



# RENAISSANCE GLOBAL LIMITED

(FORMERLY RENAISSANCE JEWELLERY LIMITED)

CIN.: L36911MH1989PLC054498

REGD. OFFICE / UNIT I : PLOT NO. 36A & 37, SEEPZ, ANDHERI (E), MUMBAI 400 096.

TEL. : 022-4055 1200 | FAX : 022-2829 2146 | WEB: www.renaissanceglobal.com

## Business Disruption due to Covid-19 Revenues at ₹ 1,856 mn; de-growth of 69%

**Mumbai, August 14, 2020:** Renaissance Global Limited (RGL), India's largest exporter of branded jewellery and supplier of licensed brands to leading global retailers, reported its unaudited and reviewed results for the quarter ending 30<sup>th</sup> June 2020 as approved by its Board of Directors.

### Financial Highlights

- Revenue at ₹ 1,856 million for Q1 FY21 vs. ₹ 5,978 million for Q1 FY20; de-growth of 69%
- Revenue share of studded jewellery was 87% and that of gold jewellery was 13% in Q1 FY21.
- Healthy geographical distribution of sales across various markets for Q1 FY21 – North America (51%), Middle East (22%) and Others (27%). For FY20 it stood at – North America (58%), Middle East (30%) and others (12%).
- EBITDA (including other income) at - ₹ 111 million for Q1 F21 vs. ₹ 317 million for Q1 FY20
- PAT stood at - ₹ 178 million for Q1 FY21 vs. ₹ 170 million for Q1 FY20
- Inventory as of June 2020 was ₹ 8,421 million. v/s June 2019 inventory of ₹ 9,938 million; inventory reduced by ₹ 1,517 million
- Net Debt reduces from ₹ 4,050 million in Jun-19 to ₹ 3,404 million in June-20; decline of ₹ 646 million.

₹ in millions

Particulars	Q1 FY21	Q1 FY20	% YoY	FY20	FY19	% YoY
Revenue	1,856	5,978	-69%	25,018	25,906	-3%
EBITDA	(111)	317		1,708	1,249	37%
PBT	(248)	183		1,100	818	34%
Tax	(70)	13		178	35	
PAT*	(178)	170		922	783	18%
<b>Revenue Mix</b>						
Studded	1,618	4,034	-60%	18,544	19,108	-3%
Gold	238	1,944	-88%	6,474	6,798	-5%

\*PAT before discontinued operations

### FY21 Business Highlights

#### Focus on Branded Jewellery

We continue with our strategy to focus on licensed brands and our own brand 'IRASVA'

- Disney Treasures, a collection of iconic Disney characters, has been successfully rolled out to 1,000 stores in North America.
- 'Enchanted Disney Fine Jewelry' and 'Hallmark Tokens' are being launched with another major retailer in the United States.
- Launch of Enchanted Disney Fine Jewelry in China, through the deal with Lao Feng Xiang, second largest retailer in China, is delayed. We hope to launch in China in the last quarter of FY21.
- Hallmark Moments has been rolled out to over 2000 stores now and will contribute meaningfully to revenues this year.



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- The Company launched brand “IRASVA” in the Indian market through a joint venture with Bennett, Coleman and Company Limited. We plan to open 2 new stores in Mumbai during the current financial year. The roll out is delayed due to Covid-19 pandemic.

## Growth through Direct-to-Consumer Business

- Our direct to consumer business through our newly launched website has shown robust growth during the year. During Q1 FY21, the direct-to-consumer business has shown a promising growth of 213%.  
(Enchanted Disney Fine Jewelry - <https://www.enchantedfinejewelry.com/>);
- Recently, we also launched a website catering to the Lab Grown Diamonds jewellery space (<https://diamondsmadeforyou.com/>)
- During the year, we plan to launch websites for Star Wars, Disney Jewels, Jewelili and Hallmark Diamonds to further our direct-to-consumer business.
- The online direct-to-consumer business is a high gross margin business with gross margins of 55 to 60%
- We expect to grow the share of this business through all the websites we have launched and plan to launch in the near future

## FY21 Outlook

- We believe the first two quarters of FY21 will be extremely soft due to loss of retail sales because of store closures, lower discretionary spends and overhang of inventory. We expect things to slowly pick up in the third quarter of FY21 and to normalise by the fourth quarter of FY21
- We do see green shoots after the opening of the stores in the US with select retailers. However, it is very early to predict FY21 performance in the current pandemic situation.
- In Q1 FY21, the revenues were down by 69%. In Q2 FY21, the studded jewellery business is trending at a 40% decline while the gold jewellery business is trending at a 70% decline.



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## **About Renaissance Global Limited:**

Renaissance Global Limited is a highly differentiated luxury lifestyle products company. It is the largest exporter of branded jewellery and supplier of licensed branded jewellery through its licensing agreement to sell “Enchanted Disney Fine Jewellery” and “Heart of Hallmark” jewellery collections. The company has long-standing relationships with marquee global retailers like Amazon, Argos, Helzberg, Malabar Gold, Signet, Wal-Mart, Zales Corp. etc. The Company has successfully expanded its product portfolio, backed by strong design capabilities, offering a wide range of studded jewellery namely Diamond Fashion, Diamond Bridal, Gemstone Jewellery in line with latest fashion trends. The company has diversified operations across key markets in USA, UK & Middle East with its global marketing presence through own subsidiaries and via strategic acquisitions over the years.

## **Disclaimer:**

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