

Talwalkars Better Value Fitness Ltd.
Regd. Off.: 801/813, Mahalaxmi Chambers, 22, Bhulabhai Desai Road, Mumbai 400 026.
Tel.: 6612 6300. Fax: 6612 6363. Website: www.talwalkars.net CIN: L92411MH2003PLC140134



Date: 30th October, 2018

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001.

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G Block, BKC,
Bandra (East), Mumbai - 400051.

Dear Sir,

Re: **Talwalkars Better Value Fitness Limited; Scrip Symbol: TALWALKARS; Scrip Code: 533200**
Sub: **Updates on Unaudited Financial Results for the quarter ended 30th September, 2018**

We are enclosing herewith the updates on the Unaudited Financial Results for the quarter ended as on 30th September, 2018.

Kindly take the same on records and acknowledge the receipt of the same.

Thanking You.

Yours faithfully,
For **Talwalkars Better Value Fitness Ltd.**

Avanti Sankav
Company Secretary & Compliance Officer

Being Healthy and Fit isn't a Fad or trend
Its a Lifestyle !!

Talwalkars Better Value Fitness Limited
Q2FY19 - 30th October,2018

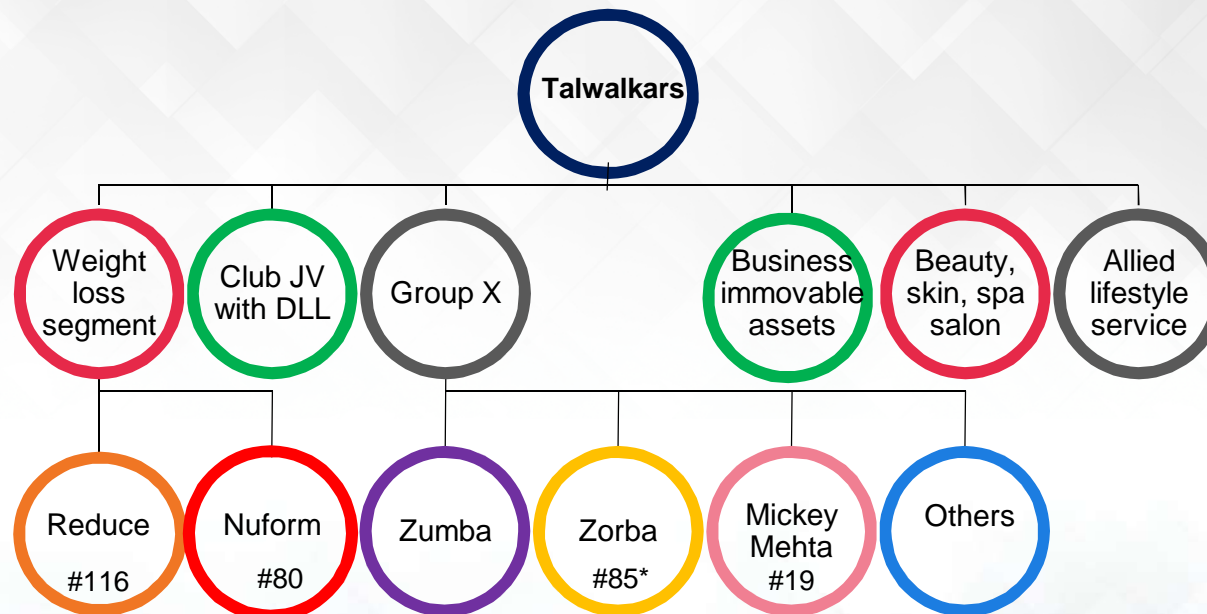


Discussion Points

- Business Segments
- Business Model
- Key Developments
- Result Update
- Going Forward



Our Business Segments



- Includes other brands like divayoga, low cost Zorba model
- Includes brands like Medastouch and other Spas

no of centers

- Home based weight loss solution designed to offer an effective, convenient and flexible program. **It involves portion control, with inclusion of foods that are low in fat and high in fiber.**
- Reduce offers a scientific 3-meal diet to promote weight loss.
- Provision of ready-to-eat-and-cook food products (licensed with FSSAI)
- Available across all the centers, with online support and on Mobile Apps
- Online portals and doorstep delivery is an added convenience
- Member Daily weight Tracking Mechanism in Place
- Courier tracking mechanism adapted that enabled premium servicing to customers



65+ Products



Dedicated Dietician



Weight control Kit



No Dieting



For more information log on to : <http://www.reduceetalkars.com/>

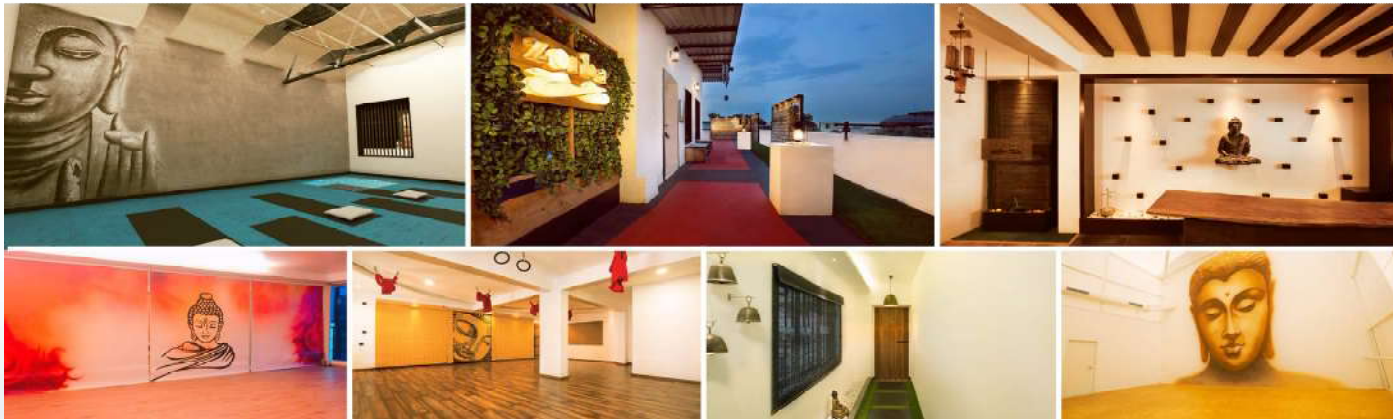
- Nuform uses Electric Muscle Stimulation technology perfectly blending weight loss and muscle toning to deliver overall fitness
- Uses electrical impulses to stimulate and exercise deep muscle groups, resulting in weight loss, improved muscular strength and endurance, enhanced flexibility and back pain relief
- Available in 80 centers and expanding with doorstep service and also corporate services
- Elevated home-based and corporate services
- High level customer response showing trajectory growth
- High on capex and a premium product
- Enables boost ROI and cashflows



Nuform equipment

(For more information log on to www.talwalkars.net/jt/20/talwalkars-nuform)

- Zorba is India's largest organised yoga chain.
- It is a wellness service aimed at providing quality health .
- Zorba introduced 25 yoga forms of yoga along with contemporary props to the traditional practice, each prop and form judiciously designed to engage the mind, body and soul.
- Business model is EBIDTA accretive and has high return ratios; aimed to increase audience engagement across age brackets



(For more information log on to : www.wearezorba.com/)

- Zorba and Malaika Arora introduces Diva Yoga
- Diva Yoga is a one of its kind transformation program for a woman's overall well being.
- We believe that every woman is a Diva - and we wish to help her realise this truth. We aim to bring her innate diva-ness to the surface, where her inner beauty can shine through.

A woman plays many different roles in a lifetime - mother, sister, daughter, friend, lover. Through it all, she essentially is always A Diva on the inside.

A goddess blessed with the power of bringing forth life, a Goddess that completes the planet, a Goddess that balances energies with both her power and tenderness.



For more information log on to www.divayoga.com/



Zumba

- Zumba comprises a total workout, combining all elements of fitness- cardio, muscle conditioning, balance and flexibility
- It also offers range of classes for strength training, muscle toning and core training .
- Offered within the fitness centres and studios
- Recommended for one hour, thrice-a-week

Zumba Merchandise

- Sole distributors for Zumba merchandise in India
- Also acquired Distribution Rights for Zumba Merchandise in Bangladesh, Nepal. Sri Lanka, Maldives.
- Developed and launched www.zumbashop.in



For more information log on to: <https://www.zumbashop.in/>

Dr. Mickey Mehta 360° Wellness Temple



- Dr. Mickey Mehta is a global holistic health guru, a life coach, a philosopher and an author.
- He has revolutionised the concept of “Learn Swimming in 24 hours “, which has put him in the Limca World records”.
- Dr. Mickey Mehta’s 360 degree Wellness Temple is a holistic fitness cum wellness proposition to all age groups.
- Mickey has interwoven the philosophies of Zen, Tao, Tantra, Vedas and more to develop holistic health systems that form a base for his signature wellness workouts .



For more information log on to (www.mickeymehtahbf.com/)

- Medas Touch introduced by Dr. Mickey Mehta extends to cover Ayurveda.
- It will include Theme Therapy, nutrition, catering and nutraceuticals.
- The Therapies offered have been designed to deliver specific health benefits such as detoxification, improved skin health, increased energy, enhanced stamina, and better sleep.
- It would be devoted to enhancing overall well-being through a variety of professional services that encourage the renewal of mind, body and spirit.

For more information log on to www.medastouch.com/

David Lloyd Leisure Talwalkars Club



- David Lloyd Leisure (DLL) and Talwalkars Better Value Fitness Ltd (TBVF) have created a joint venture company in order to build and operate leisure clubs in India (DLL Talwalkars Club Private Limited)
- The first club is being built in Wakad, Pune .
- The Company plans to go across the country with this brand of clubs after the Pune property stabilises and sets a template for the clubs in India.
- It aims to combine the expertise of DLL in building and operating premium family-orientated clubs with TBVF's knowledge of the Indian health & fitness market
- There are currently only a small number of 'clubs' in the Indian market, but these typically are difficult to access due to long waiting lists, are highly priced and do not always offer the level of service and quality of facilities seen in other countries
- It further also plans to provide Consultancy services for setting up clubs in townships and gated communities

For more information log on to <http://www.talwalkars.net/jt/18/talwalkars-david-lloyd-leisure-club>

Business Model

CAPEX & OPEX MODEL	REDUCE	NUFORM	ZORBA	GROUP-X	SPA	MASSAGE
Capex (INR in Mn)	2-3	4-5	4-4.5	1-2	2-3	2-2.5
Pricing (INR)	20,000-22,000 per quarter	36,000-42,000 per annum	2,500-3,000 per month	1,500-2,000 per month	1,500-2,500 per session	800-1,200 per session
Potential Revenue (per center/ Mn)	2.5-3	2.5-3.5	1.5-2	1-1.2	1.75-2	1.2-1.5
EBITDA Margins (%)	50-55%	43-45%	60-64%	55-58%	60-65%	58-63%

Lifestyle Services are highly scalable with Higher return ratios and profitability with relatively lower capex involved .

Key Developments – Q2FY19

DLL Talwalkars Club



Construction Site

The Club pre-sales were initiated in Mid-August and it is received an overwhelming response.

The Club team had made a unique invitation to the members of the inner circle of Pune and Mumbai.

The initial club membership is priced between Rs.80,000 to Rs.15 lacs.

Key Developments – Q2FY19

Zorba

- 4 new standalone studios were launched in Bangalore and taking over 1 in Chennai .
- Zorba tied up with Oyo Rooms – India's largest hotel aggregator company, having 7000 hotel. They have 160 directly operated hotels called Townhouses in which the Zorba
- 1 Zorba low cost model was launched in TC Palya, Bengaluru.
- Diva Yoga was launched on 12th October, 2018 in Mumbai's** upmarket residential and shopping district- Home to most Bollywood celebrities- Hill Road, Bandra West.
- Rs.15.45 cr was raised in Zorba to fund its global expansion currently targeting Middle East and Europe. A further round of fund raising of ~Rs.8 crores was concluded in this quarter.

मलाश्रवा दिवा योग स्टुडिओ

FIT & FAB

Diva Yoga was launched on 12th October, 2018 in Mumbai's upmarket residential and shopping district- Home to most Bollywood celebrities- Hill Road, Bandra West. The team worked in full swing to open the center before Diwali

Key Developments – Q2FY19

Mickey Mehta

Various seminars are conducted by Dr. Mickey Mehta to spread awareness about holistic wellness and to make fitness a No 1 religion for all



SBI Go Green Marathon



Seminar in Mumbai township

Key Developments – Q2FY19

August Scheme

The Company during its August Scheme engaged the customers and members in lot of activities for them to experience all our products. Few of the creatives for the same are given below



Every member during the August Scheme had got a 1 week of Reduce package as a trial to create awareness.



Terms & Conditions

- This voucher can be redeemed only at Talwalkars Better Value Fitness Ltd., Cochin Branch
- This voucher cannot be exchanged for cash or cheque
- No duplicate will be issued if this voucher is lost or misplaced
- Validity of this voucher is from _____
- The holder of this voucher is deemed to be the beneficiary
- This voucher has to be redeemed in full and partial redemption will not be allowed in any form
- Any dispute should be referred to the company and the decision of the company shall be final
- This voucher has been issued subject to terms of the company
- This voucher can be redeemed for the face value as mentioned on the voucher

2nd Floor, Puthuram Plaza, Opp Kpec Ground Junction, Near Maharaja College Ground,
Cochin - 682011. Tel: 0484-2382696/97

For more details, please contact: 022-66553636 | Email: care@talwalkars.net



Trial Pass 1 side

Trial Pass front / back

Key Developments – Q2FY19

Reduce

Reduce was introduced in 11 new centers in this quarter during the August Scheme.

3 new products have been introduced in this quarter i.e Oats & Cranberry cookies, Oats & Flaxseed Crackers and Pizza Strips .

Zumba

Apart from the online portal of Zumba , the Company has created a network of the Zeetailers who market and sale the Zumba Merchandise . The Zeetailers are on feet on the streets of the cities highlighted. It also has ZEEtailers in Bangladesh and SriLanka .



Result Update

Consolidated Results

Rs. In mn

Particulars	Quarter ended			Half Year ended		
	30.09.2018 Unaudited	30.09.2017 Unaudited		30.09.2018 Unaudited	30.09.2017 Unaudited	
Sales	216.60	165.40	31%	368.29	253.53	45%
EBITDA	151.27	108.97	39%	247.68	172.83	43%
PAT*	54.25	27.51	97%	78.90	28.86	173%

* PAT after Share of Profits from Associates

Profit and Loss

Consolidated Profit and Loss Statement	Quarter ended			Year ended		
Particulars (Rs. mn)	Sep-18	Sep-17	QoQ%	Sep-18	Sep-17	YoY%
Income from Operations	182.39	165.75	10.04%	302.26	253.00	19.47%
Other Income	34.21	(0.35)		66.03	0.53	
Total	216.60	165.40	30.96%	368.29	253.53	45.27%
Expenditure						
Personal Cost	28.96	25.59	13.17%	51.41	36.53	40.74%
Admin & Other Exp	36.37	30.84	17.92%	69.20	44.18	56.67%
Total	65.33	56.43	15.77%	120.61	80.71	49.46%
EBITDA	151.27	108.97	38.82%	247.68	172.83	43.31%
Depreciation	45.17	39.30	14.94%	89.75	81.35	10.33%
EBIT	106.10	69.67	52.30%	157.93	91.48	72.63%
Interest	45.02	33.65	33.81%	84.48	52.68	60.39%
PBT	61.08	36.02	69.56%	73.45	38.80	89.26%
Tax	13.33	8.51		6.10	9.94	
PAT	47.75	27.51	73.54%	67.35	28.86	133.29%
Share of Associates	6.50	-	-	11.55	-	-
PAT after Share of Associates	54.25	27.51	97.17%	78.90	28.86	173.31%

Immense contribution from each segment has augured Robust Income

Other Income includes Rental Income

Each Segment's Operating Cost is tightly controlled and synergies from each has improved the EBITDA margins

EBITDA margins stood at 69.84%
PAT margins 25.05%

EPS for the half year stood at 2.54 vs 0.97 last year

Balance Sheet

Consolidated Balance Sheet	Half Year Ended	Year Ended
Particulars (Rs. Mn)	Sep-18	Mar-18
EQUITY AND LIABILITIES		
Shareholders' Funds	2116.33	2073.42
Minority Interest	164.90	0.00
Long Term Borrowings	2071.53	1930.50
Other Non-current Liabilities	341.99	365.76
Current Liabilities	195.38	133.28
Total Equity & Liabilities	4890.13	4502.96
ASSETS		
Fixed Assets	3581.72	3366.34
Non-current investment	200.20	50.00
Other Financial Assets	0.40	10.62
Other non-current Assets	195.70	283.62
Total Non-current Assets	3978.02	3710.59
Inventories	3.94	3.14
Trade Receivable	85.58	73.34
Loans	50.94	36.00
Cash & Bank Balance	683.37	542.50
Other Current Assets	88.28	137.39
Total Current Assets	912.12	792.37
Total Assets	4890.13	4502.96

Strategy Ahead



Going Ahead

Reduce : Widen products range; strengthen distribution channels (online and offline); Plans to grow FMCG way and also capitalize on the online portal opportunities providing holistic solutions

Nuform: Elevating home-based services and corporate program; open standalone centers; market Nuform nationally.

Zumba: The Company is strategizing to encash the craze on the ZIN and ZES network to increase its sale of merchandise in and outside

Zorba & Divayoga : Increase footprint (India and abroad)

Weight Loss : The Company is actively looking at the possibility to foray into the online weight loss and nutrition to aid the existing infrastructure. This will be done in conjunction with a player who has knowledge and experience in the online space. The idea is to essentially expand online in Weight Loss and Nutrition without incurring initial capital and capturing the segment

DLL Talwalkars Club : The Club in Pune will be operational shortly. Further clubs will be looked only after measuring the success of Pune Club.

Dr. Mickey Mehta 360 degree Wellness Temple: Expansion of existing centers. Focus on functional training , Learn Swimming in 24 hours , Grow Tall program and weight management program

Medas Touch : To promote theme therapies and optimally utilize the existing infrastructure of the company

Properties : The Company has engaged consultants for structuring and monetizing its properties.

Disclaimer

Talwalkars Better Value Fitness Ltd. Disclaimer:

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management of the Company. ("Company" or "Talwalkars Better Value Fitness Ltd"), which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from. This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

Girish Nayak
Chief Financial Officer
Phone: +91 22 66126300
Email: girishn@talwalkars.net

Akshata Nayak
Manager– Investor Relations
Phone: +91 22 66126392
Email: akshatan@talwalkars.net

Thank You