



GO COLORS!

Go Fashion (India) Limited



Investor Presentation
February 2022



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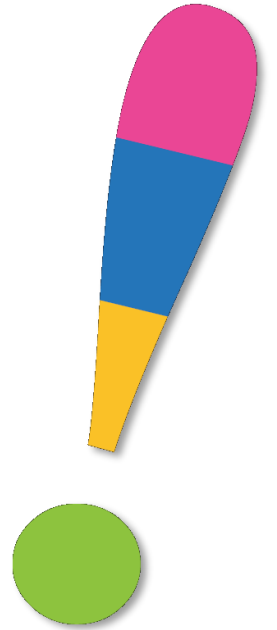
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Q3 & 9M FY22 Highlights



Revenue from Operations

Rs. 142 crores



EBITDA

Rs. 52 crores



Profit Before Tax (PBT)

Rs. 33 crores

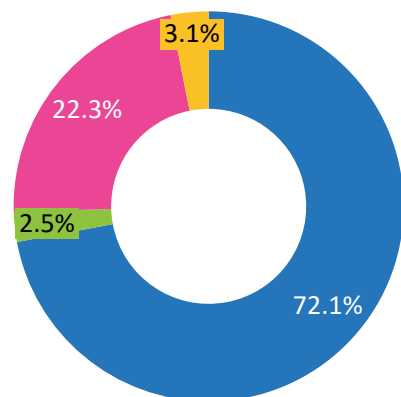


Profit After Tax

Rs. 24 crores

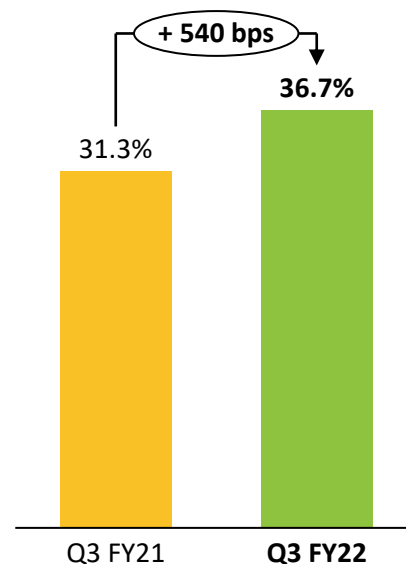


Sales Mix

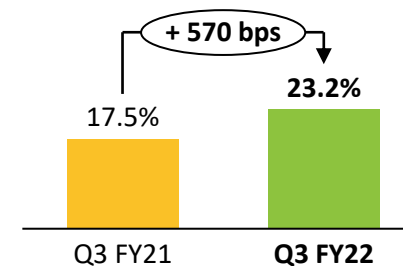


■ EBOs ■ LFS
■ Online ■ MBO & Others

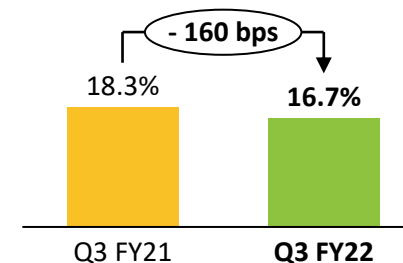
EBITDA Margins



PBT Margins



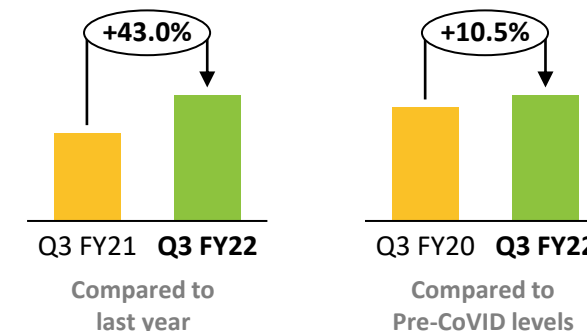
PAT Margins*



No. of EBO stores added during the quarter^

17

Same Store Sales Growth



All comparisons are on Y-o-Y basis

* PAT Margins are lower due to increased tax payout in Q3 FY22

^ Net Addition of EBO Stores

Revenue from Operations

Rs. 285 crores



EBITDA

Rs. 81 crores



Profit Before Tax (PBT)

Rs. 33 crores

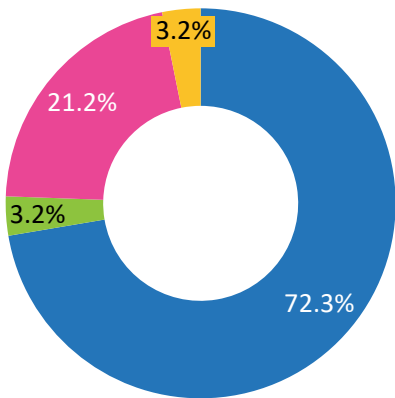


Profit After Tax

Rs. 23 crores

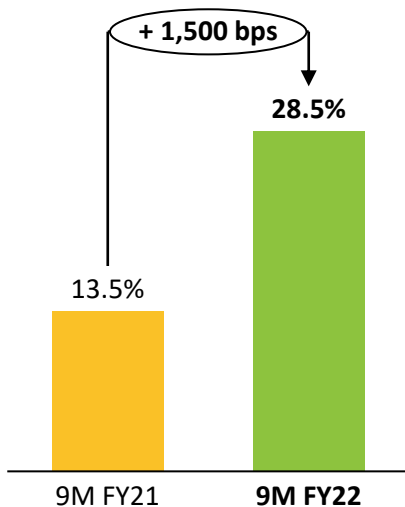


Sales Mix



■ EBOs ■ LFS
■ Online ■ MBO & Others

EBITDA Margins



PBT Margins

11.5%

PAT Margins

8.2%

No. of EBO stores added during 9M FY22^

27

Cash Flow from Operations*

Rs. 19 crores

All comparisons are on Y-o-Y basis
SSSG for 9 months is not comparable due to CoVID related lockdowns

* Cash Flow from Operations is Pre-Tax
^ Net Addition of EBO Stores



Profit & Loss Statement

Particulars (in Rs. Crore)	Q3FY22	Q3FY21	Y-o-Y	9MFY22	9MFY21	Y-o-Y	FY21
Total Revenue	142.0	96.9	47%	285.1	160.8	77%	250.7
Cost of Materials Consumed	48.1	35.5		99.2	61.6		92.2
Subcontracting Charges	7.8	4.3		16.7	7.6		11.8
Gross Profit	86.1	57.1	51%	169.2	91.6	85%	146.7
Gross Margin	60.6%	59.0%		59.4%	57.0%		58.5%
Employee Cost	18.6	14.9		52.8	45.4		61.5
Other Expenses	15.4	11.9		35.1	24.5		38.9
EBITDA	52.1	30.3	72%	81.3	21.7	276%	46.3
EBITDA Margin	36.7%	31.3%		28.5%	13.5%		18.5%
Other Income	3.2	6.7		17.6	25.7		31.6
Depreciation	16.8	15.1		49.7	44.6		60.5
EBIT	38.5	21.9	75%	49.3	2.7	1,705%	17.4
Finance Cost	5.5	5.0		16.6	15.3		20.6
Profit before Tax	33.0	16.9	95%	32.7	-12.6	-	-3.1
Tax	9.3	-0.8		9.4	-1.9		0.4
PAT	23.7	17.8	33%	23.3	-10.7	-	-3.5
PAT Margin	16.7%	18.3%		8.2%	-6.6%		-1.4%
EPS (in Rs.)	4.48	3.40		4.44	-2.04		-0.68



Suede Treggings & Corduroy Jeggings



Products Launched during the year

3 new products
launched in Q3FY22

11 new products
launched in 9MFY22

Suede Treggings

Thermal quality Treggings to keep you warm during winter. The brushed suede fabric gives you an ultra-soft & neat look. Tapered fit for a stylish and slender look.

Corduroy Jeggings

Upgrade your wardrobe with high-performance winter-ready corduroy which adds a sophisticated look to your attire with extra comfort. Thoughtfully designed in a tapered profile to fit seamlessly.

Winter Kurti Pants

Stay winter-ready with soft, comfy, and warm Winter Kurti Pants. Designed in a tapered profile for a fashionable look. Great stretch and comfort at the waist.
Lounge and outerwear

Warm Kurti Pants





Commenting on the Result, Mr. Gautam Saraogi, CEO, Go Fashion (India) Limited said,

"In challenging times, our Company has recorded strong operational growth. For the quarter gone by, our Revenues have increased by 47% to Rs. 142 crores. EBITDA has increased by 72% to Rs. 52 crores. With increased efficiencies in the business, our EBITDA Margins have also increased by 540 basis points to 36.7% for the quarter.

We continue to expand and strengthen our bottom wear portfolio by launching new products across Ethnic, Western, Fusion, loungewear, work-from-home collection & athleisure.

During FY22, the Company has added 27 EBO stores taking the total to 476 EBO stores and also introduced 11 new products to the portfolio.

As part of our growth strategy, we intend to expand our EBO network in other regions across India. We plan to add 120 – 130 EBO's every year. We intend to follow the COCO model that will ensure better operational control over our stores. We intend to leverage the experience of our operations and business development teams to grow our network in existing and newer geographies. Our expansion into newer markets offers us potential for market share gains, increased brand recognition, and economies of scale.

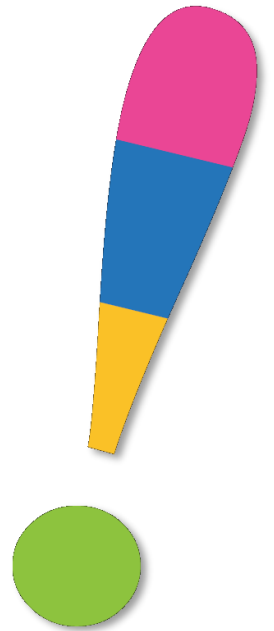
We will also look at selectively expanding our presence across Large Format Stores (LFS). As our LFS partners grow their presence across India we will acquire new customers across different geographies.

We have strategically undertaken brand-building initiatives to gain visibility with prudent use of resources while incurring limited branding and marketing expenses.

We continue to focus and grow our online sales channels to benefit from evolving customer trends in our market. We intend to make investments in digital channels to build an omni-channel engagement experience for our customers and have a dedicated team for our e-commerce operations.



Company Overview





We are a one stop destination for ladies' bottom wear, a daily essential wear category with no seasonality



Among the largest Women Bottom Wear (WBW) brands in India with ~8% market share in branded WBW



Offers Products in >50 styles in >120 colours



Extensive sourcing and manufacturing network of 73 suppliers and 42 job-workers spread across 11 states and UTs



Customers catered primarily through 476 EBOs spread across 23 states and UTs and 1,330 LFSS across 31 states and UTs



Premium quality products at affordable prices, 88.32% of products retailed at < Rs. 1,049



Entire supply chain for all channels managed from 99K sq. ft. warehouse in Tirupur, Tamil Nadu. End-to-end automation in inventory operations resulting in optimal inventory management

We are a Direct to Consumer Brand





Ethnic Wear



- Churidar
- Salwar
- Patiala
- Silk-Pants
- Kurti-Pants
- Dhoti

From ₹ 599 to ₹ 1,399 ⁽¹⁾

Western Wear



- Leggings
- Ponte Pants
- Cropped Jegging
- Track Pants
- Jeans
- Culottes
- Cargo Pants
- Treggings
- Trousers
- Shorts

From ₹ 599 to ₹ 1,399 ⁽¹⁾

Fusion Wear



- Jeggings
- Palazzos
- Pants
- Harem-Pants

From ₹ 699 to ₹ 1,599 ⁽¹⁾

Athleisure



- Leggings
- Track Pants
- Joggers

From ₹ 799 to ₹ 1,199 ⁽¹⁾

Note: (1) Typical Range of Offering: Maximum Retail Price



Denims



- Jeggings
- Pants
- Joggers
- Denim Culottes
- Jeans
- Capris
- Denim Palazzos

From ₹ 799 to ₹ 1,599 ⁽¹⁾

Lounge Wear



- Lounge Pants
- Lounge Knit Pants
- Lounge Capris
- Lounge Shorts

From ₹ 549 to ₹ 949 ⁽¹⁾

Go Plus



- Churidars
- Leggings
- Jeggings
- Pants
- Palazzos

From ₹ 699 to ₹ 1,599 ⁽¹⁾

Girls Wear



- Leggings
- Pants
- Jeggings
- Shorts
- Palazzos
- Harem- Pants

From ₹ 249 to ₹ 999 ⁽¹⁾

Note: (1) Typical Range of Offering: Maximum Retail Price

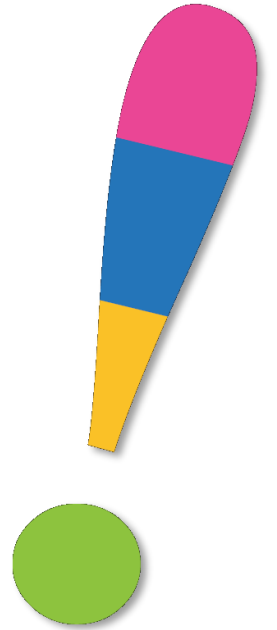


**EBO Stores + Airport Stores +
LFS Stores**





Key Differentiators





Among the Largest Women’s Bottom-Wear Brand in India with Well-Diversified & Differentiated Product Portfolio and First Mover Advantage



Multi-Channel, Pan-India Distribution Network with a Focus on EBOs, Enhancing Brand Visibility

Strong Unit Economics with an Efficient Operating Model

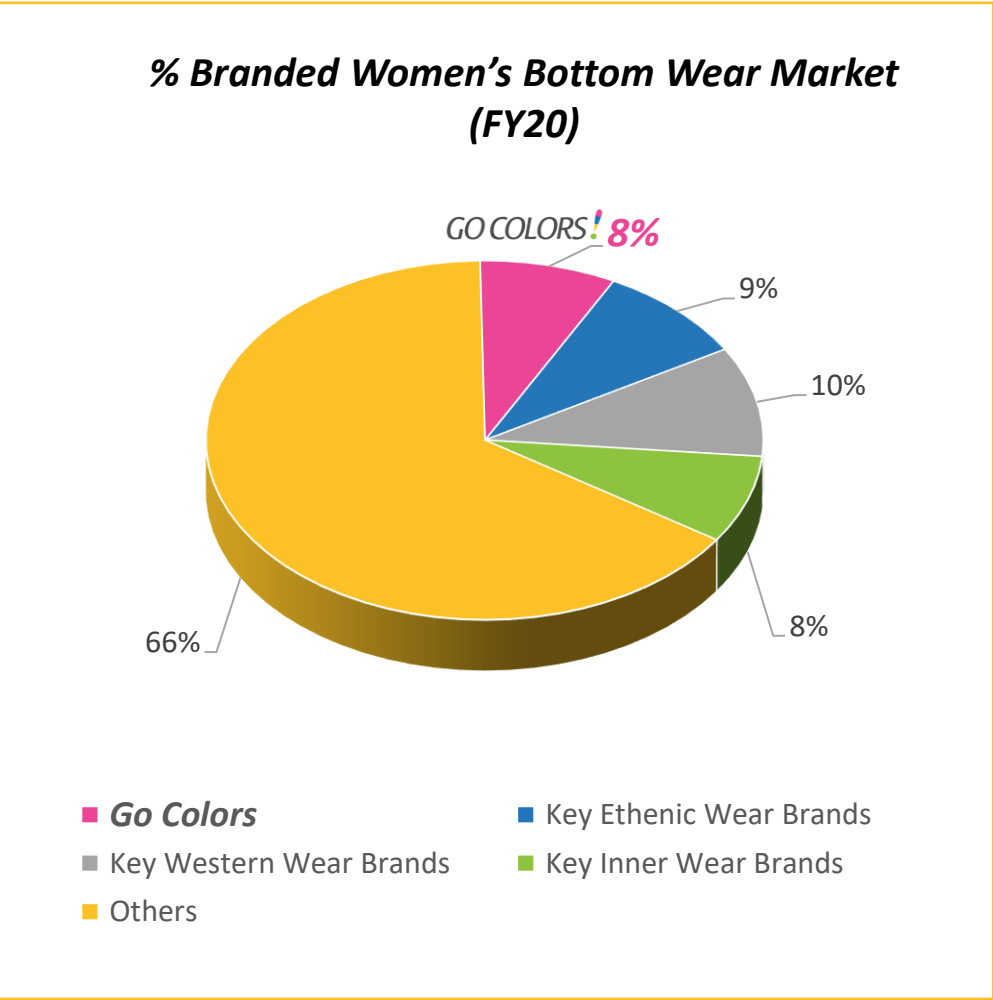


Extensive Procurement Base with Highly Efficient and Technology-Driven Supply Chain Management

Demonstrated Track Record of Strong Financial Performance



In-House Expertise in Developing and Designing Products



Covering the entire spectrum of women’s requirements across age-groups and body-types

Brand	SKUs	Ethnic	Western	Athleisure	Fusion	Denim
GO COLORS	728	✓	✓	✓	✓	✓
Player A	800	✗	✓	✗	✗	✓
Player B	700	✓	✗	✗	✓	✓
Player C	673	✓	✓	✗	✓	✗
Player D	656	✗	✓	✗	✗	✓
Player E	343	✓	✗	✓	✓	✓

Leadership position in women’s bottom-wear Category

Ethnic Wear	Western Wear	Fusion Wear	Athleisure
Denims	Lounge Wear	Go Plus	Girls Wear

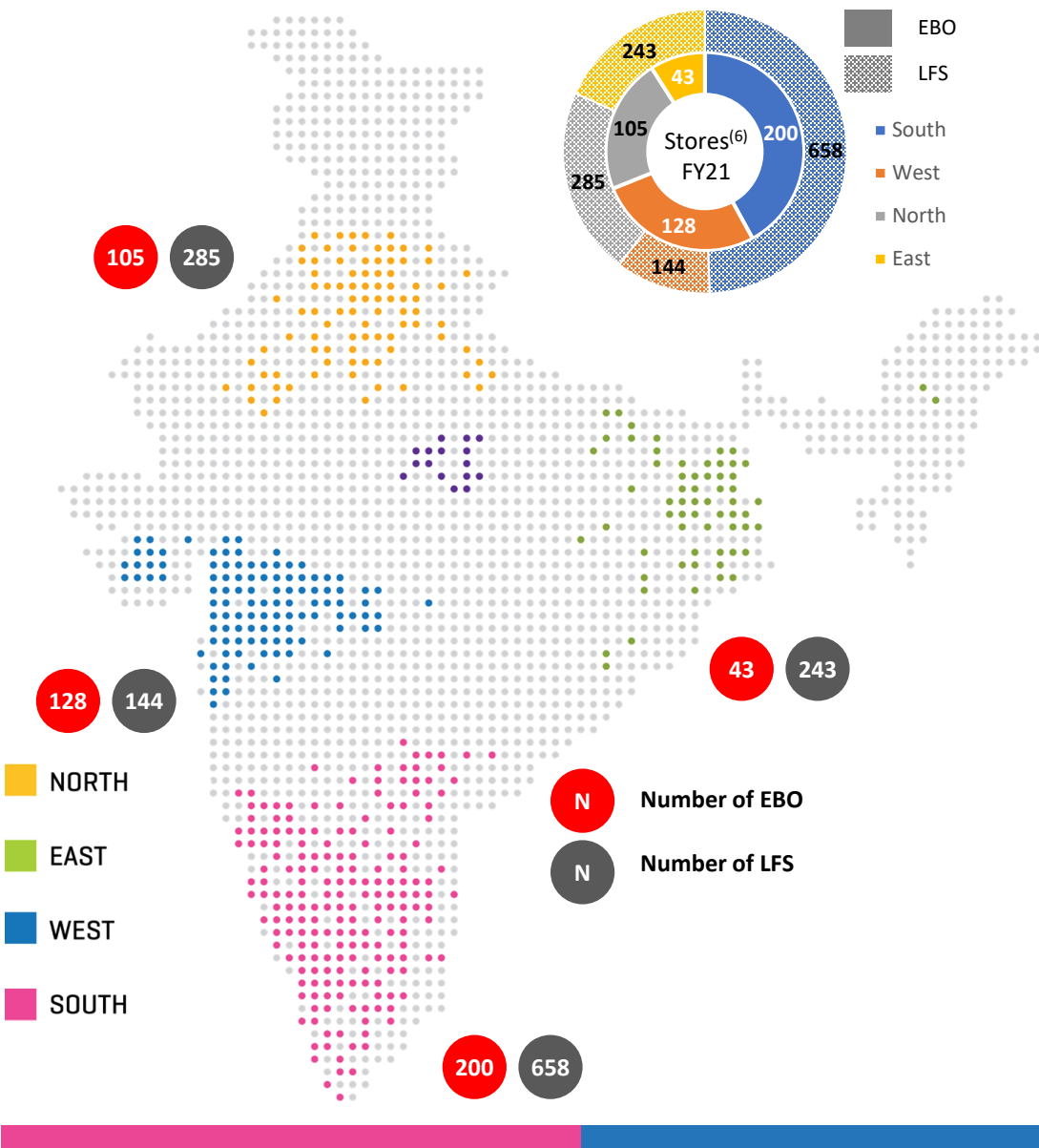
Offers **50 bottom-wear styles** in a range of **>120 colours**

Go Colors offers products across multiple categories making its portfolio ‘universal’ & round-the-year for every occasion that is not subject to seasonal trends

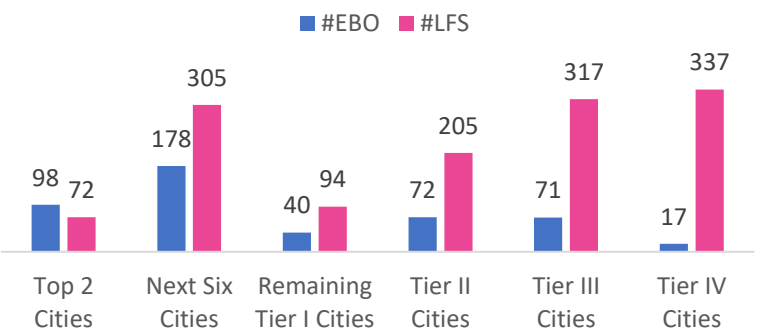




Direct to Consumer Brand with an Extensive Distribution Network across India



Diversified presence across geographies



EBO Stores

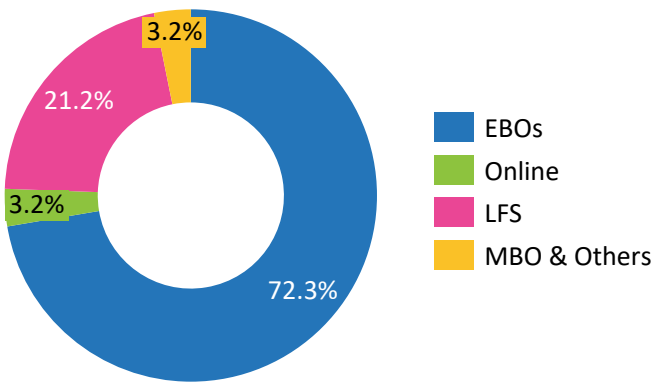
476

Leading Malls (168)
High Streets (308)

Cities Present

120

Sales Mix (9M FY22)



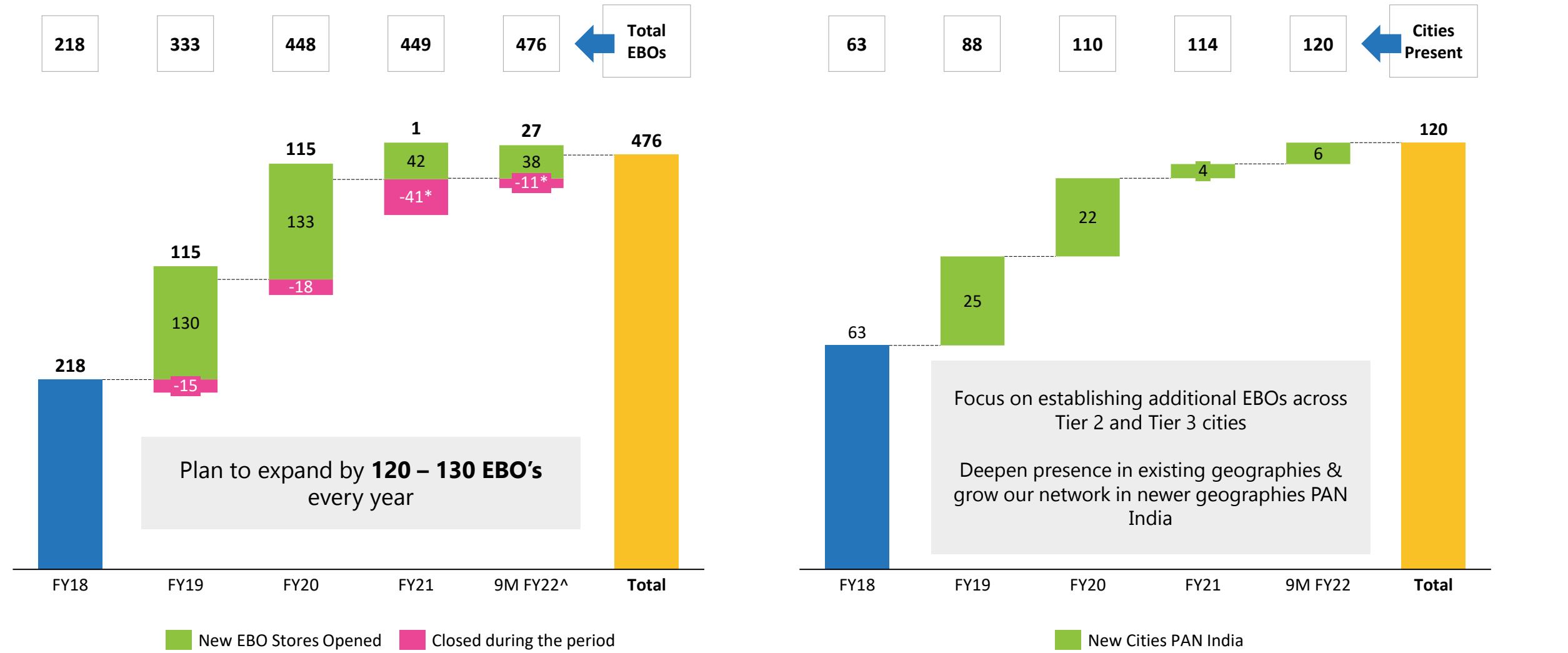
Large Format Stores

1,330

Cluster-based growth

57.98%

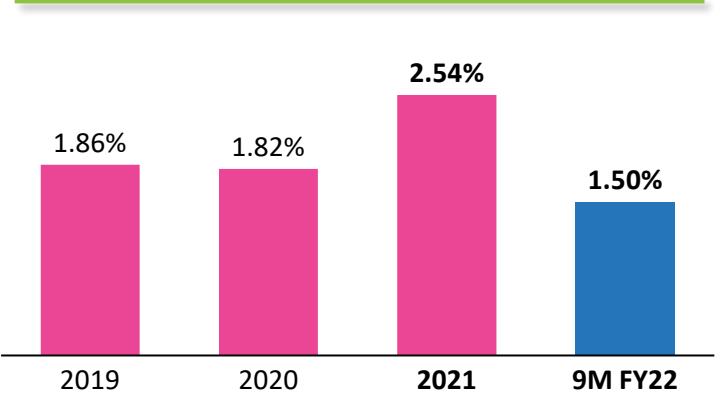
EBOs across 8 cities



* Majority of stores closed down in FY21 and 9M FY22 are due to COVID impact
^ 9M FY22 stores are net of replacements



Prudent use of resources to undertake brand-building initiatives and gain visibility



One of the highest yield on Marketing Spend Among Peers

Rs. 55.4 of Revenue
on every rupee of Advertisement Spent



Store at high footfall location with large external hoardings

Go Colors utilizes its EBOs as its primary advertising channel

Outdoor marketing initiatives include leveraging advertisements through large hoardings at vantage points, bus shelters and metro pillars

Situated in locations with significant footfalls, increasing brand visibility and enhancing brand equity and recall

Significant importance on digital marketing by creating frequent consumer generated content uploaded across social media platforms



Standardized visual designs and layout of the store



Efficient Space Utilization offers one of the highest sales per square foot in the industry

Average Store Size (Sq. ft.)

200 - 500

Average Selling Price*

Rs. 659

Present across

120+ cities

Average Investments for 1 EBO store

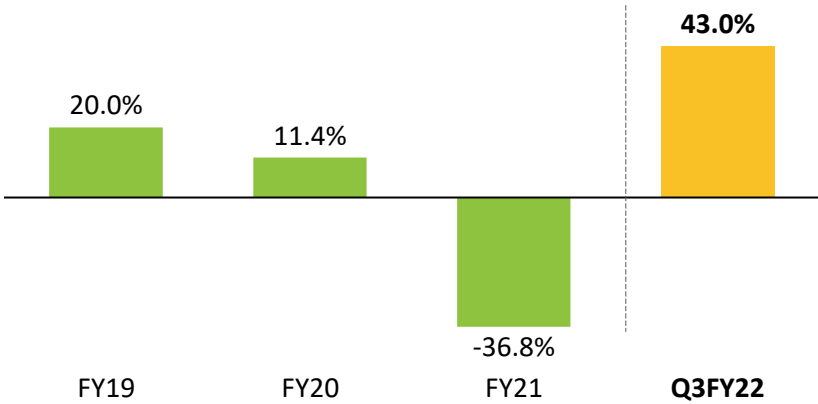
Rs. 35 Lakhs

Payback Period

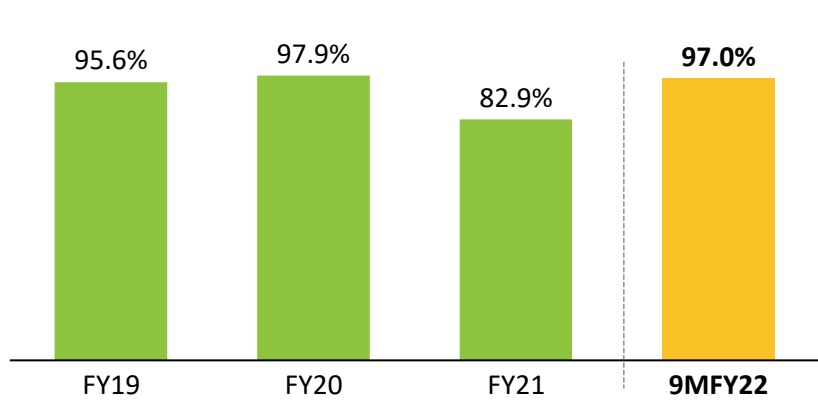
15 – 18 months

- Store location and size optimized, ensuring the sustainability of store profitability
- Ability to identify the stores at the right location and limited store closures resulted in healthy SSSG
- Product portfolio resistant to redundancy from vagaries of fashion trends and seasonality (round-the-year relevance)
- Given that bottom-wear is a ‘core essential’, demand for our products is consistent which results in limited discounting and higher full-price sales

Healthy Same Store Sales Growth (in %)



Full Price Sale (% of EBO Sales)



* ASP is for 9M FY22

Outsourced Manufacturing

- Manage an extensive sourcing network to support product development teams
- 73 suppliers and 42 job-workers spread across 11 states and UTs
- Longstanding relationship with suppliers and job-workers
- Work closely with suppliers, supervising manufacturing and conducting inspections for quality checks

Sourcing Team

- Sourcing team closely monitors suppliers and provides strict quality assurance analysis
- Regular inspections of fabrics sourced from suppliers helps consistently maintain product and service quality
- Stringent norms of quality assurance at various levels through quality control mechanisms
- Track suppliers' capacity and output to ensure production requirements are met and finished products are procured in a timely manner

Centralized Warehouse

- Inventory, logistics and entire supply chain for all channels managed from warehouse in Tirupur, Tamil Nadu
- Warehouse spread over >99k square feet
- Implemented end-to-end automation in inventory operations resulting in seamless and optimal inventory management
- Implemented business intelligence tool for inventory optimization, avoiding stock-out and ensuring sufficient supply at stores

Supply Chain Automation

- Entire procurement and supply chain operation automated through ERP system
- Helps maintain flexibility while meeting requirements in an efficient manner without relying on any one vendor, supplier or factory
- Procurement needs streamlined avoiding over or under-stocking
- SCMS & internal controls minimize product shortage and occurrence of out-of-stock events enabling efficient operations and high productivity

GO COLORS!



Forecasting

- Concept development and trend forecasting to develop new styles and products
- Participate in fairs or exhibitions in India or abroad to better understand trends
- Address evolving market trends and customers' preferences

In-House Design

- Skilled team of 10 in-house designers and merchandisers
- Focus on creating quality products with innovative designs and optimal fit / sizing
- Products designed keeping in mind trends in fashion, fabric, textiles, wear ability, stitch and pricing
- Products designed for every occasion including for daily wear, office wear, festive, denim and lounge wear

Data Analytics

- Product launches based on ERP generated business intelligence reports
- Research and data-driven design process
- Product design and development based on market research and customer feedback



Mr. Prakash Kumar Saraogi
Managing Director

- Promotor of Go Fashion (India) Limited
- >28 years of experience in garment manufacturing, the fashion industry, and retail industry
- Holds a bachelor's degree in chemical engineering from Anna University, Chennai



Mr. Gautam Saraogi
Executive Director and CEO


- Promotor of Go Fashion (India) Limited
- >10 years of experience in consumer retail, marketing, brand building and garment manufacturing
- Holds a bachelor's degree in commerce from University of Madras and an executive diploma in marketing management from Loyola Institute of Business Administration, Chennai
- Has received a token of appreciation for his contribution to the Chennai Retail Summit 2018



Mr. R Mohan
Chief Financial Officer

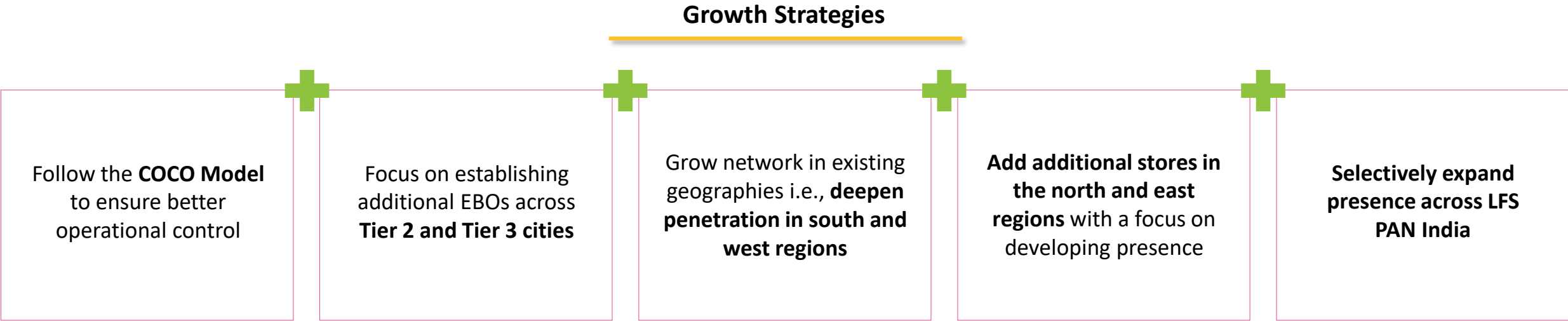
- Chartered accountant by profession and has been associated with our Company since 2019
- Holds a bachelor's degree in commerce from Bharathiar University and is a member of the ICAI since 1991
- Served as the chairman of the Coimbatore Branch of Institute of Chartered Accountant India from 2000 to 2001
- Member of economic affairs and taxation panel of Confederation of Indian Industry, Coimbatore from 2016 to 2017



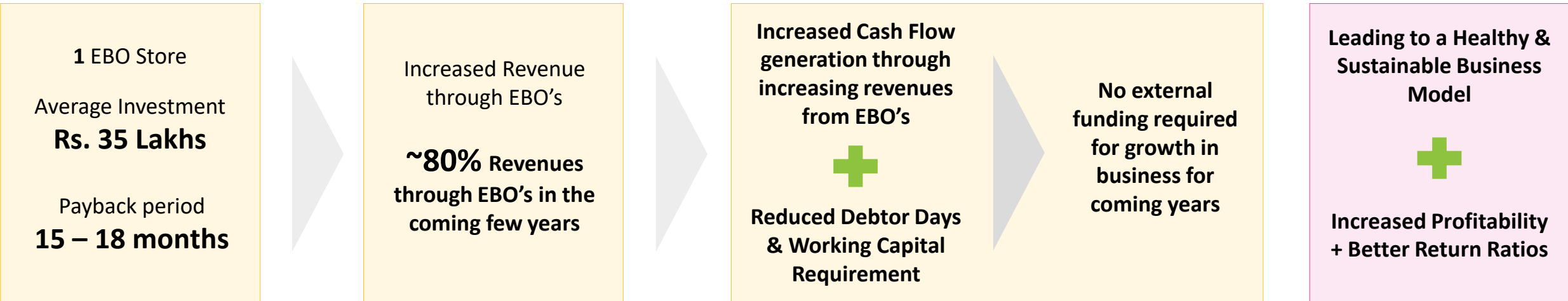
- 
- 1 Continue to Expand Retail Network with a ***Focus on EBOs***
 - 2 Grow Sales Through ***Online Channel***
 - 3 Leverage Technology to Bring Cost Efficiency and ***Enhance Customer Experience***
 - 4 Leverage Leadership Position in ***Women's Bottom-Wear***



1. Continue to Expand Retail Network with a Focus on EBOs



Plan to expand by 120 – 130 EBO's every year

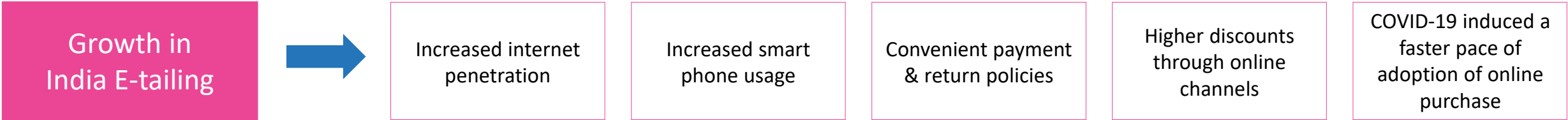




2. Growth through Online Channel

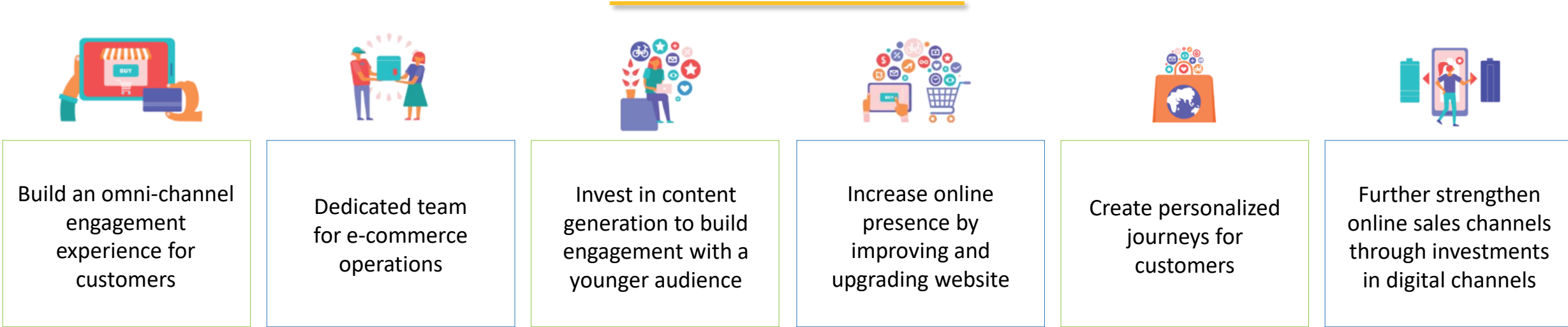


E-retail in India has witnessed rapid growth and is expected to reach ₹ 7.8 trillion by FY25 growing at 23% CAGR ⁽¹⁾



Sales from online channels for Go Fashion is Rs. 9.25 crores in 9M FY22 (3.24% of Sales) - CAGR of 72% from 9M Dec'19 to 9M Dec'21

Growth Strategies

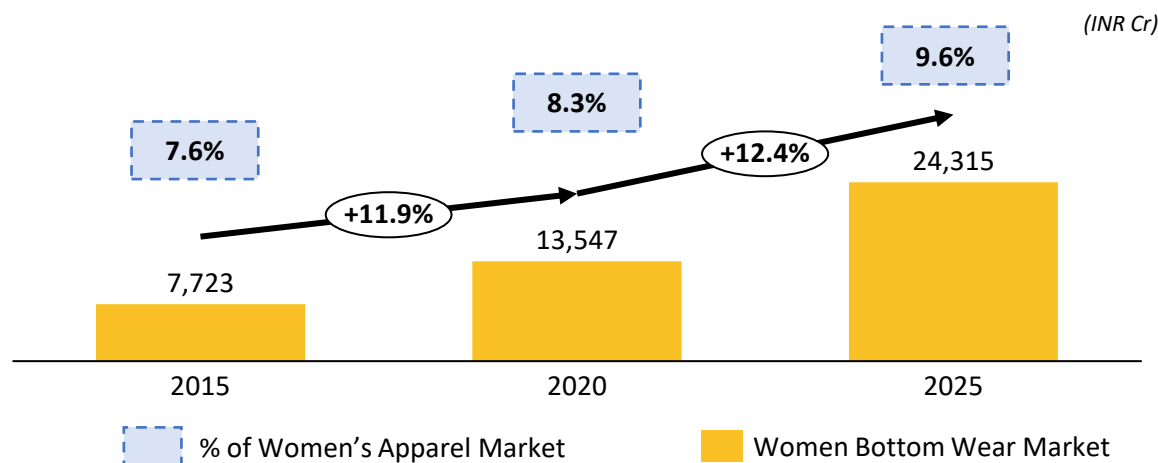


Note: (1) FY20-FY25
Source: Technopak Report

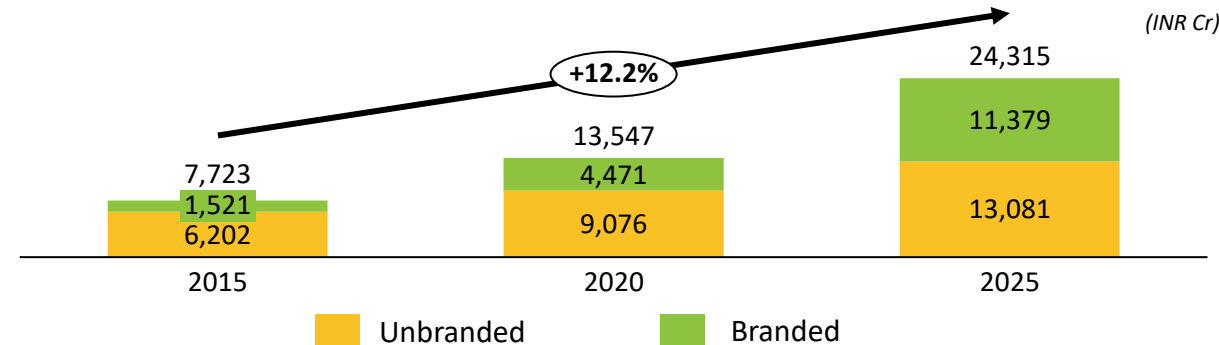


3. Leverage Leadership Position

WBW market expected to grow at **12.4% CAGR** reaching **Rs. 243 Bn by FY25**



Branded women's bottom-wear market expected to see continued high growth in future



From 2020-25 Share of Branded WBW expected to Grow at 20.5% CAGR v/s 7.4% CAGR of Unbranded WBW Segment

Go Colors has the **early mover advantage** in exclusive bottom-wear category with **8% market share**

With relatively low organized / branded penetration and modern women's growing disposable income, branded WBW market is expected to reach Rs. 114 billion in FY25

Shift from unorganized to organized sector
Positioned to benefit from growth given the fragmented nature of the industry

Scope for Expansion
WBW is a horizontal category enabling multiple extensions and new products
Expand into loungewear, a work-from-home collection, athleisure and other new products in the ethnic, western and fusion wear segments

Leverage Technology to Bring Cost Efficiency and Enhance Customer Experience



2016

‘Images Retail Award’

Most admired retailer of the year – Concept Stores



2019

Transforming India Retail Award



2019

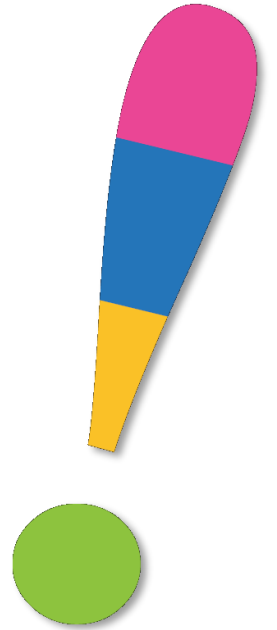
‘Sustaining Enterprise of the Year’

at the TIECON, Chennai





Financials



Historical Balance Sheet Statement

EQUITY AND LIABILITIES (in Rs. Crore)	31-Mar-21	31-Mar-20	31-Mar-19
Equity			
Share Capital	79.0	79.0	79.0
Other Equity	203.9	207.3	149.3
Total Equity	282.9	286.3	228.3
Liabilities			
Non Current Liabilities			
Lease liabilities	217.3	179.4	144.0
Provision	2.1	1.4	0.7
Total Non Current Liabilities	219.4	180.9	144.8
Current Liabilities			
Borrowings	10.4	2.8	8.3
Lease liabilities	4.6	27.4	1.5
Trade payables	10.7	10.5	13.8
Other financial liabilities	3.4	2.9	1.6
Current tax liabilities (net)	1.8	0.0	0.0
Other current liabilities	11.7	5.3	4.9
Provisions	3.4	3.2	1.0
Total Current Liabilities	46.0	52.0	31.0
TOTAL EQUITY & LIABILITIES	548.4	519.2	404.1

ASSETS (in Rs. Crore)	31-Mar-21	31-Mar-20	31-Mar-19
Non Current Assets			
Property, plant and equipment	58.4	60.3	47.3
Capital work-in-progress	8.6	8.1	2.0
Intangible assets	0.5	0.7	0.5
Right-of-use assets	200.6	194.7	137.7
Financial Assets			
Other financial asset	23.7	20.3	17.9
Deferred tax assets (net)	7.7	5.6	3.2
Other non-current assets	0.8	1.3	0.2
Total Non-Current Assets	300.2	291.0	208.8
Current Assets			
Inventories	81.0	105.9	69.5
Financial Assets			
Investments	46.4	8.9	23.5
Trade receivables	47.1	55.6	40.1
Cash and cash equivalents	13.2	0.1	10.6
Bank balances other than cash	26.5	32.4	33.0
Other financial asset	7.1	5.5	1.8
Current tax assets (net)	0.0	1.8	1.5
Other current assets	26.9	18.0	15.5
Total Current Assets	248.2	228.2	195.3
TOTAL ASSETS	548.4	519.2	404.1



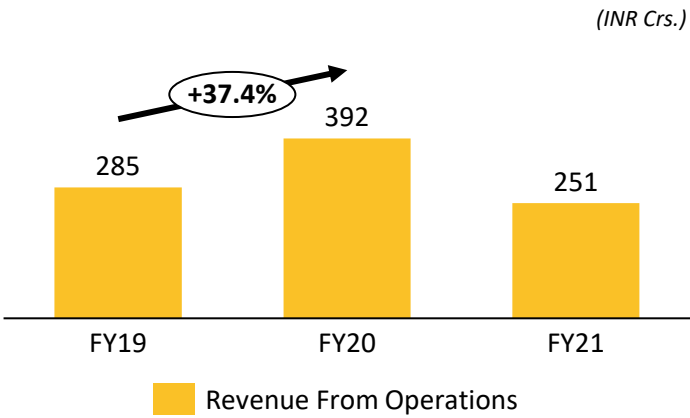
Historical Profit & Loss Account Statement

Particulars (in Rs. Crore)	31-Mar-21	31-Mar-20	31-Mar-19
Total Revenue	250.7	392.0	285.2
Cost of Materials Consumed	92.2	130.0	94.5
Subcontracting Charges	11.8	27.6	20.5
Gross Profit	146.7	234.5	170.3
Gross Margin	58.5%	59.8%	59.7%
Employee Cost	61.5	62.0	42.0
Other Expenses	38.9	46.0	48.4
EBITDA	46.3	126.5	80.0
EBITDA Margin	18.5%	32.3%	28.0%
Other Income	31.6	4.8	5.7
Depreciation	60.5	46.6	32.1
EBIT	17.4	84.8	53.6
Finance Cost	20.6	16.5	11.4
Profit before Tax	-3.2	68.3	42.2
Tax	0.4	15.7	11.3
PAT	-3.6	52.6	30.9
PAT Margin	-1.4%	13.4%	10.8%
EPS (in Rs.)	-0.68	10.08	5.93

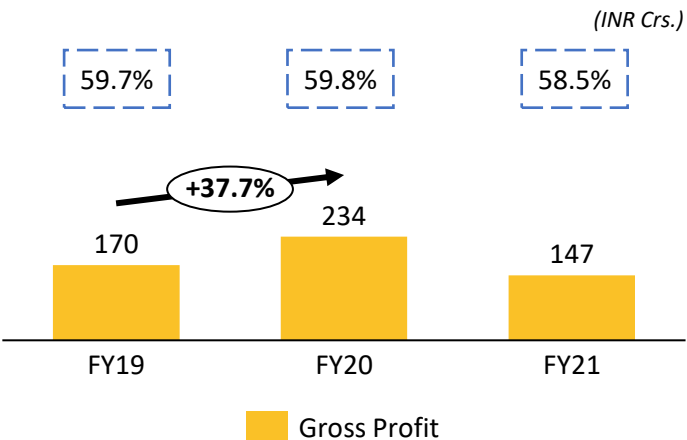


Demonstrated Track Record of Strong Financial Performance

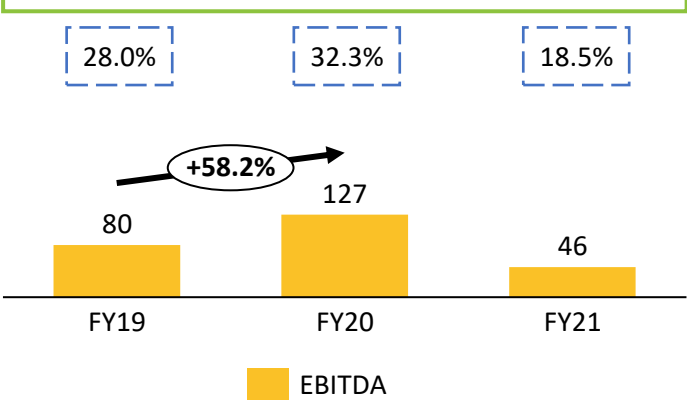
Robust, organic revenue growth...



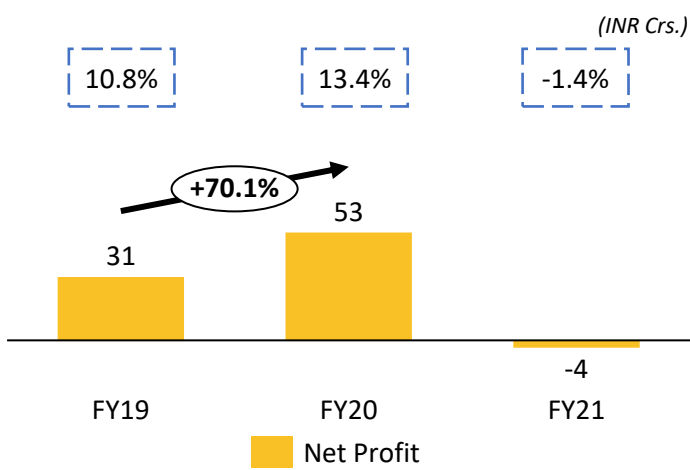
...with exceptional Gross margins



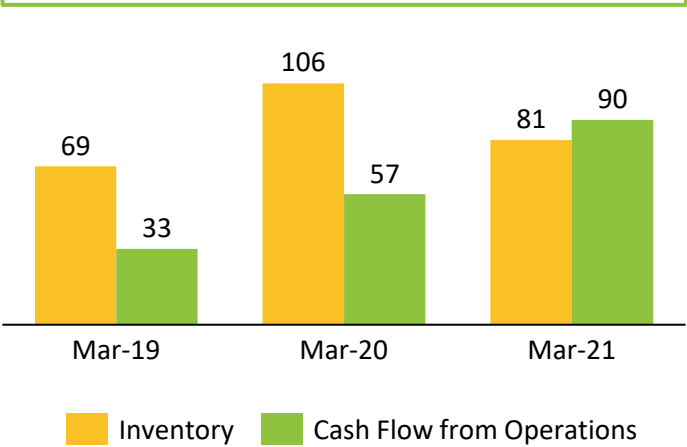
... and tight operational control leading to high EBITDA margin



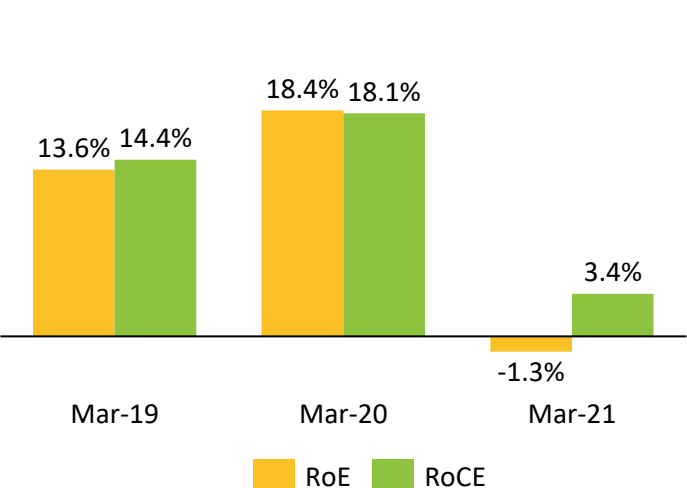
Steady growth in profits...



... with well managed inventory leading to high cash conversion...



... and best-in-class return metrics



Note - FY21 Financials Impacted on account of COVID-19 induced lockdowns



November 2021

**Listing of Go Fashions (India) Limited
on BSE & NSE**

GO COLORS!

IPO Price: Rs. 690 per share

**Gross Proceeds from the Fresh Issue:
Rs. 125 crores**

Objects of the Fresh Issue:

- Funding roll out of 120 new EBOs (Exclusive Brand Outlets)
- Funding working capital requirements
- General corporate purposes



THANK YOU!

Company: Go Fashion (India) Limited

CIN: L17291TN2010PLC077303

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