



Renaissance Global Limited

Results Presentation

Q1 FY23



Hallmark
DIAMONDS

Enchanted
Disney FINE JEWELRY

**STAR
WARS**
FINE JEWELRY

IRASVA

JEWELILI
SHINE BRIGHT. SPEND SMALL.

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.

These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond Renaissance’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of Renaissance.

Such statements should not be regarded as a projection of future performance of Renaissance. It should be noted that the actual performance or achievements of Renaissance may vary significantly from such statements.



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Renaissance Global Limited

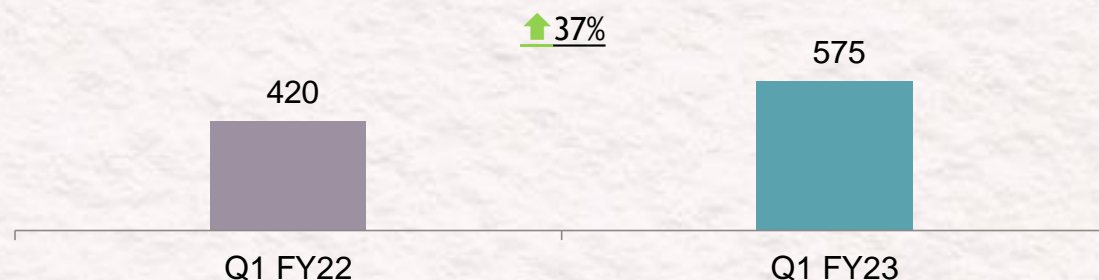
Q1 FY23 Results Overview



Q1 FY23 Financial Summary



Total Income (Rs. Crore)



EBITDA (Rs. Crore)

EBITDA
Margin (%)

9.9%

7.3%

↑2%



PAT (Rs. Crore)

PAT
Margin (%)

5.7%

4.2%

↑2%

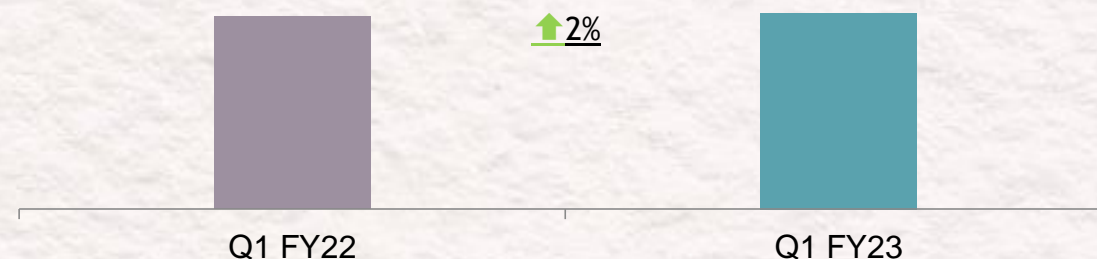


EPS^[1] (Rs.)

2.52

2.57

↑2%



^[1] After the end of quarter under review, the Company has sub-divided the exiting 1 (one) equity share of face value of ` 10/- each fully paid-up into 5 (five) equity shares of face value of ` 2/- each fully paid-up with effect from July 20, 2022 (Record Date). The Earning Per Share (EPS) number of the current quarter and all comparative periods presented above have been restated to give effect of such sub-division of equity shares.

Management Message



Commenting on the performance for Q1 FY23, Mr. Sumit Shah – Chairman and Global CEO, Renaissance Global Limited said,



“We have delivered a healthy top-line performance during the quarter despite a challenging macro-environment in our key global markets. Our total income growth for Q1FY23 came in at 37% YoY. While the demand environment remained steady, we witnessed some non-linearities with regards to increased inflationary pressures in key raw materials. These had a bearing on our margin performance during the quarter. Although we do remain cautious of these challenges in this fiscal, we expect them to be largely transitory in nature.

Our core branded jewellery business marked strong growth in revenues to the tune of 36% YoY in Q1 FY23, supported by steady retail consumption. Within this segment, our direct-to-consumer (D2C) business delivered 63% revenue growth. It also continues to witness a notable increase in repeat customer wins. Overall, this vertical is a key growth lever for us and we look forward to strengthening this segment, going forward.

Looking ahead, given the intensifying inflation trend, we anticipate global consumption for discretionary products to be muted in the near future. However, on a longer-term basis, we are optimistic about our growth prospects and potential in our international markets such as US, Europe and UK. There are several growth opportunities in the international branded jewellery market, and we believe, we are well-positioned to tap upon these given our partnerships with well-known brands, our significant experience in product conceptualization, our design skills, and a solid distribution network. Overall, we look forward to delivering healthy and sustainable growth, going ahead”

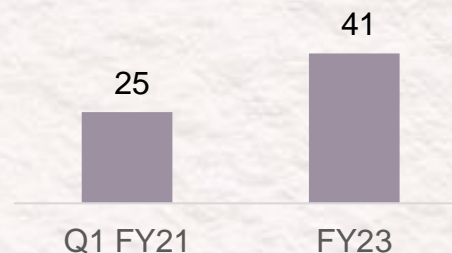
Growing Direct to Consumer (D2C) Business



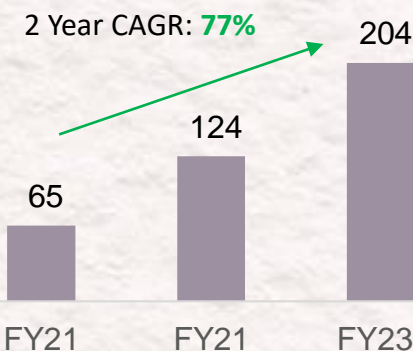
- * During Q1 FY23, the direct-to-consumer business posted revenues of Rs. 40.7 crore compared to Rs. 25.0 crore in Q1 FY22, up by 62.9% YoY
- * Based on our estimates of a quarter's contribution to annual sales, our annual revenue run rate is at Rs. 203.6 crore in Q1 FY23 vs. actual FY22 revenues of Rs.123.8 crore
- * D2C business is a high EBITDA margin business with margins in the range of 20-22%
 - With the growing share of D2C revenues to total revenues Renaissance believe EBITDA margins will show an improving trend
- * The business enjoys a strong return profile with ROEs in the range of 60-65%
- * The contribution from repeat customers continues to be on an improving trend, showcasing higher customer stickiness and brand trust



Quarterly D2C Sales Trend (Rs. Cr.)

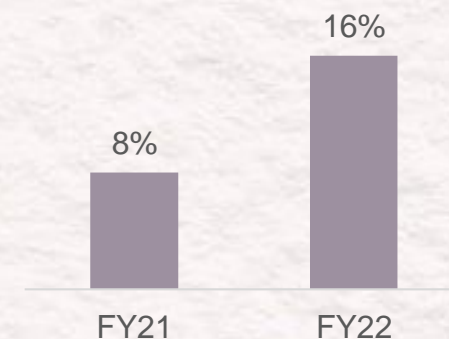


Annual D2C Sales Trend (Rs. Cr.)



* Annual Revenue Run Rate

Repeat Customers as a % of overall customer traffic*



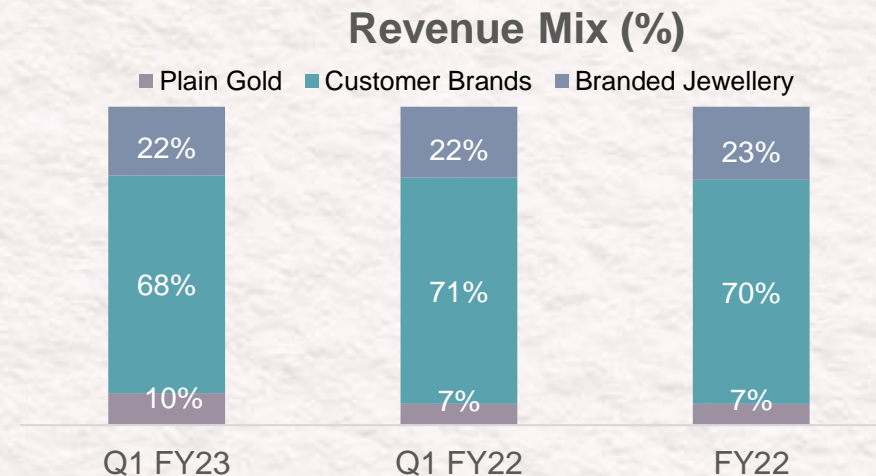
* Repeat Customer (%) for the website enchantedfinejewelry.com

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

Q1 FY23 Operational Summary



Revenue Break-up (₹ Cr.)	Q1 FY23	Q1 FY22	Shift %
Branded Jewellery	124.1	91.5	35.6%
- B2B	83.4	66.5	25.3%
- D2C	40.7	25.0	63.1%
Customer brands	392.0	290.7	34.9%
Plain Gold	57.6	27.3	111.1%
Total Revenues	573.8	409.5	40.1%



EBITDA Break-Up	Q1 FY23		Q1 FY22		Shift YoY	Q4FY22		Shift QoQ
	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹)	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹)
Branded	16.2	13.1%	13.8	15.0%	17.8%	16.2	13.6%	-0.1%
- B2B	10.1	12.1%	9.2	13.9%	8.9%	10.8	12.0%	-7.0%
- D2C	6.1	15.1%	4.5	18.1%	36.0%	5.4	18.3%	13.9%
Customer brands	22.8	5.8%	26.0	8.9%	-12.3%	19.8	5.34%	15.2%
Plain Gold	3.0	5.2%	1.5	5.6%	94.5%	0.8	2.05%	273.9%
Total EBITDA	42.0	7.3%	41.3	10.1%	1.7%	36.8	7.0%	14.1%

Q1 FY23: Financial & Operational Discussions (Y-o-Y)



Revenue

Total income stood at Rs. 575.4 crore from Rs. 419.6 crore, higher by 37%

- Branded Jewelry business revenues up 36% YoY to Rs. 124.1 crore
- D2C business revenues grew by 63% to Rs. 40.7 crore
- Revenue share of studded jewellery stood at 90%, with Branded jewellery business contributing 24% of the total studded jewelry revenues

EBITDA

EBITDA came in at Rs. 42.0 crore as against Rs. 41.3 crore, up by 1.6%

- EBITDA Margins stood at 7.3% as against 9.9%, lower by 276 bps. Non-linearities with regards to increased inflationary pressures in key raw materials had a bearing on our margin performance during the quarter
- Branded business reported 13.1% margins, recording a decrease of 198 bps YoY
- D2C business registered 15.1% margins, lower by 300 bps YoY

PAT

PAT stood at Rs. 24.2 crore from Rs. 23.7 crore, higher by 1.8% YoY

Robust Free Cash Flow Generation

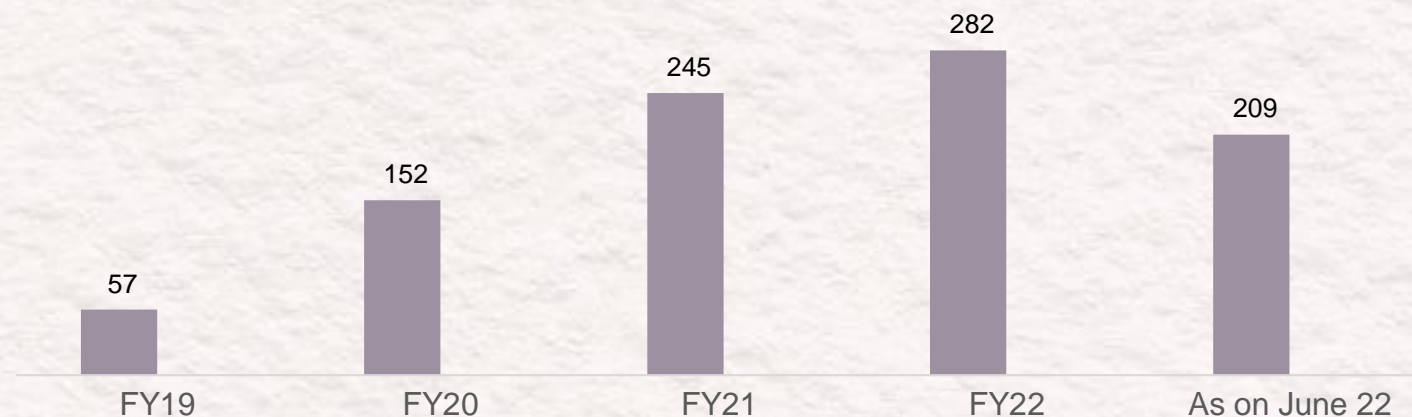


- * Strong FCF generation
- * Branded Jewellery - a low capital-intensive business
- * Operating leverage & minimal capex spends to further improve FCF generation, going ahead
- * Cash balances to be strategically utilized to create shareholder value

Free Cash Flow Generation (Rs. Cr.)



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

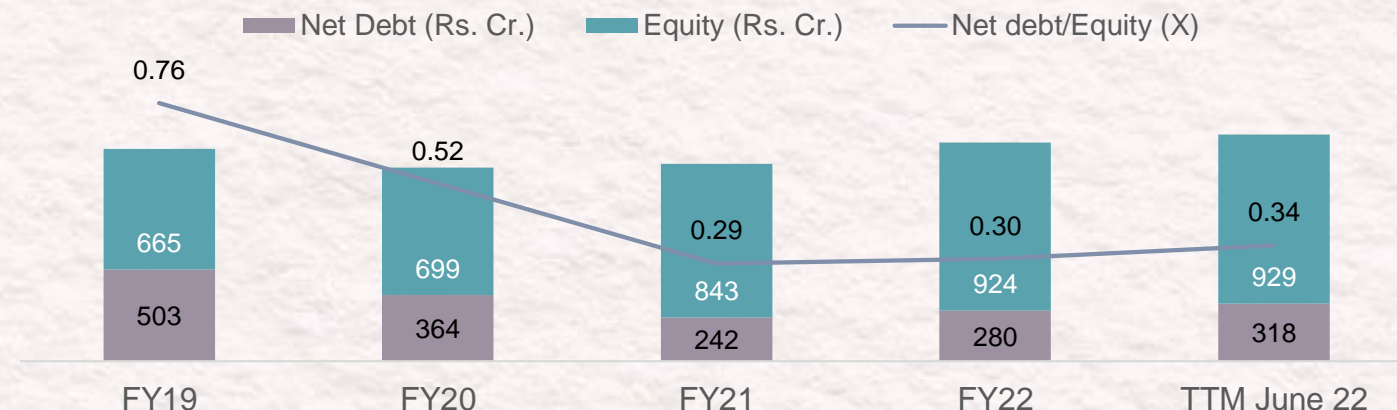


Strong Balance Sheet

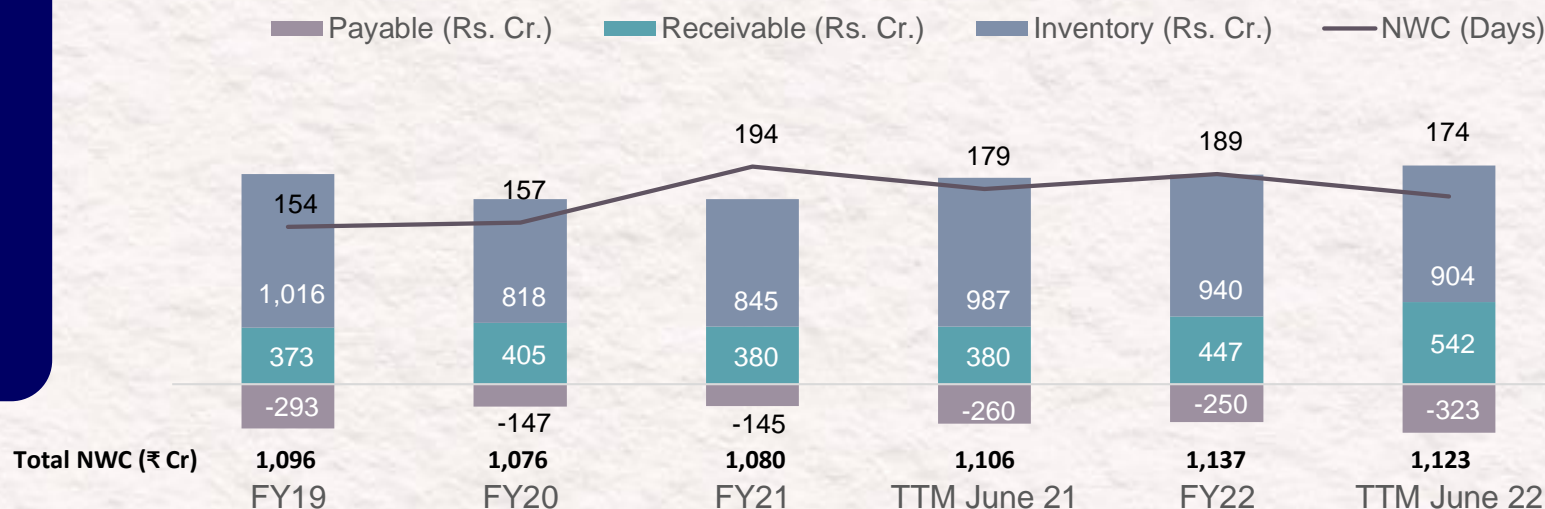


- * Highly disciplined balance sheet approach
- * Increase in capital deployment due to higher business YoY reflecting in higher equity & debt.
 - Net Debt to Equity ratio as of June 2022 continues to be at 0.34 vs 0.30 in March 2022
- * Strict control over working capital reflected in NWC days falling from 214* to 174 days

Leverage



Working Capital



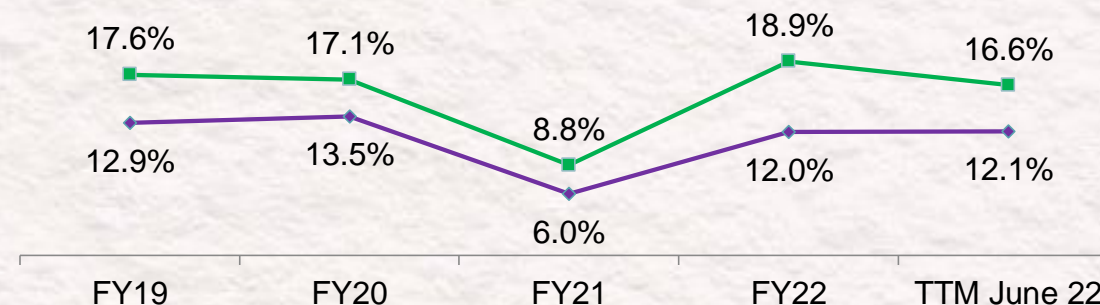
* Net Working Cycle days is not comparable to previous periods due to recent change in revenue recognition policy in the Plain Gold Division due to which, Renaissance is now recognizing only making charges as revenue for this gold division. This will meaningfully reduce the reported revenues of the company leading to a higher NWC days number. On a like to like basis revenue recognition the NWC cycle has improved from 214 days as on June 21 to 174 days in June 22.

Healthy Return Ratios



- * Q1 FY23 Return on Equity continues to be at 12.1% vs 12.0% for FY22. It is as high as 16.6% without considering cash & current investments.
- * 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.

— ROE — ROE (Adjusted for Cash & Current Investments)



Return on Capital Employed (%)



Consolidated Profit & Loss Statement



Particulars (Rs. Crore)	Q1 FY23	Q1 FY22	Y-o-Y Change (%)	FY22	FY21	Y-o-Y Change (%)
Revenues from Operations	573.8	409.5	40.1%	2,189.8	2,031.2	7.8%
Other Income	1.6	10.1	-83.8%	18.9	16.1	17.4%
Total Income	575.4	419.6	37.1%	2,208.7	2,047.4	7.9%
COGS	432.8	282.9	53.0%	1,610.3	1,658.5	-2.9%
Gross Profit	142.6	136.7	4.3%	598.5	388.9	53.9%
Gross Margin (%)	24.8%	32.6%	-779 bps	27.1%	19.0%	810 bps
Employee Expenses	27.5	26.0	5.9%	100.7	69.86	44.1%
Advertisement & Sales Promotion Expenses	14.3	8.6	66.9%	79.5	49.8	59.6%
Other Expenses	58.7	60.7	-3.3%	217.7	153.6	41.7%
EBITDA	42.0	41.3	1.6%	200.5	115.6	73.5%
EBITDA Margin (%)	7.3%	9.9%	-255 bps	9.1%	5.6%	343 bps
Depreciation and Amortization	2.8	4.8	-41.3%	17.9	31.4	-42.8%
Amortization of Right of use assets	5.0	2.8	79.7%	17.1	10.7	59.9%
Finance Costs	6.8	5.2	31.6%	24.4	25.0	-2.5%
Interest on Leases	1.5	0.6	168.4%	4.6	1.7	165.9%
PBT	25.8	28.0	-7.9%	136.5	59.2	130.4%
Tax expense	1.6	4.2	-62.8%	30.0	12.98	131.3%
PAT before discontinued operations	24.2	23.8	1.8%	106.5	46.3	130.1%
PAT Margin (%)	4.2%	5.7%	-146 bps	4.8%	2.3%	256 bps
Profit/(Loss) on discontinued Operations	0.0	-0.1		-	-4.0	
PAT after discontinued operations	24.2	23.7	2.0%	106.5	42.3	151.8%
EPS^[1] (Rs.)	2.57	2.52		11.28	3.58	

^[1] After the end of quarter under review, the Company has sub-divided the exiting 1 (one) equity share of face value of ` 10/- each fully paid-up into 5 (five) equity shares of face value of ` 2/- each fully paid-up with effect from July 20, 2022 (Record Date). The Earning Per Share (EPS) number of the current quarter and all comparative periods presented above have been restated to give effect of such sub-division of equity shares.

Consolidated Balance Sheet



Particulars (Rs. Crore)	June 2022	June 2021
Shareholder's Funds	929.1	860.5
Equity Share Capital	18.9	18.7
Reserves & Surplus	910.1	841.6
Minority Interest	0.2	0.2
Non-Current Liabilities		
Borrowings	50.9	21.9
Other Financial Liabilities	0.6	69.1
Long Term Provisions	1.6	2.5
Other Non-Current Liabilities ^[1]	136.5	15.1
Current Liabilities		
Income Tax Liabilities (net)	-	-
Short Term Borrowings	476.1	452.0
Trade Payables	322.8	260.1
Other Financial Liabilities	69.7	62.7
Other Current Liabilities	29.0	42.1
Short Term Provisions	2.2	1.7
Total Equity & Liabilities	2,018.5	1,787.7

Particulars (Rs. Crore)	June 2022	June 2021
Non-Current Assets		
Fixed Assets – Tangible & Intangible ^[2]	224.2	76.1
CWIP & Intangibles under development	19.3	0.7
Other Non Current Assets	30.7	18.9
Deferred Tax Assets (Net)	29.9	29.8
Current Assets		
Current Investments	107.56	166.1
Inventories	903.8	986.5
Trade Receivables	541.8	380.2
Cash & Bank Balances	101.0	90.2
Cash in Short Term Investments	0.4	0.0
Short Term Loans & Advances	2.3	2.2
Other Current Assets	57.7	36.8
Asset Classified for Sale	-	0.4
Total Assets	2,018.5	1,787.7

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

2. Fixed Assets include Right of Use Asset of ₹140.7cr as on June 2022 and ₹23.9cr as on June 2021.



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

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Licensing agreements with global brands

6

Direct-to-Consumer websites

560 cr

Annualized Branded jewellery revenues (Rs.) based on Q1 FY23

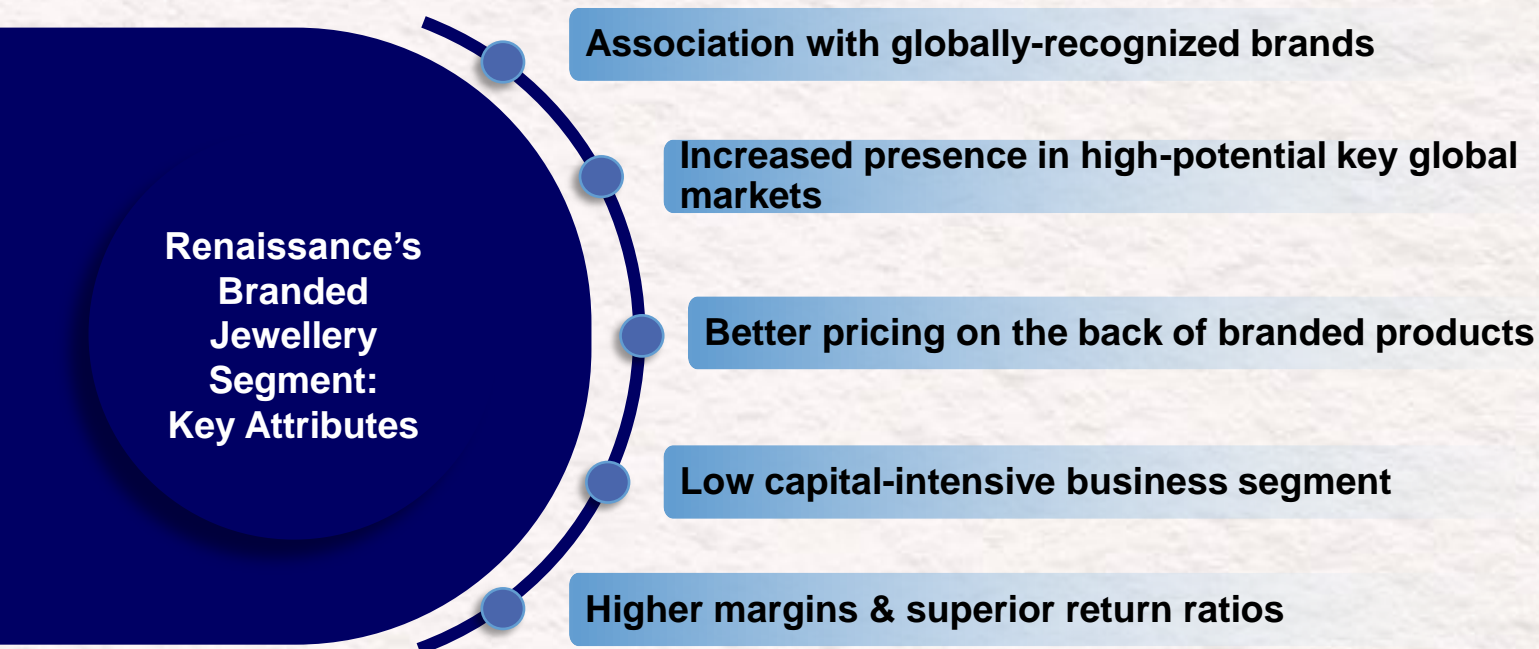
13%

Branded jewellery EBITDA margins in Q1 FY23

0.34

Net debt to equity as on June 30, 2022

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

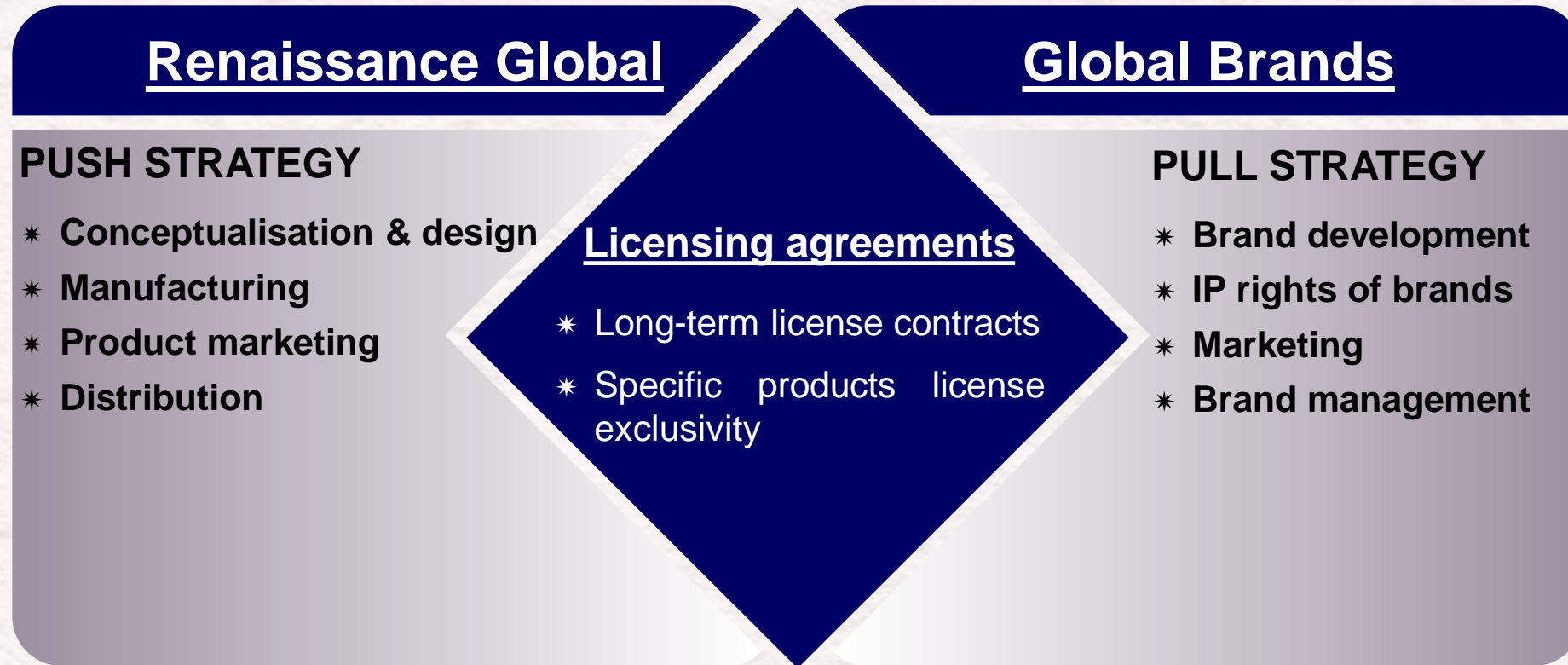


**Business-to-
Business
(B2B)**



**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
- * Licensing agreement with NFL Properties LLC in January 2022 with the launch of NFL-inspired unique jewellery in USA

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

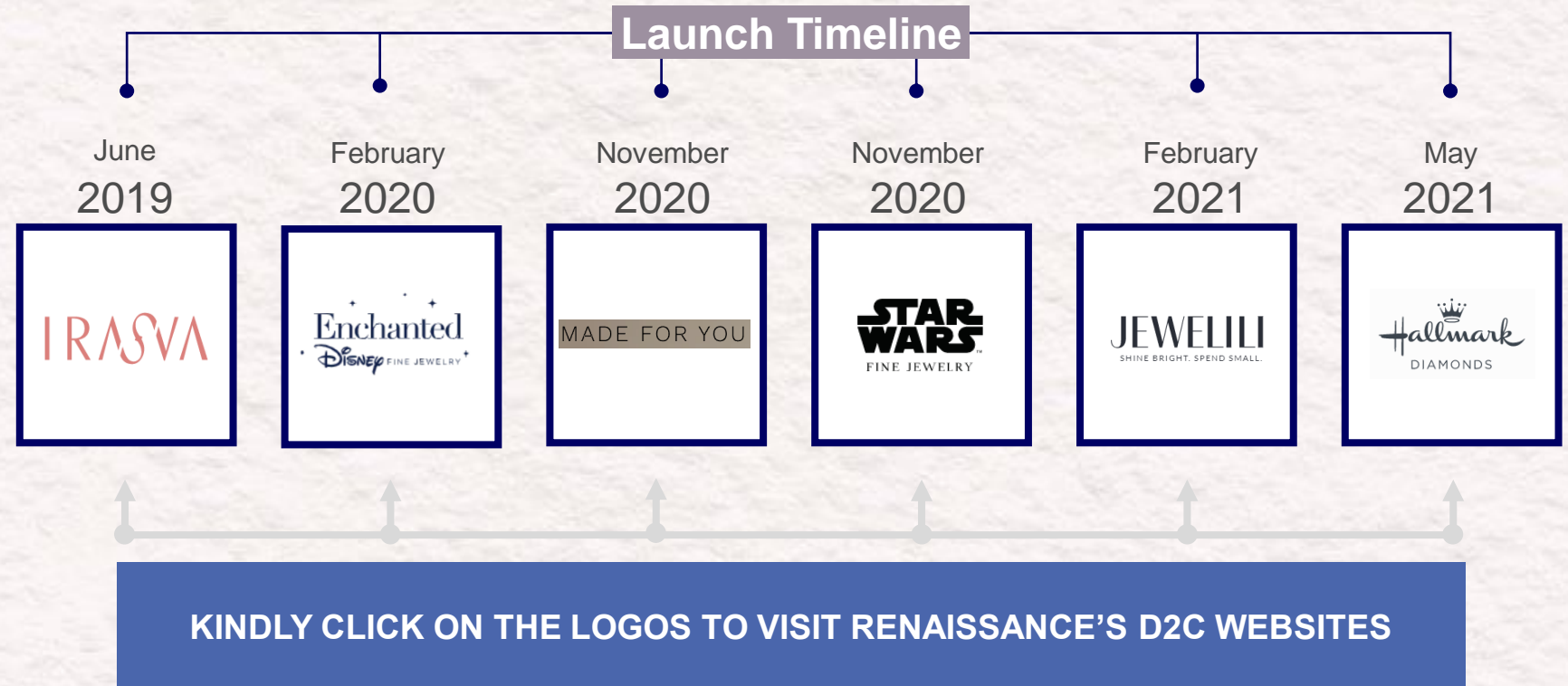
Building a strong portfolio of licensed and owned brands



Establishing High-Potential D2C Division

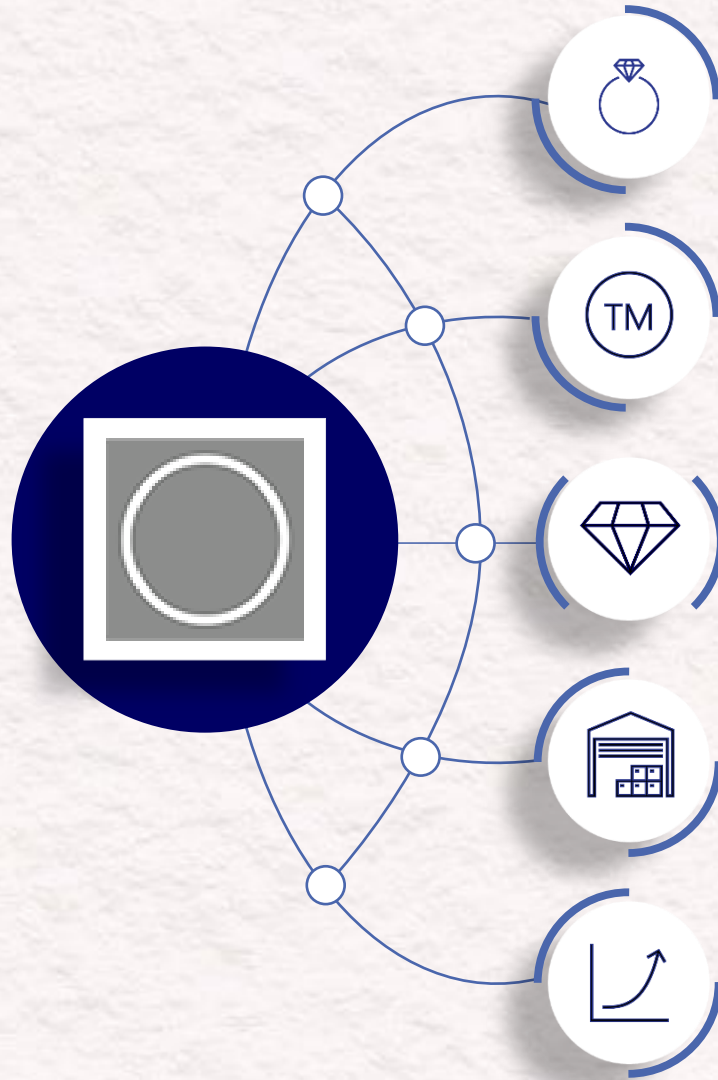


- * Successfully developed and launched 6 online stores in a span of 27 months
- * Segment enjoys higher margins and healthy working capital cycle



D2C business expected to be a major growth driver

Growth Drivers



**Growing high-margin
branded jewellery
segment**

**Extending licensing
model to newer brands**

**Increasing use of lab-grown
diamonds to prioritize focus on
sustainability**

**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



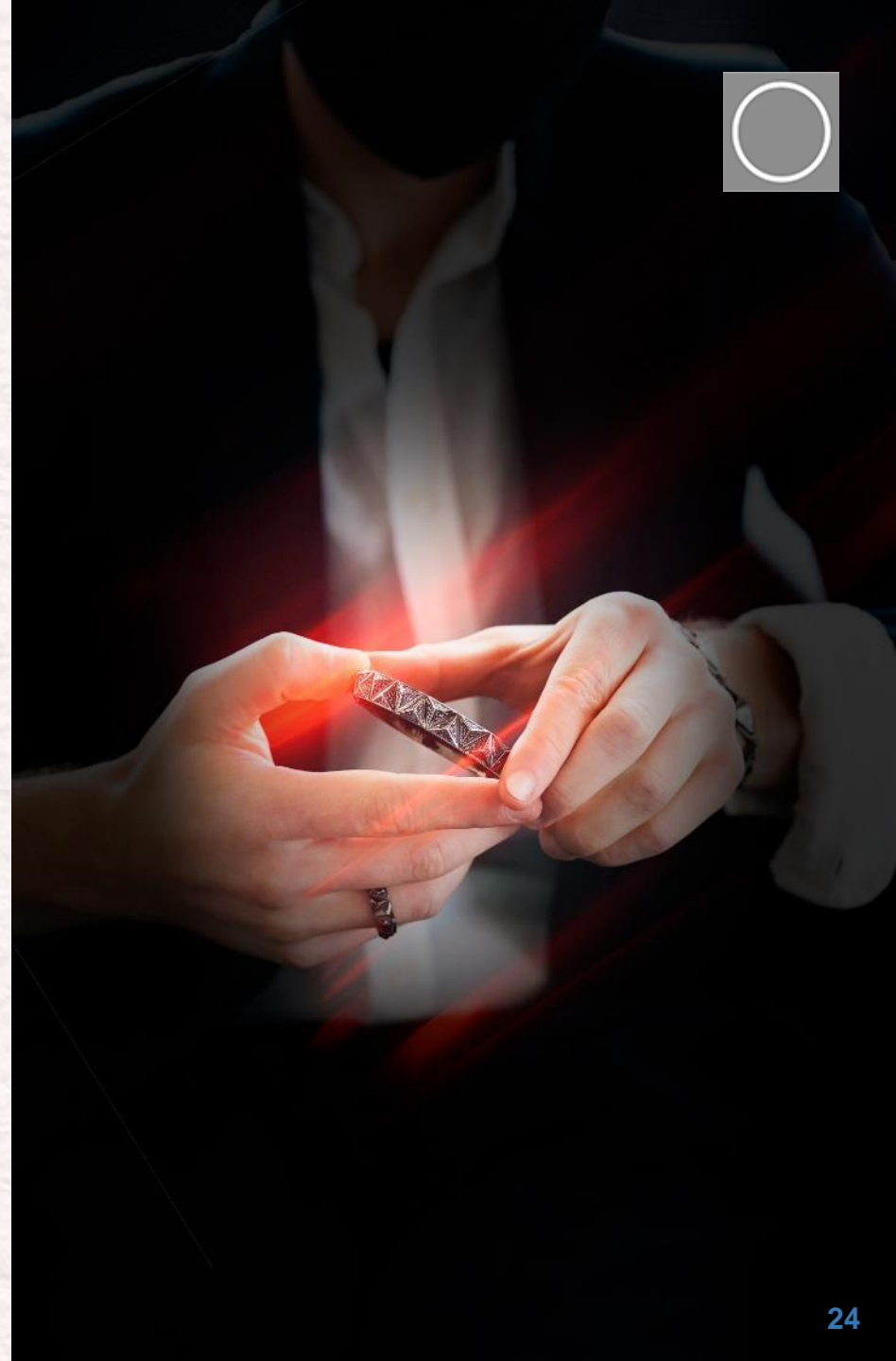
Increasing scale to drive operating leverage across distribution channels



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

ESG Initiatives



ESG Initiatives



ENVIRONMENT



- * To achieve safety, health and environmental excellence in all aspects of business activities
- * **During the quarter Q1FY23, Renaissance Global Ltd. has been awarded the ISO 14001:2015 standard certificate**

SOCIAL



Renaissance's CSR POLICY covers projects through NGOs under:

- * Medical, Health Care and Social Welfare
- * Educational
- * Humanitarian
- * Environmental, Animal Welfare, Cultural and Religious
- * For FY2021-22, Renaissance spent Rs.1.22 crore towards CSR & other social activities

GOVERNANCE



- * To achieve the highest levels of transparency, accountability and equity in all spheres of operations
- * Company has adopted various codes and policies to carry out business in an ethical manner
- * Renaissance is a member of the Responsible Jewellery Council (RJC), a non-profit standard setting and certification global organisation
 - Being a member, Company is committed to and is independently audited against the RJC Code of Practices, an international standard on responsible practices for the jewellery industry

Corporate Social Responsibility



MEDICAL, HEALTH CARE AND SOCIAL WELFARE



- * Partnered with the Bhaktivedanta Hospital by establishing a mammography unit, providing five Dialysis Machines and a 'Mobile Clinic for Cancer Detection'
- * In FY 2021-22, a donation of Rs. 90 Lakh was made towards this initiative
- * Contributed towards building Shrimad Rajchandra Hospital in Dharampur, Gujarat under the Shrimad Rajchandra Mission

EDUCATIONAL



- * Under the Each One Teach One Initiative (EOTO), Renaissance adopted the Kamalaben Jogani High School at Bhopoli in Palghar district of Maharashtra
- * Employees visit regularly and teach students various non-academic activities like football, self-defence, Tai-chi Yoga, chess, drawing and craft
 - Employees have coached over 250 students over a period of 4 years
- * Work with Isha Foundation to provide education facilities to the underprivileged children, helped build a classroom for students and donated a school bus to the foundation

HUMANITARIAN



- * Donated during natural disasters like floods, famines, earthquakes, through the Sarnast Mahajan trust
- * Donated to the Maharashtra Drought relief fund, Nepal Earthquake Relief and Uttarakhand Flood Relief

ENVIRONMENTAL, ANIMAL WELFARE, CULTURAL & RELIGIOUS



- * Actively contributes to Shree Patan Panjrapole in Patan, Gujarat which works to enrich the life of handicapped and weak animals



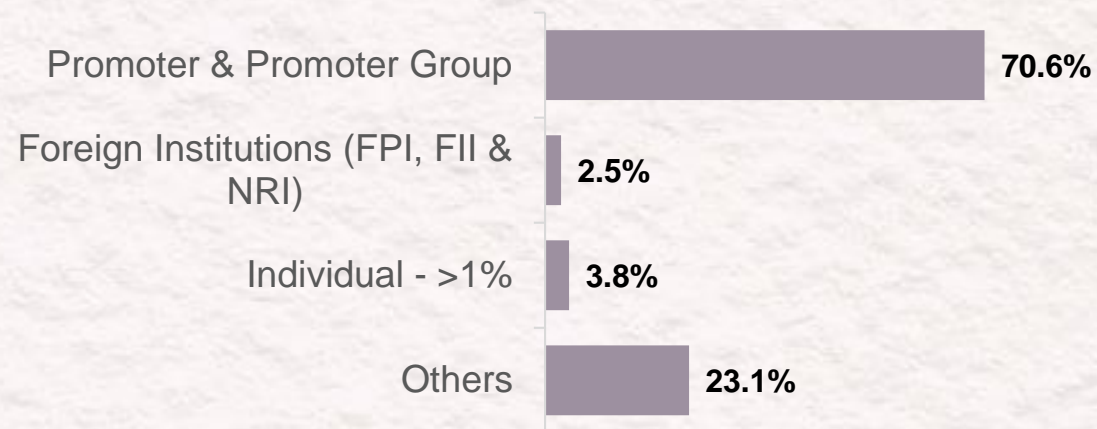
Renaissance Global Limited

Annexure



Market Snapshot

Shareholding Pattern*



*Holding as on 30th June 2022

Key Market Statistics	As on 30-June-2022 (Adjusted for Split)
BSE/NSE Ticker	532923/RGL
CMP (Rs)	115.8
Market Cap (Rs Crore)	1,099.20
Number of outstanding shares (Crore)	9.44
Face Value	2.00
52-week High / Low (Rs)	218.0/107.3



Conference Call Details

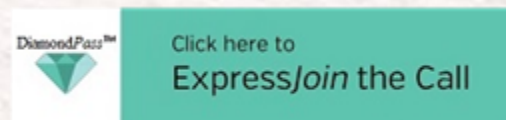


Q1 FY2023 Earnings Conference Call

Time • 02:00 p.m. IST on Wednesday, August 10, 2022

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:



Primary dial-in number • + 91 22 6280 1141 / 7115 8042

International Toll-Free

Number

- Hong Kong: 800 964 448
- Singapore: 800 101 2045
- 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, and NFL. 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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Renaissance Global Limited

Thank You