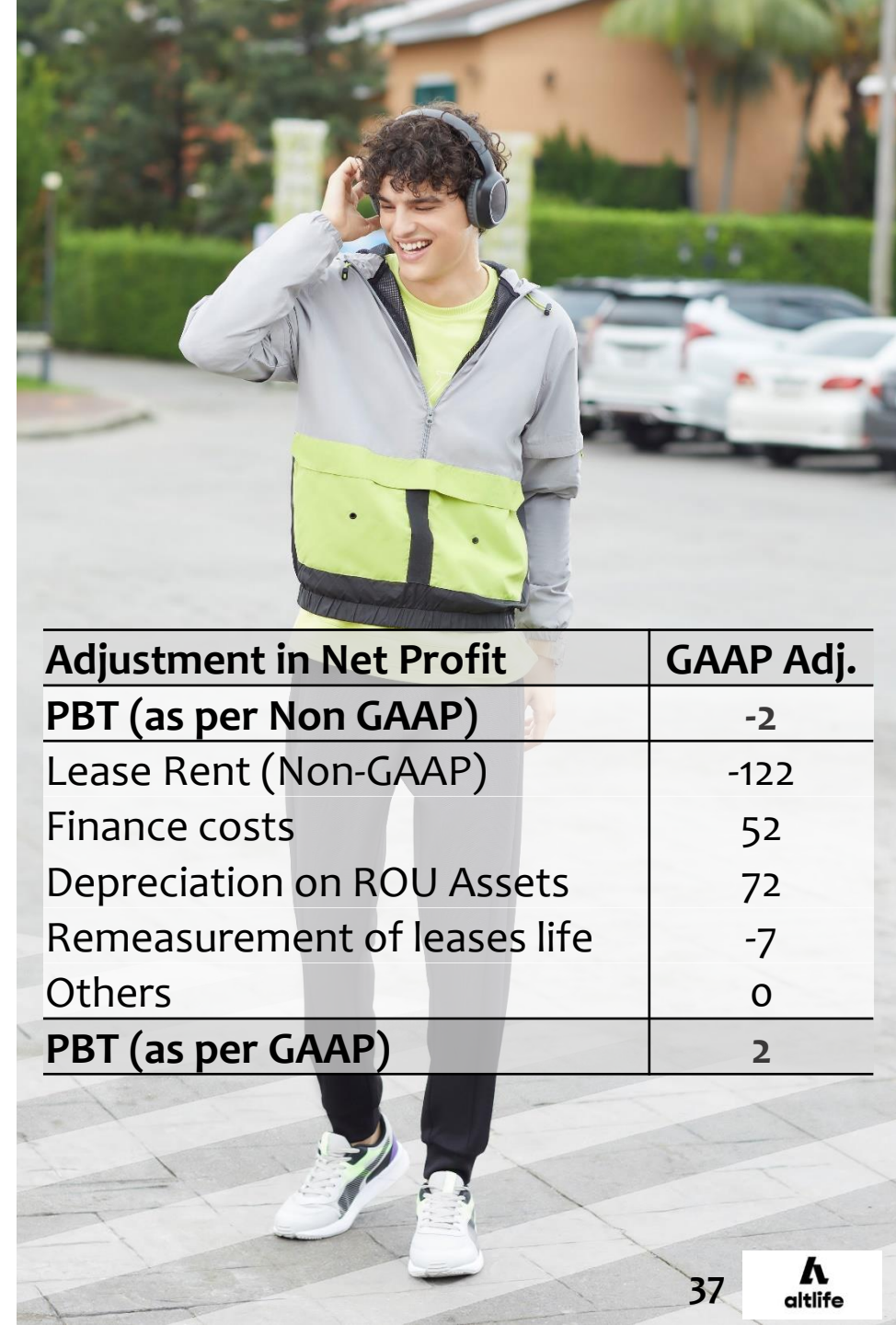
ANNEXURES

FINANCIALS Q2 FY24

Particulars	Non GAAP			GAAP		
	FY24	FY23	Gr%	FY24	FY23	Gr%
Gross Revenue	1271	1270		1149	1133	1%
Net Revenue	1123	1121		1025	1008	2%
Other Income	22	20	11%	11	4	172%
Total Revenue	1145	1140	0%	1036	1012	2%
Margin	413	416	-1%	417	415	0%
Margin%	36.7%	37.1%	(40 Bps)	40.7%	41.2%	(50 Bps)
Operating Exp.	393	361	9%	257	244	5%
EBITDA	41	75	-45%	170	175	-3%
Depreciation	33	36	-7%	108	93	17%
Finance Cost	3	5	-45%	55	51	7%
PBT	5	34	-85%	7	31	-76%
Exceptional Item/OCI [^]	7	2	256%	5	7	-22%
PBT(Adj.)	-2	32		2	24	-91%
Tax	1	7	-90%	1	7	-90%
PAT	-3	25	-111%	2	18	-91%

Previous years numbers are regrouped/rearranged wherever necessary

[^]Includes Rs.5 Crs provided for stocks damaged under fire in Delhi, though confident of receiving nearly full amount from Insurance co



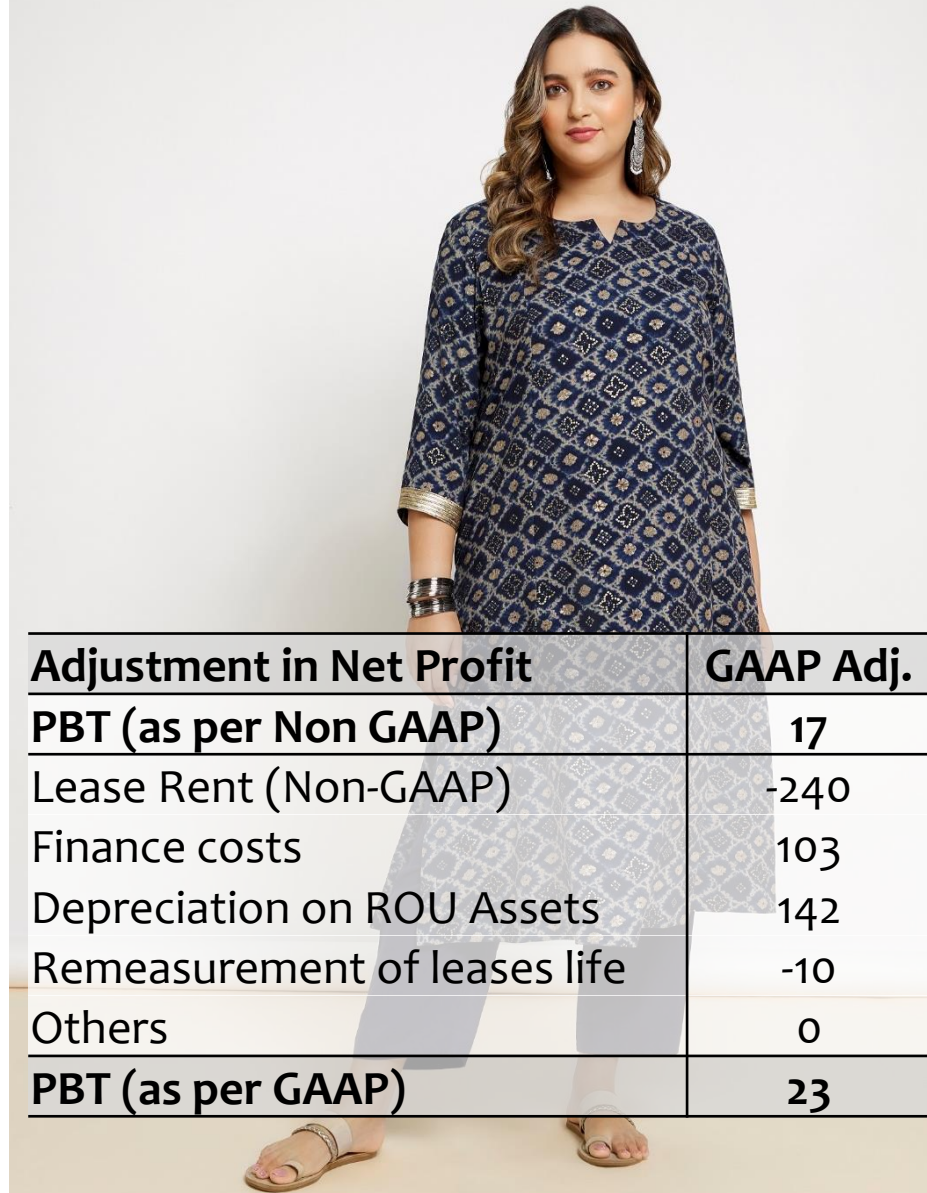
Adjustment in Net Profit	GAAP Adj.
PBT (as per Non GAAP)	-2
Lease Rent (Non-GAAP)	-122
Finance costs	52
Depreciation on ROU Assets	72
Remeasurement of leases life	-7
Others	0
PBT (as per GAAP)	2

FINANCIALS H1 FY24

Particulars	Non GAAP			GAAP		
	FY24	FY23	Gr%	FY24	FY23	Gr%
Rs. in Crs.						
Gross Revenue	2513	2460	2%	2252	2190	3%
Net Revenue	2216	2169	2%	2007	1950	3%
Other Income	45	36	26%	18	9	88%
Total Revenue	2261	2205	3%	2024	1960	3%
Margin	829	817	1%	832	813	2%
Margin%	37.4%	37.7%	(30 Bps)	41.5%	41.7%	(20 Bps)
Operating Exp.	775	711	9%	500	479	4%
EBITDA	99	142	-31%	350	344	2%
Depreciation	65	65	0%	213	177	20%
Finance Cost	6	11	-45%	109	103	6%
PBT	28	66	-58%	28	64	-56%
Exceptional Item/OCI [^]	11	2	445%	5	7	-29%
PBT(Adj.)	17	64	-74%	23	56	-60%
Tax	6	16	-62%	6	16	-62%
PAT	11	48	-78%	16	40	-59%

Previous years numbers are regrouped/rearranged wherever necessary

[^]Includes Rs.5 Crs provided for stocks damaged under fire in Delhi, though confident of receiving nearly full amount from Insurance co



Adjustment in Net Profit	GAAP Adj.
PBT (as per Non GAAP)	17
Lease Rent (Non-GAAP)	-240
Finance costs	103
Depreciation on ROU Assets	142
Remeasurement of leases life	-10
Others	0
PBT (as per GAAP)	23



HomeStop, Dehradun

224
Stores

9.5M
FIRST CITIZENS

800+
BRANDS

14% Mix
PRIVATE BRANDS

16% Mix
BEAUTY

4.0 M
SQUARE FEET
AREA

55
CITIES

13.4 Mn
CUSTOMER ENTRY in Q2

18.9K⁽¹⁾
TALENT POOL

As at 30th Sept'23

1. Includes Brand staff

DISCLAIMER

Certain statements in this release concerning our future growth prospects are forward-looking statements within the meaning of applicable securities laws and regulations, and which involve number of risks and uncertainties, beyond the Control of the company, that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding Fluctuations in earnings, our ability to attract and retain highly skilled professionals, political instability, legal cost advantage, wage increases, our ability to attract and retain highly skilled professionals, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and General economic conditions affecting our industry.

Shopper's Stop Ltd. may, from time to time, make additional written and oral forward looking statements, including our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company. The Company also expects the media to have access to all or parts of this release and the management's commentaries and opinions thereon, based on which the media may wish to comment and/or report on the same. Such comments and/or reporting maybe made only after taking due clearance and approval from the Company's authorized personnel. The Company does not take any responsibility for any interpretations/ views/ commentaries/reports which may be published or expressed by any media agency, without the prior authorization of the Company's authorized personnel.

In case of any clarifications please contact on investor@shoppersstop.com

Press Release for immediate distribution

SHOPPERS STOP

Shoppers Stop reports revenue of Rs 1,025 Cr and EBITDA of Rs 170 Crs in Q2FY24

- Beauty outperformed with +6% growth led by Fragrance +20%; Contribution to Total Sales 16%
- Beauty Distribution network expanded to 292 Doors, added Skincare brand “FRE” and Makeup range from “Prada” and “Valentino”
- Private brand Mix at 14% and apparels Mix at 21%, Last Year levels sustained
- Investment in growth continues with Capex of Rs 46 Crs, added 4 Department, 3 Beauty and 4 Intune stores during the quarter

Mumbai, October 18, 2023: Shoppers Stop Ltd. one of India’s leading premier fashion and beauty brands retailer, has declared its results for the quarter ended 30th September 2023.

Key financial highlights for Q1 FY24

Rs in Crs.	GAAP			Non-GAAP		
	Q2FY24	Q2FY23	Growth%	Q2FY24	Q2FY23	Growth%
Sales	Rs 1,025 Cr	Rs 1,008 Cr	2%	Rs 1,271 Cr	Rs 1,270 Cr	Flat
Gross Margin	40.7%	41.2%	(50Bps)	36.7%	37.1%	(40Bps)
EBITDA	Rs 170 Cr	Rs 175 Cr	(2.8%)	Rs 41 Cr	Rs 75 Cr	-45%
PBT [^]	Rs 2 Cr	Rs 24Cr		(Rs 2 Cr)	Rs 32 Cr	
PAT [^]	Rs 2 Cr	Rs 18 Cr		(Rs 3 Cr)	Rs 25 Cr	

[^]Includes Rs.5 Crs provided for stocks damaged under fire in Delhi, though confident of receiving nearly full amount from Insurance co

Management Comments:

Commenting on the Q2FY24 results, **Mr. Kavindra Mishra, Executive Director and CEO, Shoppers Stop Ltd**, said, “Shoppers Stop reported impressive financial results, despite challenging market conditions and shifting of Pujo from Q2 to Q3 this fiscal. We have witnessed a strong pick-up in the Beauty businesses and consistent performance from non-apparels. The premiumization has been sustained across categories resulting into 5% growth in Average Selling Price (ASP) and 1% growth in Items per Ticket (IPT) compared to the corresponding quarter of FY23. Net profits for the quarter were affected due to muted demand in Apparels, partially offset by growth in Non-Apparels.

As we enter the Festive Season, we anticipate a rebound in discretionary spend, propelling the company’s growth trajectory further in the second half. We remain committed in enhancing the value proposition, strongly believe in ensuring an elevated shopping experience to our customers besides improving our operational efficiency. We continue to focus in pursuing our Strategic Pillars through expansion of new stores, increasing our loyal members, increasing our contribution on both Private and Beauty verticals. The growth prospects of both the Indian economy and the fashion apparel expected to be positive and we are determined to leverage our robust brand portfolio to drive consistent, sustainable growth.

Performance of strategic pillars in Q2FY24:

- **First Citizen Loyalty Customers** – Our First Citizen Members contributed 77% of the overall sales, out of which 64% were repeat and 13% New members. The Unique members shopped during the quarter increased by 3%. For our premium Black card members, the Average Transaction Value (ATV) was 2X and members spend was 4X of the First Citizen
- **Private Brands** – Private Brands sales were at Rs 184 Cr with contribution sustaining at Last year levels of 14% to the total Sales and 21% on the apparel's sale. Indian wear continues strong growth trajectory. As part of Festive preparedness, added newer ranges for the Wedding/festive Season. Launched “**Sanya X Fratini**” Campaign with Bollywood actress Sanya Malhotra. Campaign “**Sanya X Kashish**” for Women's wear is being launched in October
- **Beauty** – Beauty category Sales were at Rs.197 Crs, remained as the fastest growing category contributing 16% to the overall sales with Fragrance growing by +20%. Our renewed customer engagement with 240K makeovers activities generated Rs 42 Cr of revenue at 56% conversion ratio
- **Intune** - We launched **INTUNE**, a value Fashion Store on June 2, 2023. With 100% in-house assortment, INTUNE brings to the fore fresh, quality fashion for the cool-spirited customers at shockingly accessible prices. We have opened 6 Stores as on date (4 during the quarter) and sales during the quarter is Rs.8 Crs with Sales per sq ft circa Rs.14,000. The initial customer feedback has been extremely positive
- **Beauty Distribution** – Our 100% subsidiary Global SS Beauty Brands Limited, has reached breakeven in the last quarter itself, Sales of Rs 23 Crs in this Qtr. We are extremely positive on the beauty distribution business with the launch of **NARS** and Armani in L'Oréal International Division in October
- **Store Expansion** – The Company has been aggressive in its store expansion to increase its national footprint. We launched 4 department stores, 3 beauty stores and 4 Intune stores in this quarter. Overall, the company spent a capex of Rs 46 Crs. Our commitment to invest in New Stores will remain unchanged and plan to open 15 Departmental Stores during the year.

Note:

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.

About Shoppers Stop Limited: Shoppers Stop Ltd. is the nation's leading premier retailer of fashion and beauty brands established in 1991. Spread across 102 department stores, the Company also operates 7 premium home concept stores, 87 Specialty Beauty stores of M.A.C, Estée Lauder, Bobbi Brown, Clinique, Jo Malone, Too Faced, SS Beauty, 6 Intune stores and 22 Airport doors, occupying area of 4.0 M 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 revolutionizing the way Indian's shop, bringing more value, comfort, and convenience to customer experiences. The brand's diversified Omni channel offering spans over 800+ recognized 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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