



Renaissance Global Limited

Results Presentation

Q2 & H1 FY22



Disclaimer



This presentation and the following discussion may contain “forward looking statements” by Renaissance Global Limited (“Renaissance” or the Company) that are not historical in nature. These forward-looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of Renaissance about the business, industry and markets in which Renaissance operates.

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Renaissance Global Limited

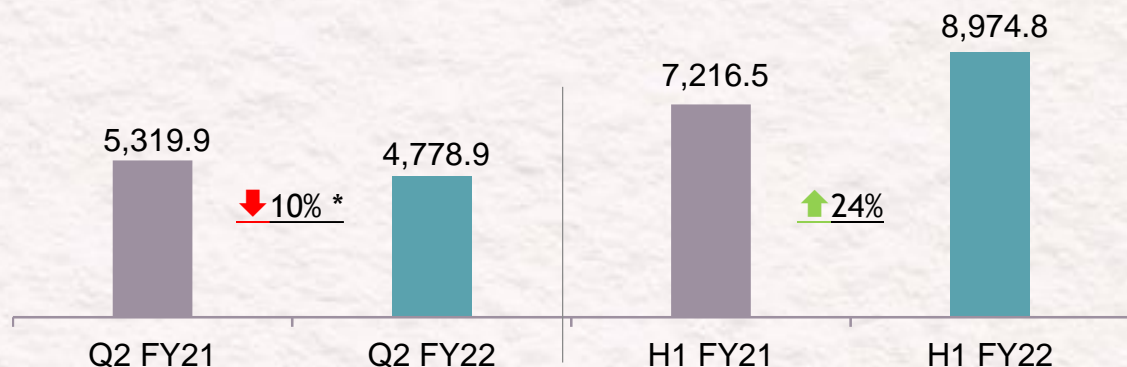
Q2 & H1 Results Overview



Q2 & H1 Financial Summary



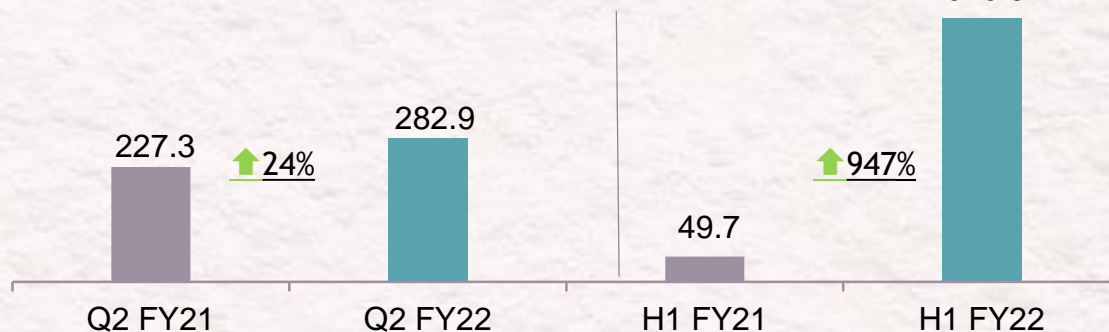
Total Income (Rs. Mn.)



* YoY not comparable, please refer the note below

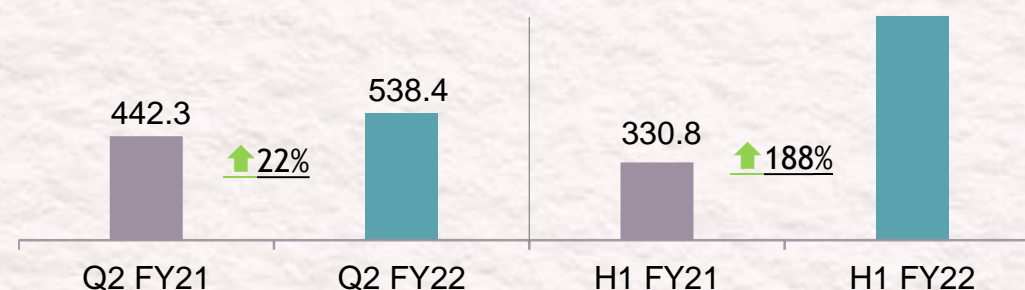
PAT (Rs. Mn.)

PAT Margin (%) 4.3% | 5.9% | 0.7% | 5.8%

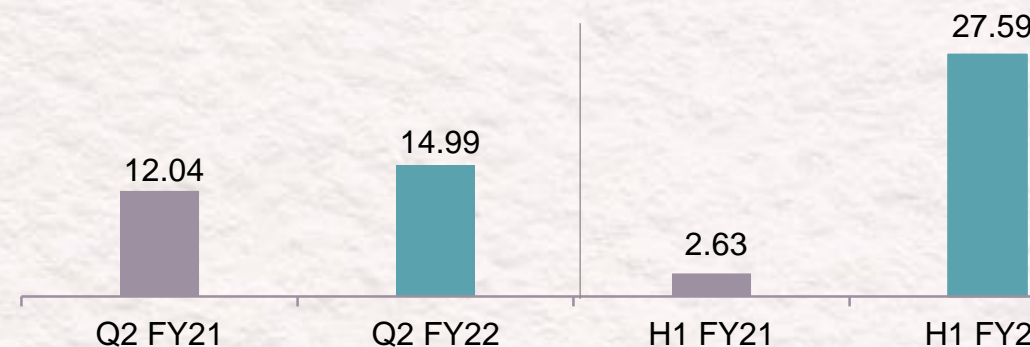


EBITDA (Rs. Mn.)

EBITDA Margin (%) 8.3% | 11.3% | 4.6% | 10.6%



EPS (Rs.)



With effect from 1st Apr 2021, the Company has re-negotiated terms with most customers across its Plain gold division due to which, Renaissance is now recognizing only making charges as revenue for this business. This will meaningfully reduce the reported revenues of the gold division, without impacting EBITDA of this division. On a like-to-like basis, Q2 Total Income growth stood at 4% against reported growth of -10%; Where as for H1 Total Income growth stood at 41% against reported growth of 24%

Management Message



Commenting on the performance for Q2 & H1 FY22, Mr. Sumit Shah – Vice Chairman and Global CEO, Renaissance Global Limited said,

"We are pleased to share that we have reported an encouraging performance in the second quarter of the fiscal, with Q2 total income higher by 4% and PAT growth up by 24%, YoY and H1 total income higher by 41*% and PAT up by 9.5 times YoY. The growth was primarily driven by improved contribution from our high-margin branded jewellery segment, as well as robust YoY growth in our direct-to-consumer business. In the quarter, we saw strong recovery in consumption across our key global markets in North America and Europe, which further assisted performance.*

Our global branded business is a key strategic growth focus area for us. In order to strengthen this segment, we have recently established a Strategic Advisory Board comprising three renowned executives with diverse industry experience. This Board will be working closely with our leadership team, offering direction and guidance at key stages of our future projects, steering Renaissance towards the next phase of stronger and sustainable growth.

During the quarter, we also announced the acquisition of Everyday Elegance jewellery. This transaction is in-sync with our strategy to expand presence in the global Branded Jewellery space.

Our long-term strategy is to efficiently grow our branded jewellery business across key international markets. Through our strategic licensing model, we have partnered with global iconic brands such as Hallmark and Disney. Our endeavor is to extend this model across newer brands, which will further fortify our position in the global branded jewellery industry. Within this segment, our Direct-to-Consumer business is an exciting growth prospect. In the last 15 months, we have launched six direct-to-consumer websites and are pleased to share that these channels have received excellent consumer response. We will be further augmenting our D2C portfolio in the coming months with the launch of additional websites. Overall, we are confident of our growth potential and the opportunities across our key geographies in North America, Europe, China, and other international markets."



* On a restated basis after adjusting for plain gold revenues

Key Developments



Established a Strategic Advisory Board (SAB)

- * The SAB, comprising three renowned executives with diverse industry experience, will be working closely with Renaissance's leadership team, offering guidance and direction on the strategic growth initiatives
- * Given the vast and untapped potential in the global branded jewellery industry, the Company will be efficiently steered by the collective expertise and knowledge towards the next leg of stronger and sustainable growth
- * The Board will be involved in key stages of future projects for the Company, paving the way for a robust all-round performance

Acquisition of Everyday Elegance jewellery

- * The Company, through its wholly owned subsidiary Renaissance jewellery New York, acquired 100% assets of Everyday Elegance for a total consideration of USD 0.9 million
 - ~35% of this acquisition cost is towards inventories of Everyday Elegance
- * This acquisition is in-sync with Renaissance's strategy to expand presence in the high-margin global Branded Jewellery space. It will further strengthen Renaissance's resolve to expand its presence across global ecommerce marketplaces
- * Everyday Elegance is based in California and specializes in high-quality metals including 14K gold, platinum, and sterling silver, as well as top-grade diamond substitute gemstones like cubic zirconia moissanite

Key Developments



Awarded India's largest exporter of Studded Precious Metal Jewellery at the 46th GJEPC Awards function

- * Renaissance has received this prestigious prize for the ninth time
- * The Company was evaluated based on its outstanding export performance and value additions to the Industry

Growing Direct to Consumer (D2C) Business

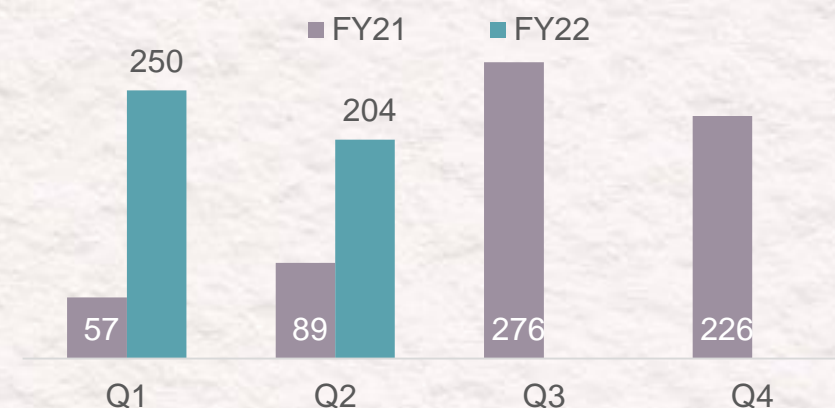


- * During Q2 FY22, D2C business grew by 129% YoY driven by higher consumption across key markets
 - On a QoQ basis, revenues were lower as Mother's Day Holiday sales happened during Q1 FY22, with no major sale opportunities in Q2 FY22
- * The D2C business is a high-margin business, with gross margins in the range of 55-60% and EBITDA margins in the range of 20-22%
- * The business enjoys a strong return profile with ROEs in the range of 60-65%
- * Based on Company estimates of this quarter's contribution to annual sales, annual expected revenue run rate is at Rs. 1,225 million in FY22 vs. actual FY21 revenues of Rs. 649 million
- * D2C portfolio to be further augmented with the launch of additional websites



Kindly click on the logos above to visit Renaissance's D2C websites

Quarterly D2C Sales Trend (Rs. Mn.)



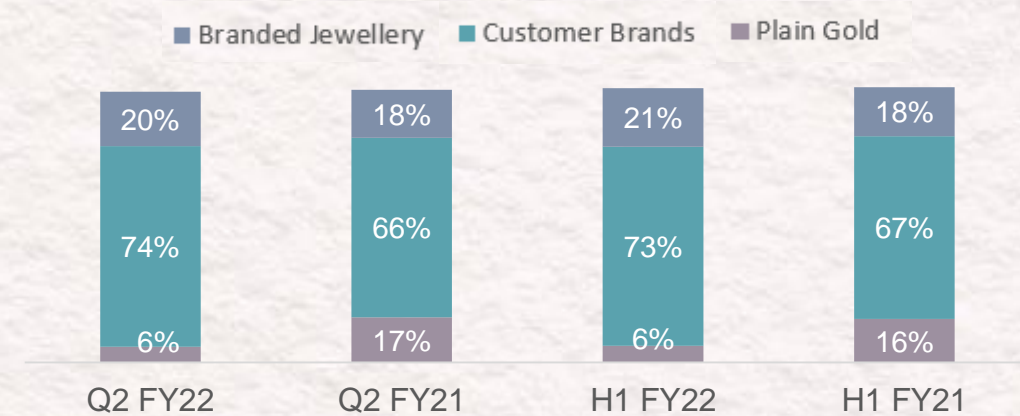
Q2 & H1 Operational Summary



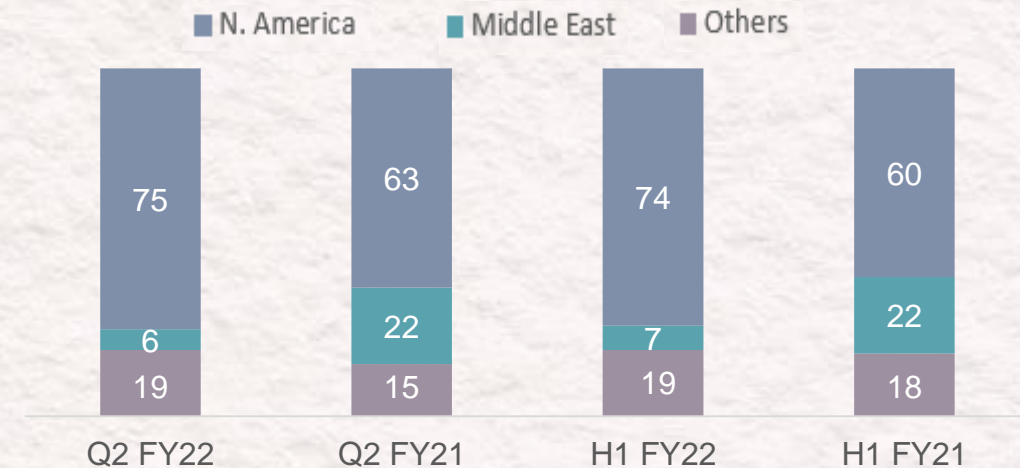
Revenue Break-up (Rs. Mn.)	Q2 FY22	Q2 FY21	Shift %	H1 FY22	H1 FY21	Shift %
Branded Jewellery	950.4	918.7	3.4%	1,865.4	1,262.3	47.8%
- B2B	746.8	829.2	-9.9%	1,412.1	1,115.4	26.6%
- D2C	203.6	89.4	127.6%	453.2	146.9	208.6%
Customer brands	3,553.7	3,444.6	3.2%	6,460.7	4,718.8	36.9%
Plain Gold	266.9	865.4	-69.2%	539.9	1,103.2	-51.1%
- Volume (kgs)	486.8	178.7	172.4%	936.8	234.7	299.2%
Total Revenues	4,771.0	5,228.7	-8.8%	8,865.9	7,084.3	25.1%

EBITDA Margins Break-up(%)	Q2 FY22	Q2 FY21	Shift bps	H1 FY22	H1 FY21	Shift bps
Branded Jewellery	17.1%	14.8%	222	16.1%	10.2%	587
- B2B	16.2%	14.5%	173	15.1%	9.6%	556
- D2C	20.1%	18.0%	215	19.0%	15.0%	403
Customer brands	9.94%	8.7%	124	9.5%	4.2%	531
Plain Gold	8.6%	0.7%	790	7.1%	0.4%	666
Total EBITDA %	11.3%	8.5%	283	10.6%	4.7%	606

Revenue Mix (%)



Geographical Mix (%)



With effect from 1st Apr 2021, the Company has re-negotiated terms with most customers across its Plain gold division due to which, Renaissance is now recognizing only making charges as revenue for this business. This will meaningfully reduce the reported revenues of the gold division, without impacting EBITDA of this division. On a like-to-like basis, Q2 revenue growth stood at 6% against reported growth of -10%; Where as for H1 revenue growth stood at 42% against reported growth of 24%

Q2 FY22: Financial & Operational Discussions (Y-o-Y)



Revenue

Total income stood at Rs. 4779 million from Rs. 4592* million, higher by 4%

- * Branded Jewelry business revenues up 3% YoY to Rs. 950 million. Q2 FY21 revenue included a one-time B2B sale on account of launch of new brand 'Disney Treasures', This has resulted in a YoY degrowth in the Branded B2B business. However, the D2C business revenues grew by 128% to Rs. 204 million led by contribution from new website launches
- * Revenue share of studded jewellery stood at 94%, with Branded jewellery business contributing 21% of the total studded jewelry revenues

EBITDA

EBITDA came in at Rs. 538 Million as against Rs. 442 Million, up by 22%

- * EBITDA Margins stood at 11.3% as against 8.5%, higher by 283 bps. Improved contribution from segments of Direct-to-Consumer business and overall buoyancy in the markets serviced by us.
 - Branded business reported 17.1% margins, recording a growth of 222 bps YoY
 - D2C business registered 20.1% margins, higher by 215 bps YoY

PAT

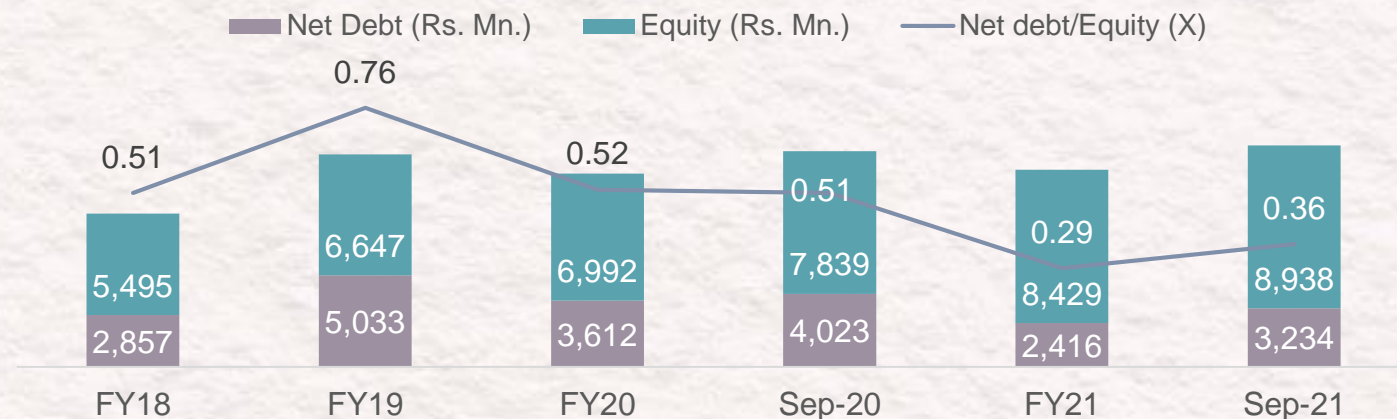
PAT stood at Rs. 283 million from Rs. 227 million, higher by 24.5%

Strong Balance Sheet

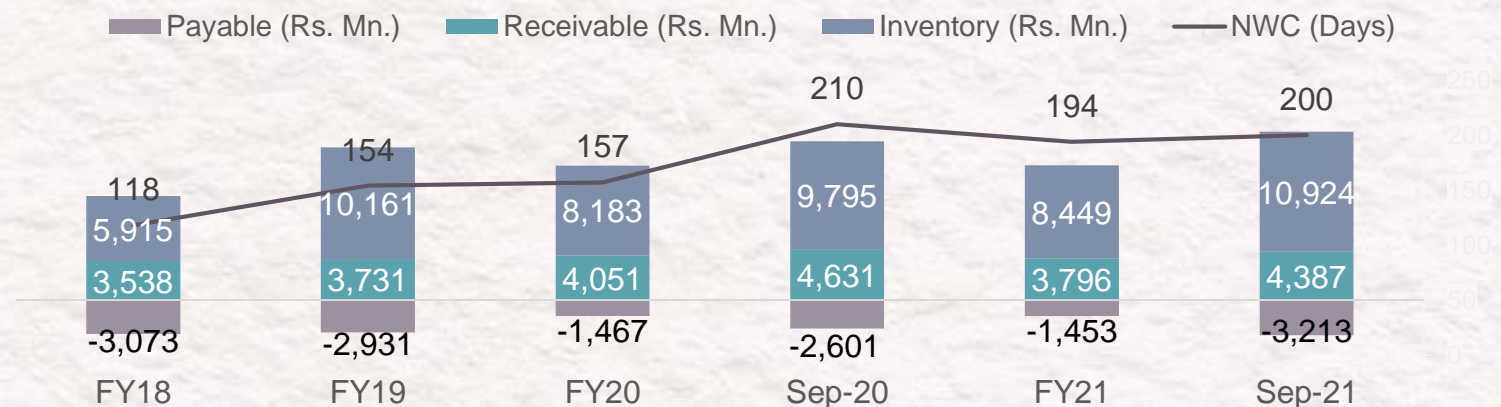


- * Highly disciplined balance sheet approach
- * Sharp reduction in net debt over the years
 - Net Debt to Equity ratio as of Sep 2021 was 0.36 vs Sep 2020 Net Debt to Equity ratio of 0.51
 - Net debt is slightly higher compared to Mar'21 due to seasonality as we built up working capital for important holiday season.
- * Emphasis on prudent capital allocation & efficient working capital cycle

Leverage



Working Capital



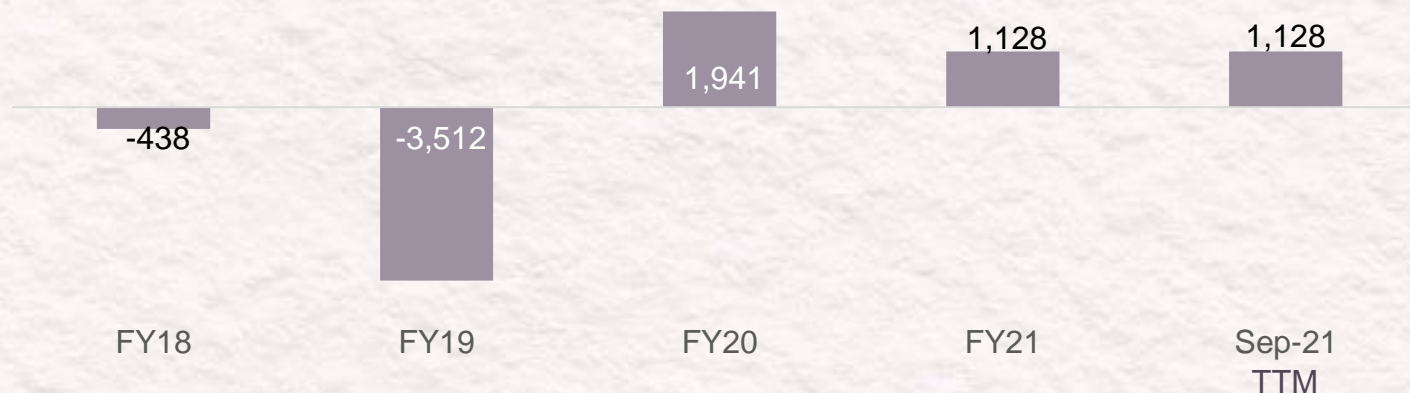
* Net Working Cycle days is not comparable to previous periods due to recent change in revenue recognition policy in the Plain Gold Division due to which, Renaissance is now recognizing only making charges as revenue for this gold division. This will meaningfully reduce the reported revenues of the company leading to a higher NWC days number.

Robust Free Cash Flow Generation

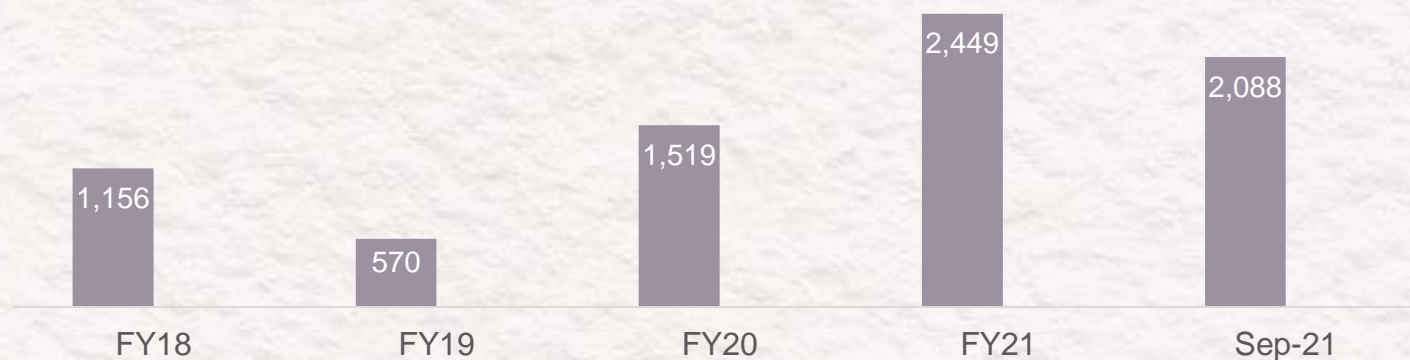


- * Strong FCF generation over the last 2 years
- * Branded Jewellery - a low capital-intensive business
- * Operating leverage & minimal capex spends to further improve FCF generation, going ahead
- * Cash balances to be strategically utilised to create shareholder value

Free Cash Flow Generation (Rs. Mn.)



Cash, Cash Equivalents & Current Investments (Rs. Mn.)

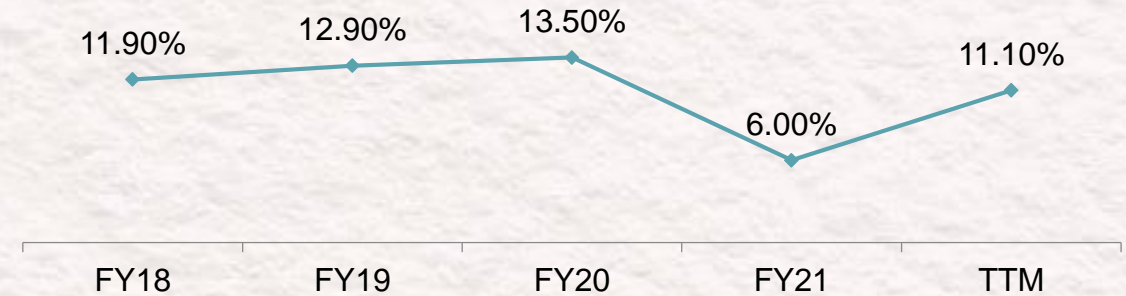


Healthy Return Ratios

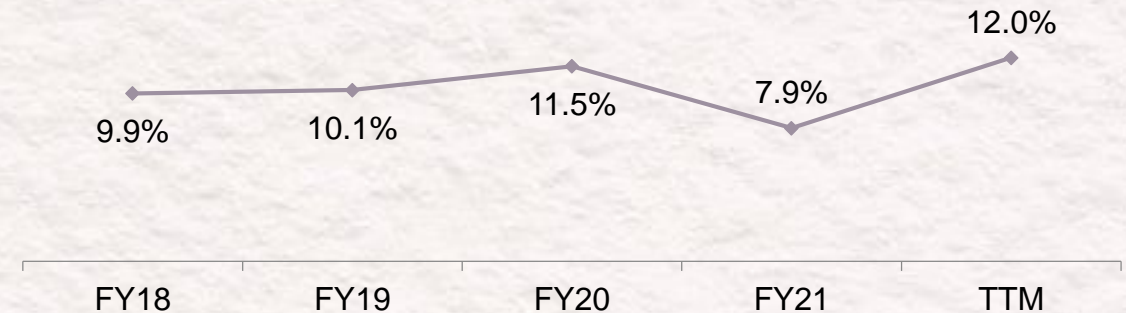


- * TTM Return on Equity grew to 11.1% vs Return on Equity for FY21 at 6% due to impact of Covid-19
- * Branded business enjoys ROEs in the range of 22-25%. D2C business enjoys even higher ROEs
- * As contribution from branded business increases, margin and return ratio profile is expected to sustainably improve, going forward

Return on Equity (%)



Return on Capital Employed (%)



Consolidated Profit & Loss Statement



Particulars (Rs. Million)	Q2 FY22	Q2 FY21	Y-o-Y	H1 FY22	H1 FY21	Y-o-Y
			Change (%)			Change (%)
Revenues from Operations	4,771.0	5,228.7	-8.8%	8,865.9	7,084.3	25.1%
Other Income	7.9	91.2		108.9	132.2	-17.6%
Total Income	4,778.9	5,319.9	-10.2%	8,974.8	7,216.5	24.4%
COGS	3,270.3	4,087.2	-20.0%	6,099.6	5,735.5	6.3%
Gross Profit	1,508.60	1,232.7	22.4%	2,875.2	1,481.0	94.1%
Gross Margin (%)	31.6%	23.2%	840 bps	32.0%	20.5%	1154 bps
Employee Expenses	246.3	177.1	39.1%	506.4	312.5	62.1%
Advertisement & Sales Promotion Expenses	237.5	29.6	702.4%	323.0	29.6	991.2%
Other Expenses	486.4	583.7	-16.7%	1,093.9	808.1	35.4%
EBITDA	538.4	442.3	21.7%	951.8	330.8	187.7%
EBITDA Margin (%)	11.3%	8.3%	295 bps	10.6%	4.6%	602 bps
Depreciation and Amortization	93.7	74.0	26.6%	169.6	148.6	14.2%
Finance Costs	74.5	63.5	17.3%	132.1	124.9	5.7%
PBT	370.2	304.8	21.5%	650.1	57.3	1033.8%
Tax expense	87.3	77.5	12.6%	129.2	7.6	1600.0%
PAT before discontinued operations	282.9	227.3	24.5%	520.9	49.7	947.3%
PAT Margin (%)	5.9%	4.3%	165 bps	5.8%	0.7%	512 bps
Profit/(Loss) on discontinued Operations	0.0	-34.7		-0.6	-37.2	
PAT after discontinued operations	282.9	192.6	46.9%	520.4	12.5	4049.6%
Diluted EPS (Rs.)	14.99	12.04		27.59	2.63	

Consolidated Balance Sheet



Particulars (In ₹ Mn)	Sep-21	Sep-20
Shareholder's Funds	8,938.4	7,839.9
Equity Share Capital	186.8	186.8
Reserves & Surplus	8,750.7	7,653.1
Minority Interest	2.3	-6.8
Non-Current Liabilities		
Borrowings	312.6	131.0
Other Financial Liabilities	45.8	683.5*
Long Term Provisions	17.7	34.2
Other Non-Current Liabilities	1,328.1	132.3*
Current Liabilities		
Income Tax Liabilities (net)		
Short Term Borrowings	5,009.8	6,006.7
Trade Payables	3,213.8	2,600.6
Other Financial Liabilities	1,020.8	507.4
Other Current Liabilities	316.5	328.5
Short Term Provisions	7.2	21.6
Total Equity & Liabilities	20,212.1	18,278.8

Particulars (In ₹ Mn)	Sep-21	Sep-20
Non-Current Assets		
Fixed Assets – Tangible & Intangible	1,951.0	860.3
CWIP & Intangibles under development	9.9	2.9
Other Non Current Assets	209.3	162.10
Deferred Tax Assets (Net)	226.6	366.1
Current Assets		
Current Investments	1,350.0	1,024.9
Inventories	10,923.5	9,795.3
Trade Receivables	4,386.8	4,631.1
Cash & Bank Balances	683.2	1,089.7
Cash in Short term investments	55.0	-
Short Term Loans & Advances	22.6	21.3
Other Current Assets	390.1	320.6
Asset Classified for Sale	4.1	4.3
Total Assets	20,212.1	18,278.8

* Lease liability reclassified as Other Non-Current Liabilities from Other Financial Liabilities.



Renaissance Global Limited

Company Overview



Corporate Snapshot



Global Jewellery Company focused on designing, manufacturing and distribution of branded jewellery

Strong presence in global markets of **North America, Europe & Asia**

Licensing agreements with **large globally-recognized brands**

Product portfolio across branded jewellery, customer brands & plain gold jewellery

3

Licensing agreements with global brands

6

Direct-to-Consumer websites

505 cr

Branded jewellery revenues (Rs.) in H1 FY22 (annualised)

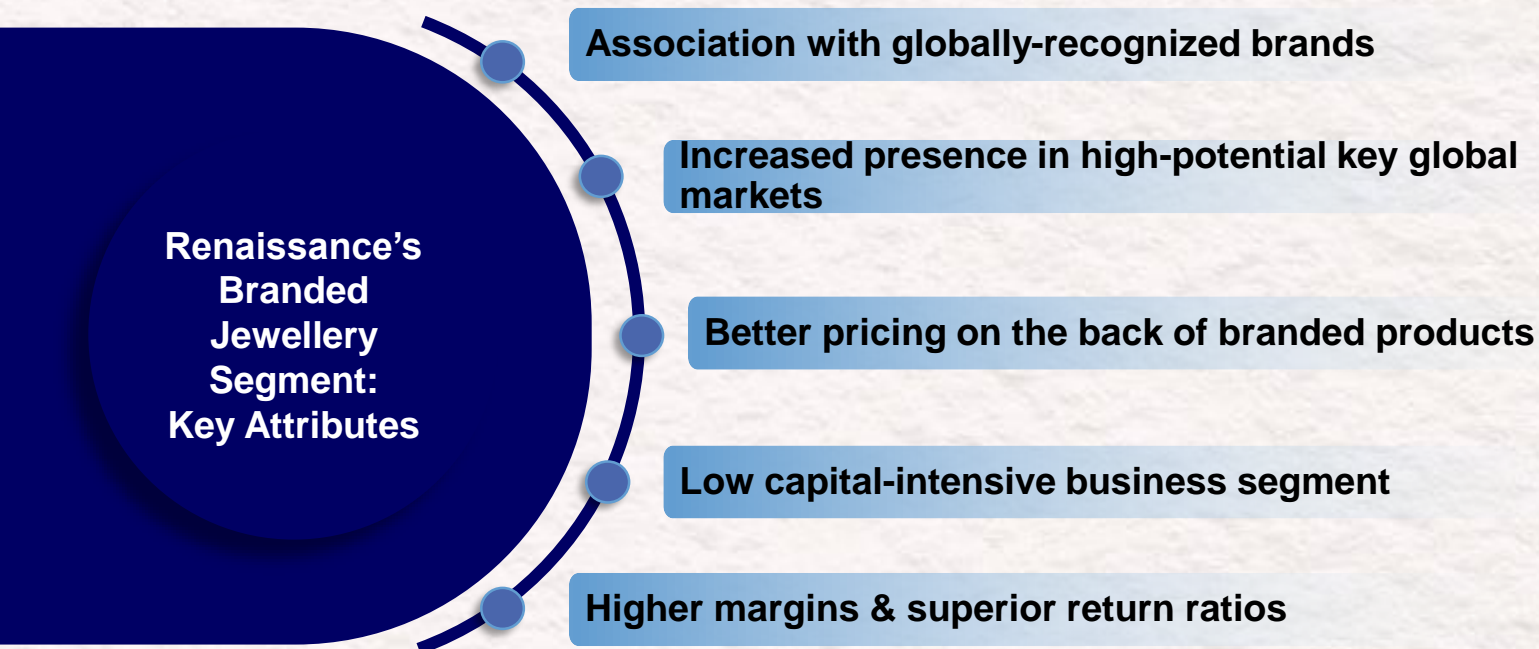
16.1%

Branded jewellery EBITDA margins in H1 FY22

0.36

Net debt to equity as on September 30, 2021

Building a Global Branded Jewellery Business



Growing revenue contribution from Branded Jewellery segment



Endeavour to achieve ~50% sales from Branded Jewellery segment over the next 3-4 years

Branded Jewellery Business Model



Brands



IRASVA



MADE FOR YOU

Design & Manufacturing



**Conceptualisation
& Product
Development**



**State-of-the-Art
Manufacturing
Facilities**

Distribution

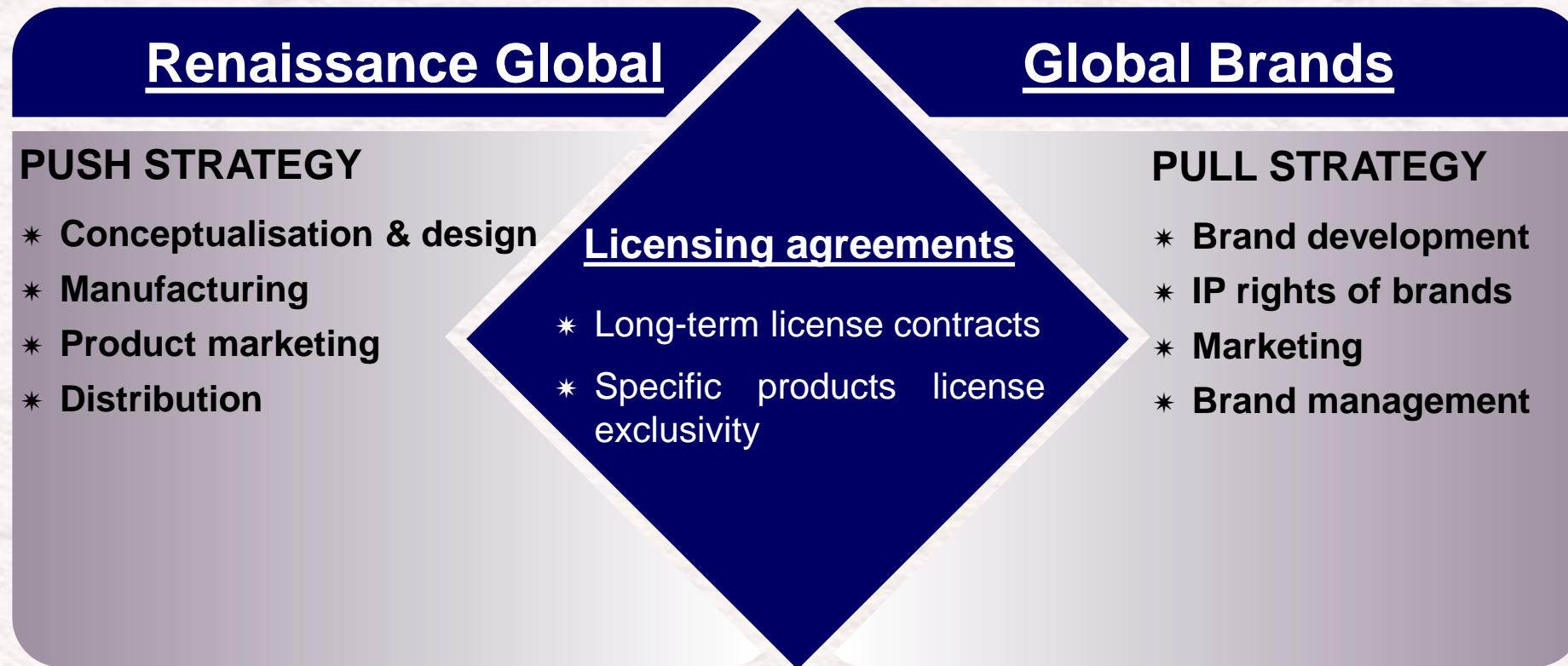


**Business-to-
Business
(B2B)**



**Direct-to-
Consumer (D2C)**

'Win-Win' Partnership with Global Iconic Brands



Strategic & mutually-synergistic partnerships with internationally-recognized brands

Growing Portfolio of Brands

Licensed Brands

- * Partnership with Hallmark since 2015
- * Licensing arrangement with Disney since 2016 with the launch of Enchanted Disney Fine jewellery
 - Success of brand unlocked more licensing opportunities
 - Launched Disney Jewels in October 2019 & Disney Treasures in February 2020
- * Licensing agreement with Lucasfilm with the launch of Star Wars collection in November 2020

Building a strong portfolio of licensed and owned brands



Growing Portfolio of Brands

Owned Brands

- * Launched first India-focused retail brand IRASVA in 2019
 - Operates 3 IRASVA stores in India
- * Jewelili, a play on affordable fine jewellery collection launched in February 2020
 - Distributed through Amazon platform in addition to its own website
- * Made for You - Lab-grown diamond jewellery launched in November 2020
 - Focused on North American markets

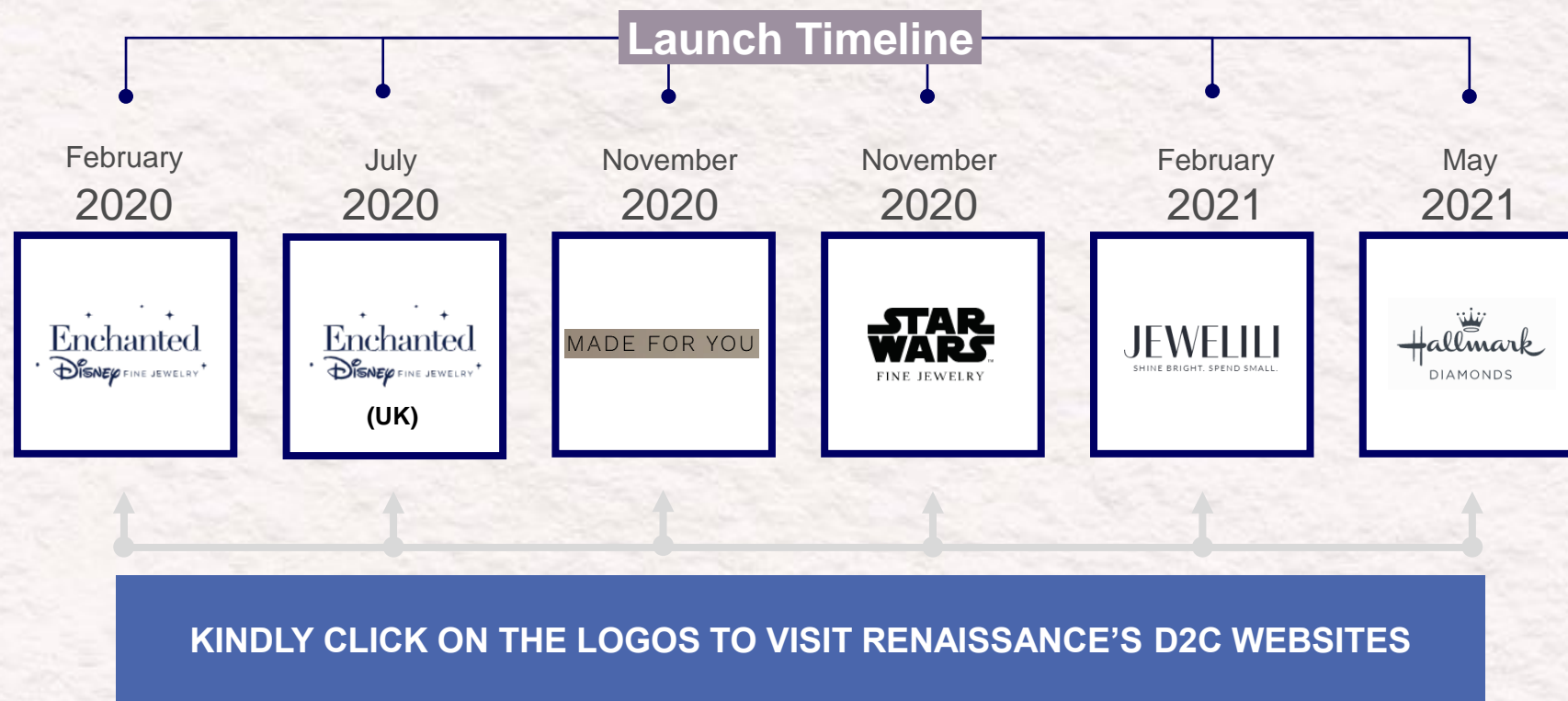
Building a strong portfolio of licensed and owned brands



Establishing High-Potential D2C Division

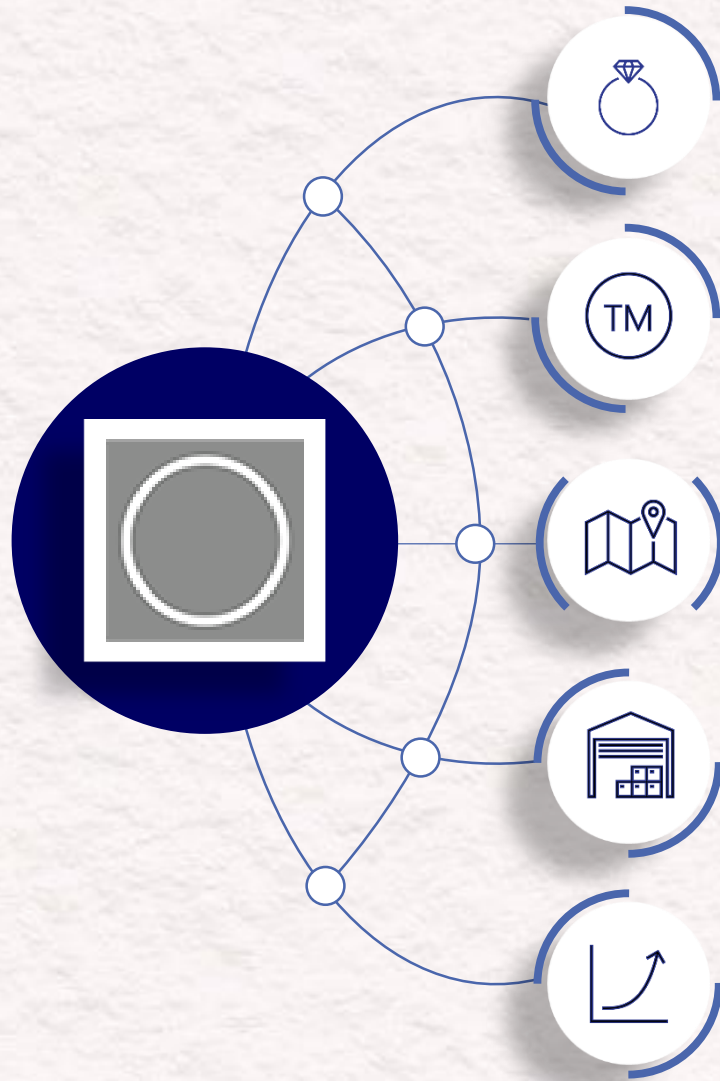


- * Successfully developed and launched 6 online stores in a span of 15 months
- * Monthly visitors on websites grown 10x since Feb 2020
- * Segment enjoys higher margins and healthy working capital cycle



D2C business expected to be a major growth driver

Growth Drivers



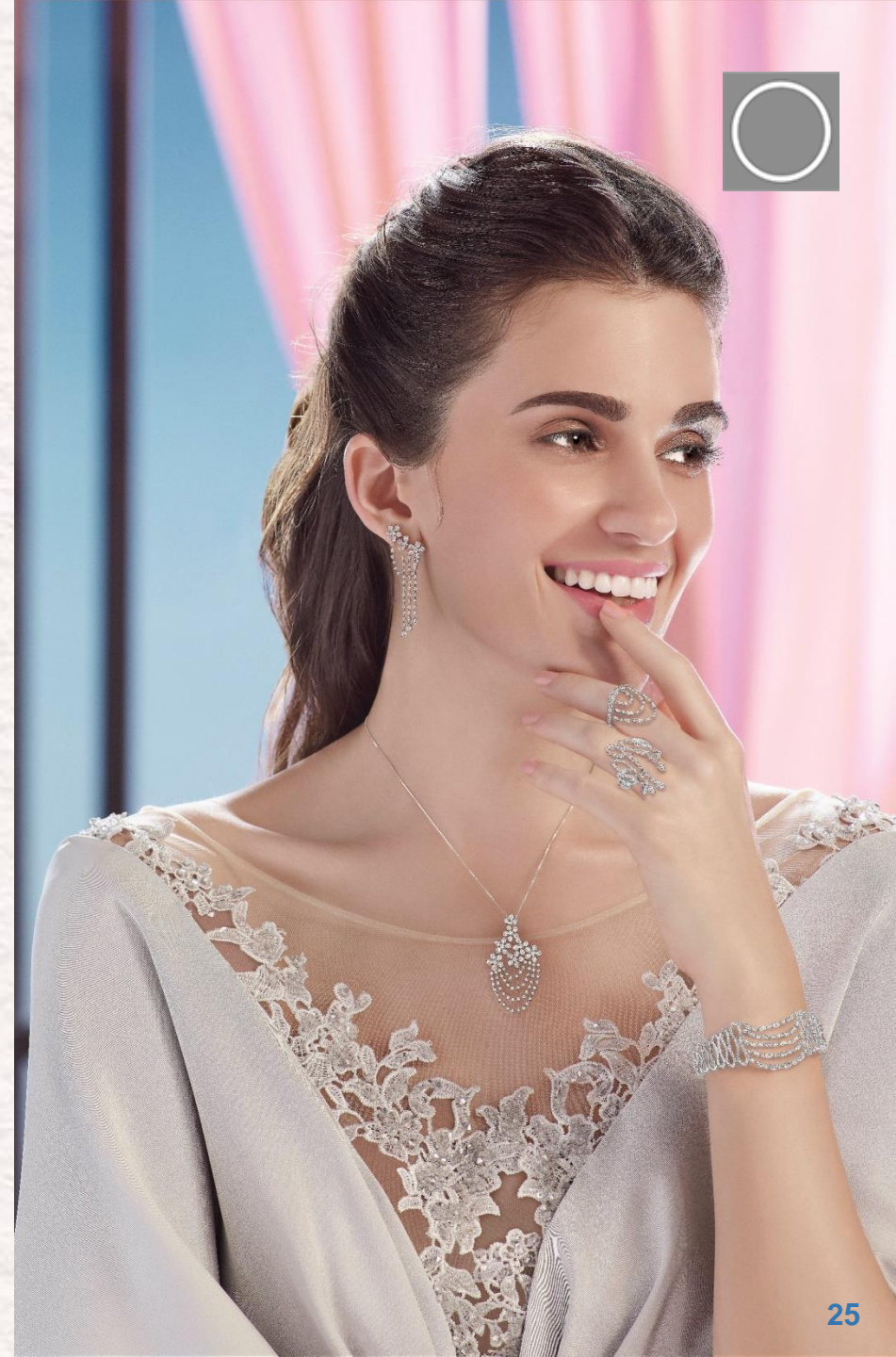
**Growing high-margin
branded jewellery
segment**

**Extending licensing
model to newer brands**

**Expanding presence in
key global geographies**

**Widening Omni-channel
distribution network**

**Inorganic growth
opportunities**



Conclusion



Play on high-potential global branded jewellery industry



'Win-Win' partnership with global iconic brands



Footprint in huge developed & developing global markets for branded jewellery



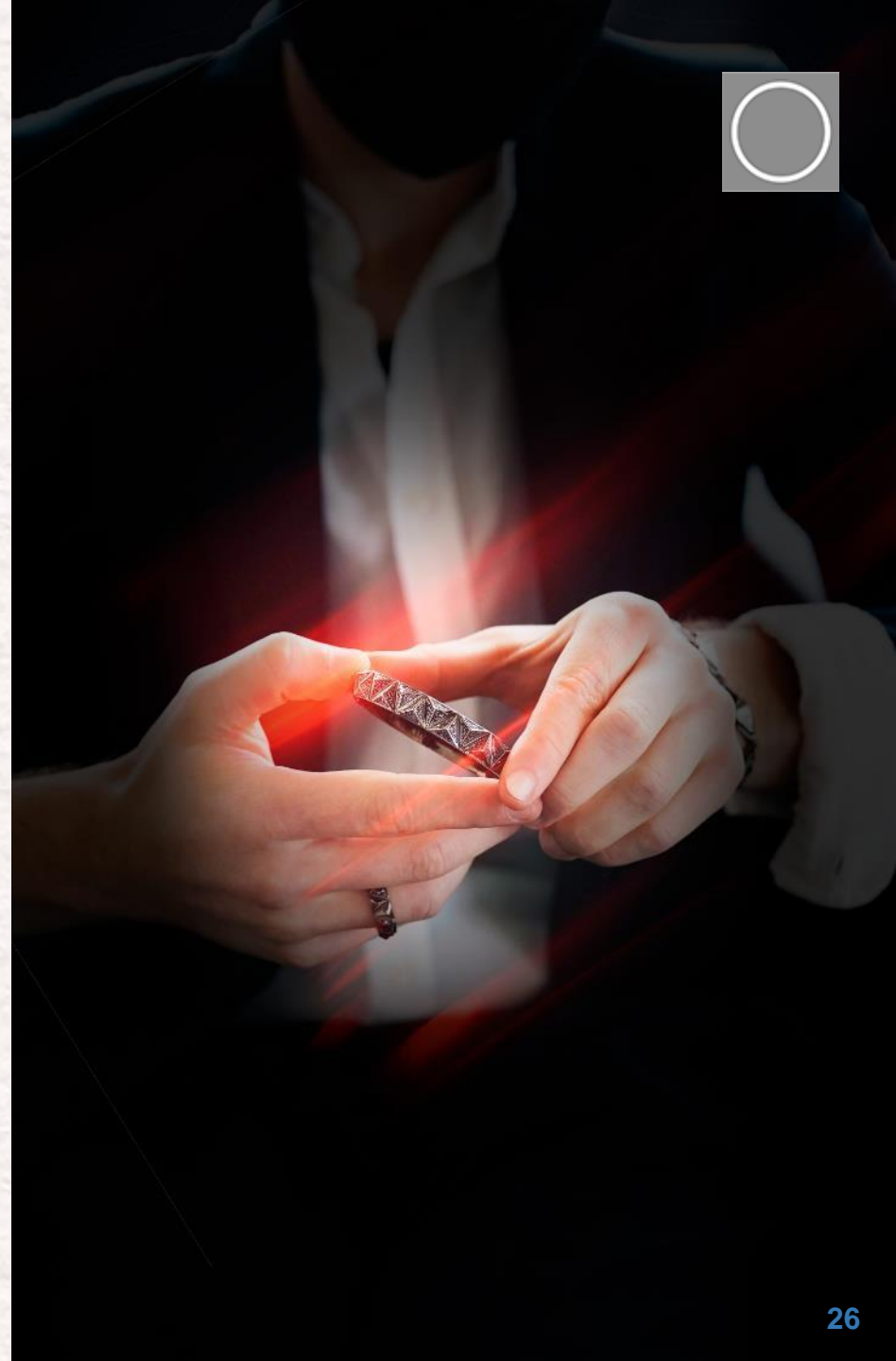
Increasing scale to drive operating leverage across distribution channels



High margin & low-capital intensive branded jewellery model to support healthy free cash generation



Prudent capital allocation with focus on creating sustainable shareholder value





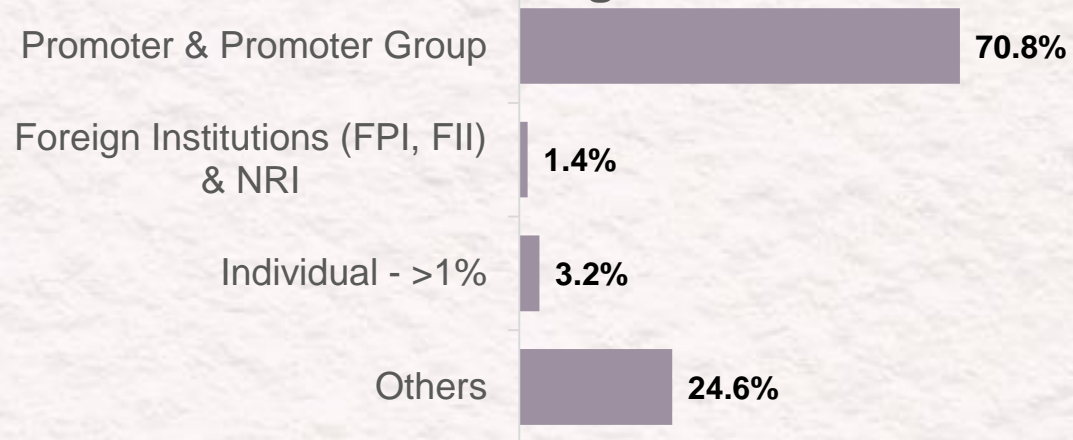
Renaissance Global Limited

Annexure



Market Snapshot

Shareholding Pattern*



Key Market Statistics	As on 30-September-2021
BSE/NSE Ticker	532923/RGL
CMP (Rs)	797.35
Market Cap (Rs Crore)	1,505.35
Number of outstanding shares (Crore)	1.89
Face Value	10.00
52-week High / Low (Rs)	810.00/217.00

*Holding as on 30-September-21



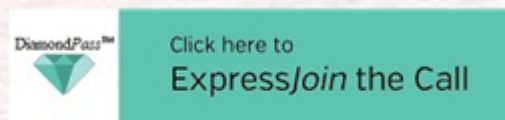
Conference Call Details



Q2 & H1 FY2022 Earnings Conference Call

Time	• 2:30 p.m. IST on Wednesday, November 10, 2021
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Pre-registration	To enable participants to connect to the conference call without having to wait for an operator, please register at the below mentioned link:
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Primary dial-in number	• + 91 22 6280 1141 / 7115 8042
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International Toll-Free	• Hong Kong: 800 964 448
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Number	• Singapore: 800 101 2045
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- | | |
|--|-----------------------|
| | • UK: 0 808 101 1573 |
| | • USA: 1 866 746 2133 |

About Us

Renaissance Global Limited (Renaissance) is a global branded jewellery player. Renaissance designs, manufactures and supplies branded jewellery across key high-potential markets in USA, Canada, UK & key Asian markets. The product portfolio encompasses Branded Jewellery, Customer Brands & Plain Gold Jewellery segments, with strong focus on Branded Jewellery division.

The Company has a growing portfolio of brands under licensed and owned segments. It holds synergistic licensing agreements with large global brands, such as Disney & Hallmark. Under its owned segment, it has a portfolio of brands such as Irasva, Jewelili and Made For You. Over the years, Renaissance has successfully expanded its branded product portfolio, backed by strong conceptualization, design, and manufacturing capabilities. On the distribution side, the Company operates through both B2B and D2C models. Since 2020, Renaissance has launched online stores through 6 D2C websites to market & supply licensed brands & owned brands.

For further information, please contact:



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Compliance Officer



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Renaissance Global Limited

Thank You