



V2 Retail Limited

June25, 2020

| | |
|--|--|
| BSE Limited Corporate Relationship Department 1 st Floor, New Trading, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai – 400 001, Fax : 022 22723121 Email : corp.relations@bseindia.com | National Stock Exchange Of India Limited Listing Department Exchange Plaza,BandraKurla Complex, Bandra (East), Mumbai – 400 051, Fax : 022 26598120 Email : cmlist@nse.co.in |
| Scrip Code – 532867 | Scrip Code – V2RETAIL |

Sub: Press Release on audited standalone and consolidated Financial Results for the quarter and year ended March 31, 2020

Dear Sir,

Please find enclosed Press Release on audited standalone and consolidated Financial Results for the quarter and year ended March 31, 2020.

Kindly take the same on your record.

Thanking You,

For V2 Retail Limited

Ram Chandra Agarwal
Chairman & Managing Director
DIN00491885



Press Release dated June 25, 2020

V2 Retail Limited, one of the India's fastest growing Retail Company, has declared its Audited Financial Results for the Quarter and Year ended March 31, 2020

| Particulars (₹ in mn) | Q4FY20 | Q4FY19 | Y-o-Y | FY2020 | FY2019 | Y-o-Y |
|----------------------------|--------------|--------------|-------|--------------|--------------|-------|
| Revenue | 1,292 | 1,639 | -21% | 7,012 | 7,484 | -6% |
| Gross Profit | 295 | 481 | -39% | 1,960 | 2,421 | -19% |
| Gross Margin (%) | 22.9% | 29.3% | | 27.9% | 32.3% | |
| EBIDTA | 30 | 43 | -29% | 760 | 469 | 62% |
| EBIDTA Margin (%) | 2.4% | 2.6% | | 10.8% | 6.3% | |
| Profit Before Tax | (155) | 15 | | 105 | 151 | |
| Profit After Tax | (116) | 42 | | 101 | 205 | |
| Total Comprehensive Income | (117) | 42 | | 96 | 204 | |

Standalone Financials Performance at a Glance:

Revenue:

- The Company has started the quarter with positive SSG of 3% upto March 15, 2020. The outbreak of Covid 19 pandemic and consequent lockdown had impacted the sales and overall SSG, which declined by 18% during Q4 FY20.
- Revenue for Q4 FY20 declined by 21% Y-o-Y in Q4 FY20 from ₹ 1,639 mn to ₹ 1,292 mn. The revenue for FY 20 declined marginally by 6% Y-o-Y in FY20 from ₹ 7,484 mn to ₹ 7,012 mn.

Gross Profit:

- Gross Profit for the quarter declined from ₹ 481 mn to ₹ 295 mn. Gross Profit for FY20 stood at ₹ 1,960 mn as compared to ₹ 2,421 mn for FY19.

IND AS 116 became applicable effective annual reporting period beginning April 1, 2019. The Company has adopted the standard, using the modified retrospective approach for transition. Consequently in the statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease "Rent / Other Expenses" in the previous period to " Depreciation and amortisation expense" for the right to use assets and "Finance Cost" for interest accrued on lease liability. As such EBIDTA and PBT figures may not be exactly comparable with other periods.

EBIDTA:

- EBIDTA for Q4 FY20 stood at ₹ 30 mn as compared to ₹ 43 mn for Q4 FY19. EBIDTA for FY20 stood at ₹ 760 mn as compared to ₹ 469 mn for FY19.



Profit Before Tax:

- Profit Before Tax (PBT) stood at ₹ (155) mn in Q4 FY20 as compared to ₹ 15 mn for Q4 FY19. PBT for FY20 stood at ₹ 105 mn as compared to ₹ 151 mn for FY19.

Profit After Tax (PAT):

- Profit After Tax (PAT) stood at ₹ (116) mn in Q4 FY20 as compared to ₹ 42 mn for Q4 FY19. PAT for FY20 stood at ₹ 101 mn as compared to ₹ 205 mn for FY19.

New Initiatives:

V2 - your favorite Fashion Brand is now ONLINE. We are delighted to announce the launch of our e-commerce portal V2 Kart (www.v2kart.com). Our online store provides our existing and prospective clients with an easier, more intuitive, user friendly shopping and checkout experience.

Others:

- As on March 31, 2020, the Company was having a Net Cash Balance of ₹ 441 mn (Cash & Bank balance less borrowings).
- The Company opened 1 new store during Q4 FY20
- As on March 31, 2020, the Company operates 76 stores spread across 17 states and 71 cities with a total retail area of ~8.4 lac Sq. Ft.
- The Company has closed 2 non-profitable stores during Q1 FY21.

Commenting on the results and performance, Mr. Ram Chandra Agarwal, Chairman & Managing Director said:

"We started the quarter on a positive note. We were able to achieve a positive SSG upto March 15, 2020. However, situation changed drastically with the outbreak of COVID 19 pandemic and the resultant lockdown. The consumer sentiment has suddenly changed from positive to cautious and will take some time to return to normalcy. The entire economy is facing a slowdown, retail sector being one of the most impacted sector as people shift their consumption to only essential. We anticipate the situation to stabilise and start turning positive from quarter 3 of this fiscal year.

Companies with strong balance sheet and low leverage like us will not only be able to survive the pandemic, but also bounce back faster. We have also initiated a number of measures to keep our fixed cost under control like rental renegotiations, engaging with suppliers, control over variable cost. We have also put on hold all our capital spends.

As of current date, out of 74 stores, we have received permission to operate 65 stores. We are engaging with the local administration to obtain permission to start operating balance stores. Health and safety of all our customers and employees are of paramount importance and all required precautions are being adhered to.



We have also launched our online retailing platform (www.v2kart.com) to enable our existing and prospective customer to order from their favourite store. We are excited with the initial response.

We see a lot of initiatives being taken by the government for reviving the consumer sentiment, the outcome of which should be visible completely from mid of this financial year.

About V2 Retail Limited:

V2 Retail is one of the fastest growing retail company in India and enjoys strong brand equity from customers across segments. The company offers a portfolio of products, including apparel and life style products. V2 stands for 'Value and Variety' it sells good quality fashion garments at affordable prices, which suits every individual and household. The Company has a Strong presence in Northern & Eastern India. The Company caters to the neo middle class group of population living in Tier 2 and Tier 3 cities.

For further information, please contact

Dr. Rahul Porwal

Marathon Capital Advisory Private Limited
Tel : +91-22-40030610
Email : rahul@marathoncapital.in

Mr. Sudhir Kumar

(Company Secretary & Compliance Officer)
V2 Retail Limited
Tel : +91-11-41771850
Email : cs@v2retail.net.in