



RENAISSANCE GLOBAL LIMITED

CIN.: L36911MH1989PLC054498

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August 12, 2022

Bombay Stock Exchange Limited Listing Department Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai – 400 001	National Stock Exchange of India Ltd. Exchange Plaza, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051
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Sub.: Investor Presentation.

Dear Sir

We are enclosing herewith Investor Presentation for the benefit of our investors.

Kindly upload the same under suitable section of your website.

Thanking you,

Yours faithfully,
For **Renaissance Global Limited**

CS Vishal Dhokar
Company Secretary & Compliance Officer



Renaissance Global Limited

Investor Presentation

August 2022



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

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

2,190 cr.

Total Revenues in FY22

503 cr.

Branded jewellery revenues (Rs.) in FY22

4

Licensing agreements with global brands

9%

Overall EBITDA margins in FY22

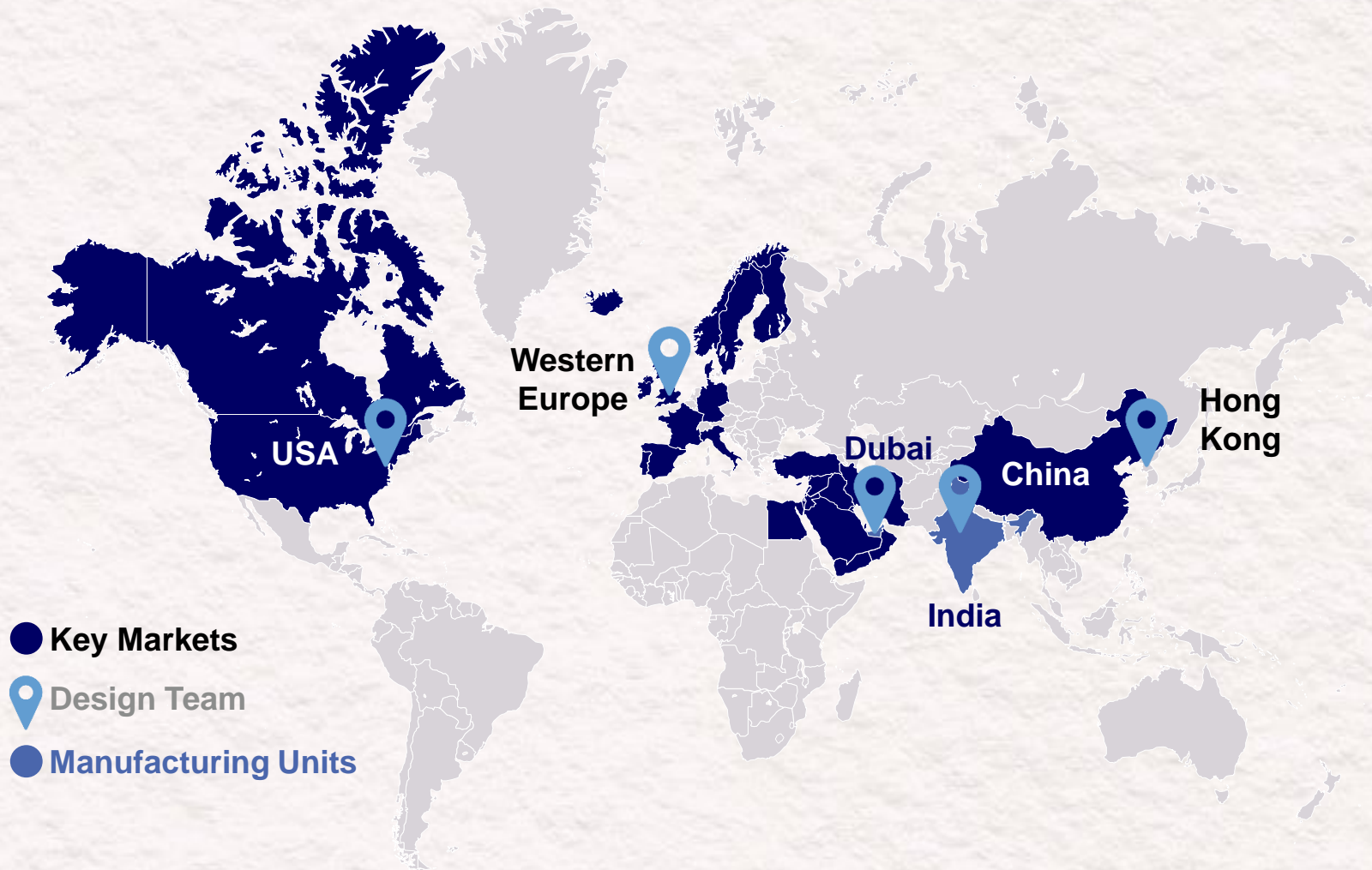
15%

Branded jewellery EBITDA margins in FY22

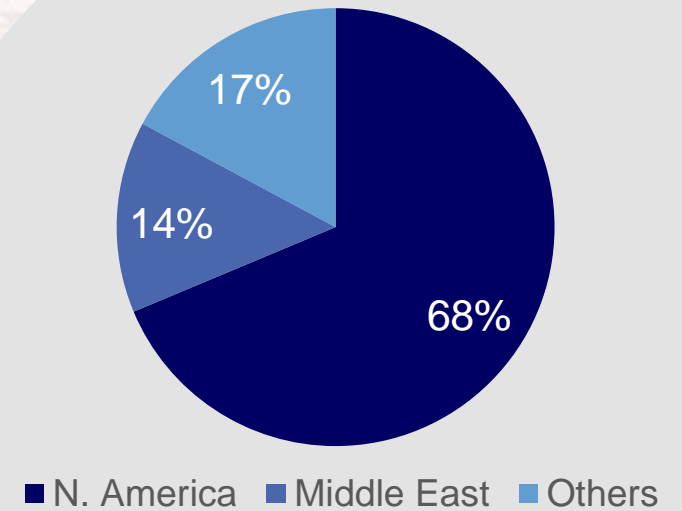
0.30

Net debt to equity as on March 31, 2022

Presence in Key Global Markets



Geographic Revenue Mix – FY22



Emphasis on increasing footprint in key markets of North America, Europe & Asia

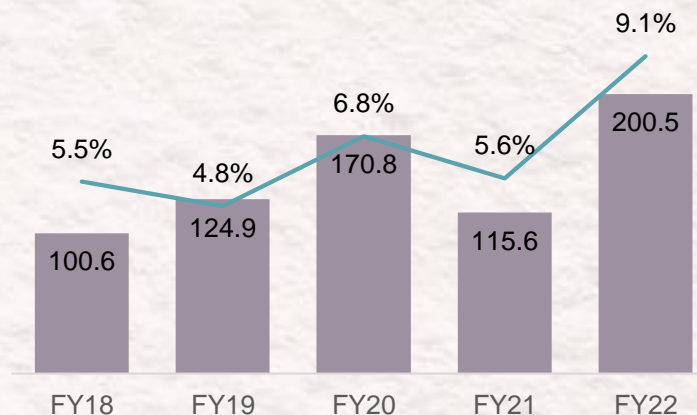
Financial Summary



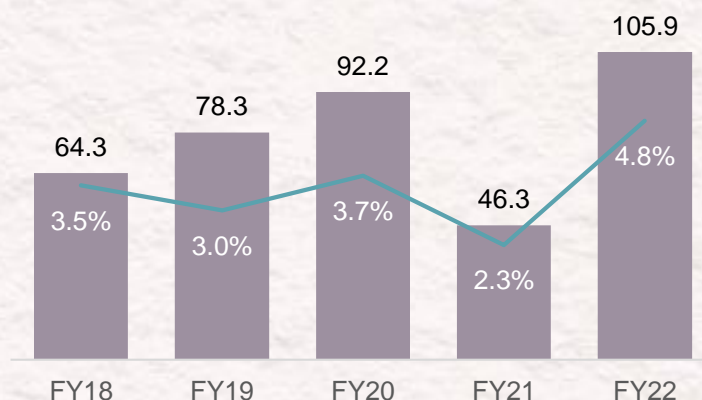
Total Income (Rs. Cr.)*



EBITDA (Rs. Cr.) & Margin (%)



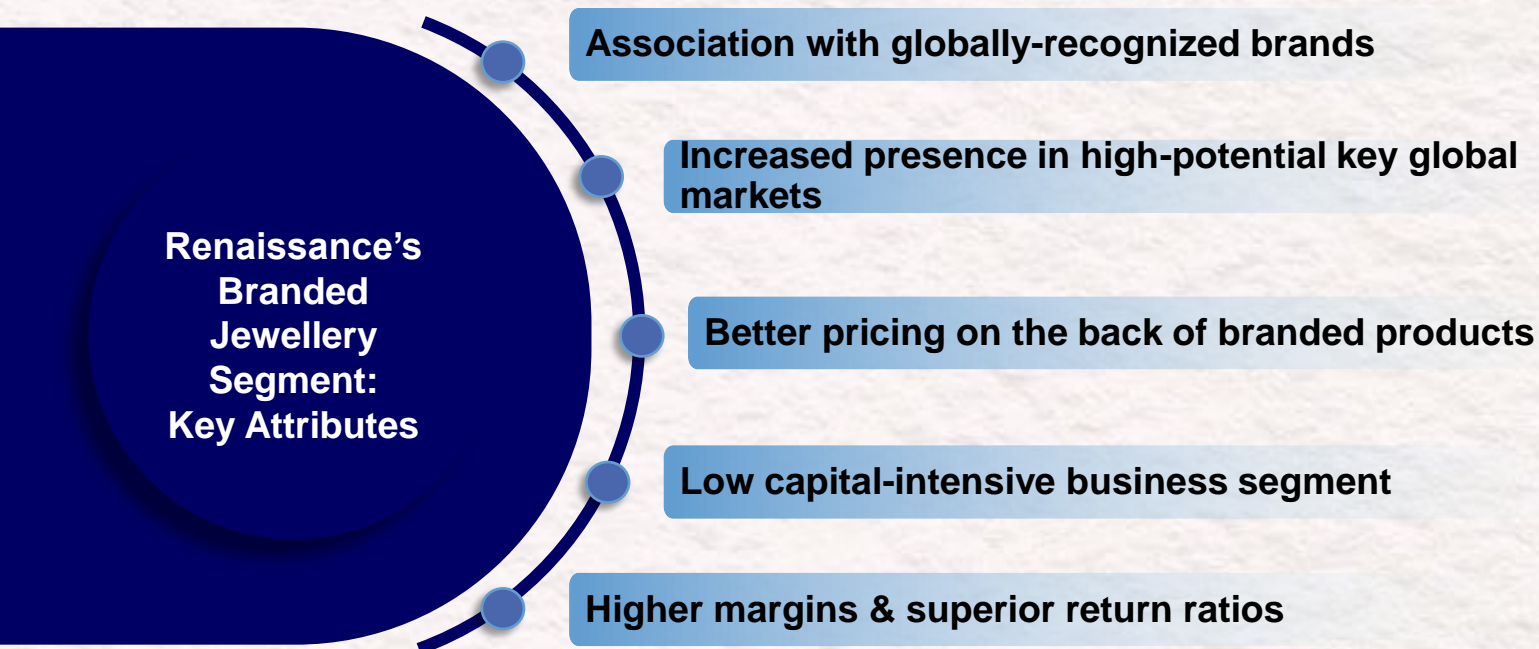
PAT (RS. CR.) & MARGIN (%)



- * On a like-to-like basis, FY22 Total Income growth stood at 32% against reported growth of 8%
- * From FY18 to FY22, Renaissance has reported,
 - **19% CAGR in EBITDA**
 - **13% CAGR in PAT**
- * Covid-19 pandemic affected performance in FY21
- * Target to report higher mid-teens return ratios

*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, **FY22 Total Income growth stood at 32% YoYa against reported growth of 8%**

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

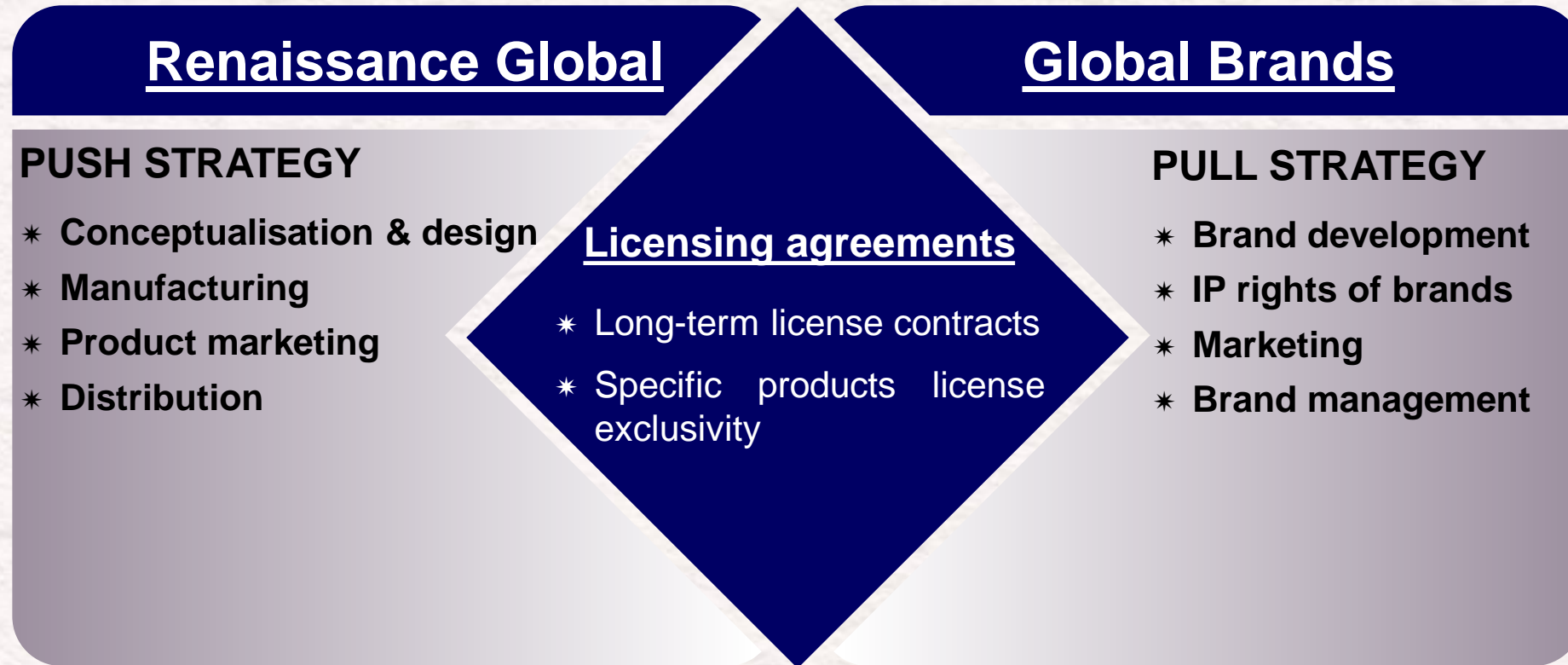


**Business-to-
Business
(B2B)**



**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

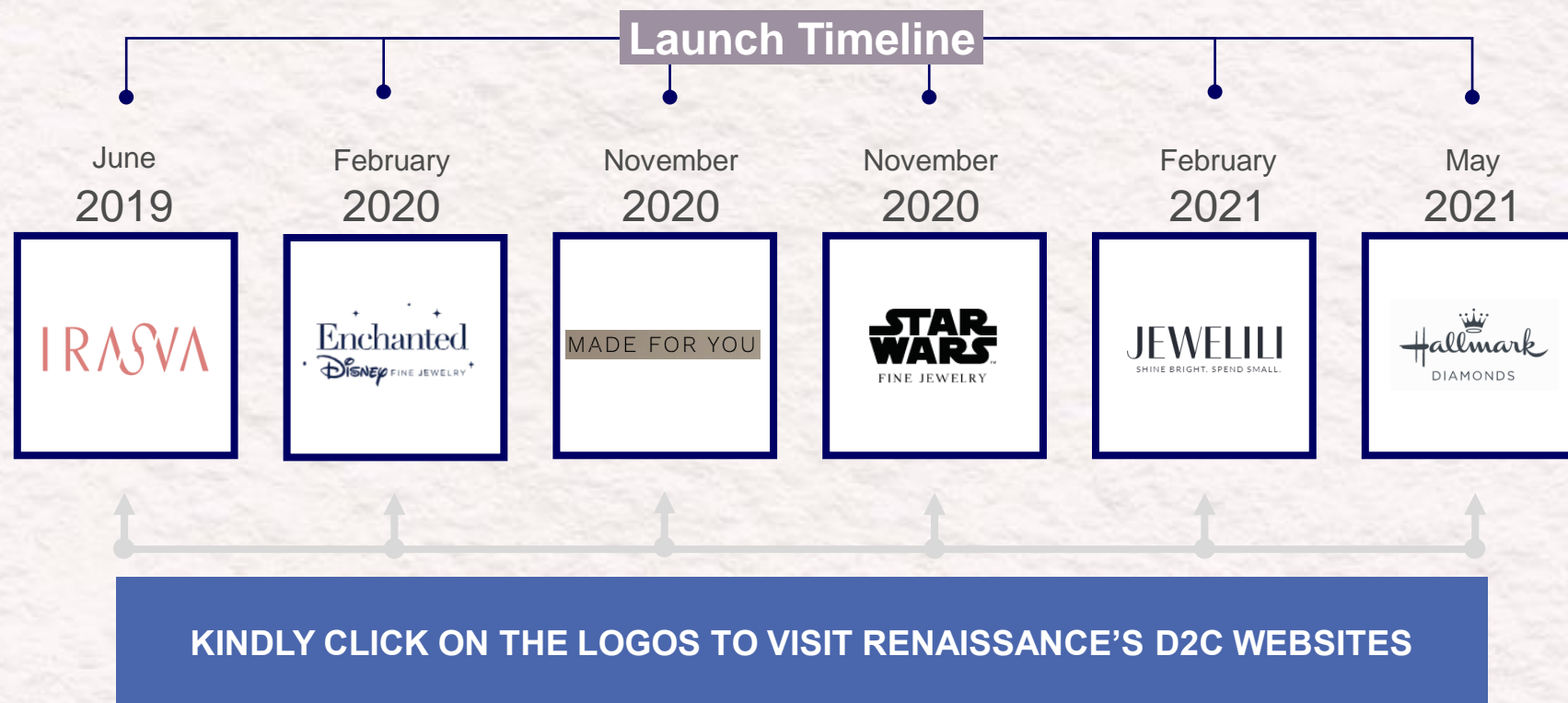
Building a strong portfolio of licensed and owned brands



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

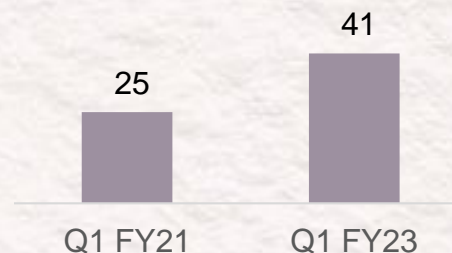
Growing Direct to Consumer (D2C) Business



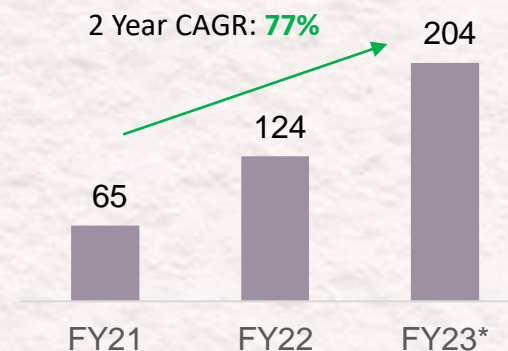
- * During Q1 FY23, the direct-to-consumer business posted revenues of Rs. 40.7 crore compared to Rs. 25.0 crore in Q1 FY22, up by 62.9% YoY. For the period FY22, D2C business reported revenues of Rs. 123.8 crore compared to Rs. 64.9 crore in FY21, growing by 91% YOY.
- * Based on our estimates of a 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.)

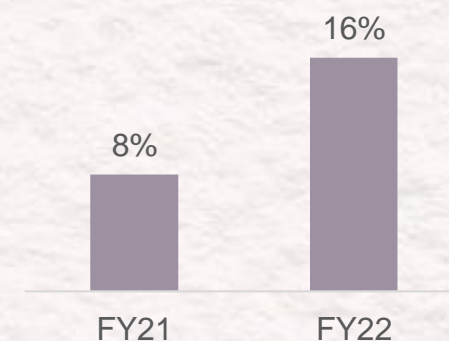


Annual D2C Sales Trend (Rs. Cr.)



* 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

Key Developments



Acquisition of Four Mine Inc.

- * The Company, through its step down subsidiary Renaissance FMI Inc, acquired the assets of Four Mine Inc.
- * Four Mine Inc. specializes in the sale of branded lab grown diamond engagement rings and this transaction will give Renaissance a strong foothold in this space, apart from improving the operating margin of the business through supply chain efficiencies.

Signs a strategic licensing partnership with National Football League (NFL)

- * The National Football League (NFL) is a major professional football league in the United States having a multi million fan base
- * Through this agreement, Renaissance and the NFL will collaborate to design unique branded jewellery collection using NFL intellectual property
- * The NFL jewellery collection will include distinct pieces representing each of the 32 teams in the NFL along with jewellery pieces for the Super Bowl and Pro-Bowl matches
- * This collection will be sold across Jewellery retail stores and e-commerce platforms such as NFL team websites and other retailer websites.

Key Developments



Established a Strategic Advisory Board (SAB)

- * During FY22, the company constituted a Strategic Advisory Board consisting of three renowned executives, Mr. Bijou Kurien, Mr. Franseco Pesci & Mr. John Macantee, each of them having a rich & diverse industry experience.
- * The SAB will be working closely with Renaissance's leadership team, offering guidance and direction on the strategic growth initiatives especially on growing the branded jewellery business of the company.
- * The Board will be involved in key stages of future projects for the Company, paving the way for a robust all-round performance

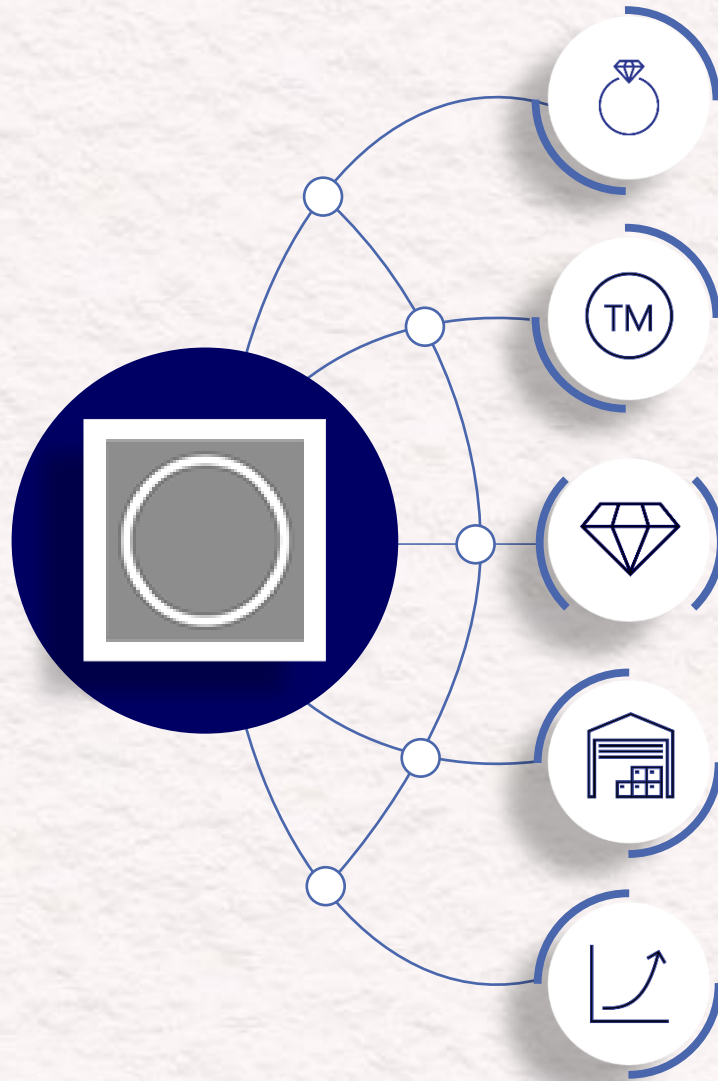
New headquarters & fulfillment center in New York, United States

- * In order to further support the growth on branded jewelry segment, the company is developing a state of the art headquarters & fulfillment center in New York, USA spread across 56,000 Sq. Ft. With system-driven task distribution, automation in storage, process and allocation, merchandising centre, sales and after sale services, these headquarters have been designed for value creation across our D2C and B2B ecosystem.

Acquisition of Everyday Elegance jewellery

- * The Company, through its wholly owned subsidiary Renaissance jewellery New York, acquired 100% assets 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

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**





Renaissance Global Limited

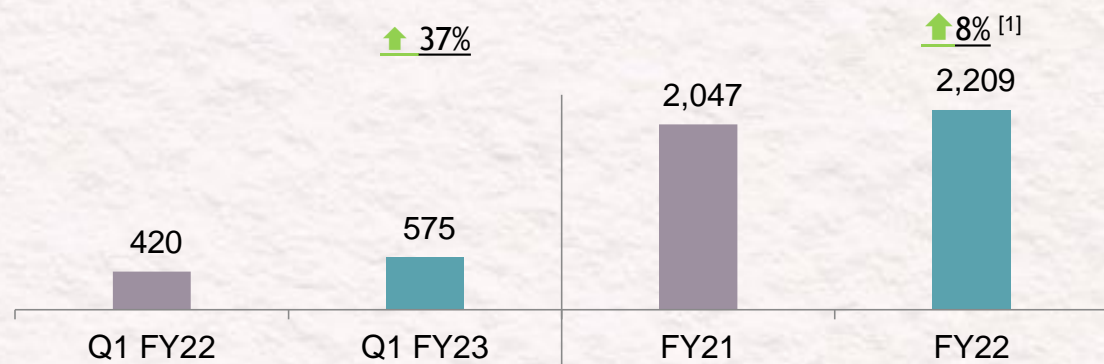
Financial Overview



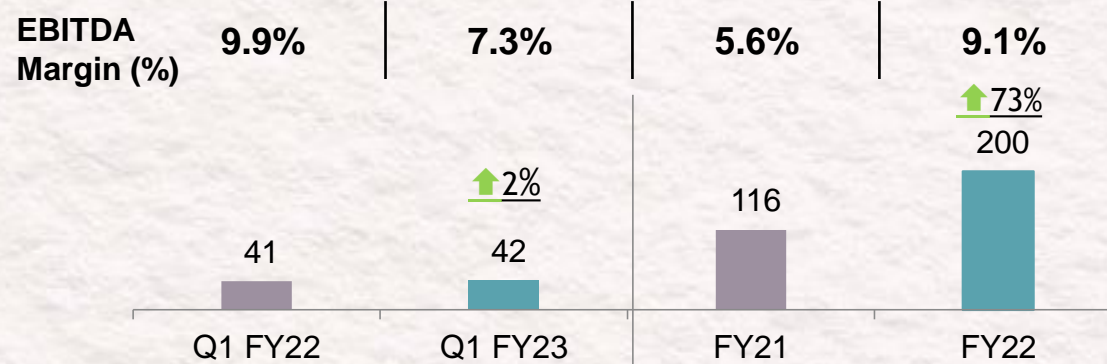
Q1FY23 & FY22 Financial Summary



Total Income (Rs. Crore)*

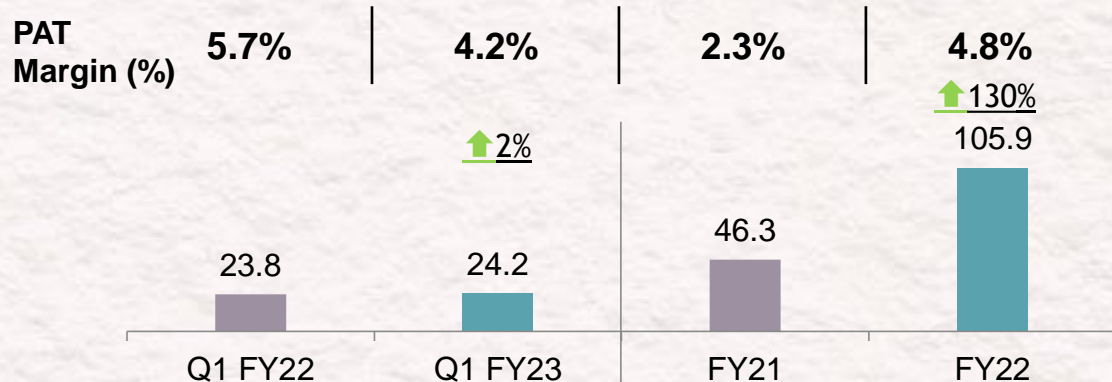


EBITDA (Rs. Crore)

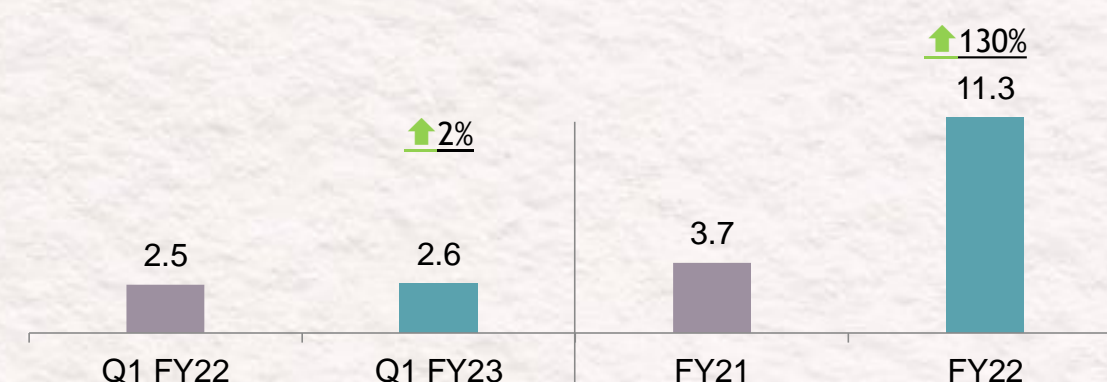


^[1] With effect from 1st Apr 2021, the Company has re-negotiated terms with most customers across its Plain gold division due to which, Renaissance is now recognizing only making charges as revenue for this business. This will meaningfully reduce the reported revenues of the gold division, without impacting EBITDA of this division. On a like-to-like basis, **FY22 Total Income growth stood at 32% against reported growth of 8%**

PAT (Rs. Crore)



EPS^[2] (Rs.)



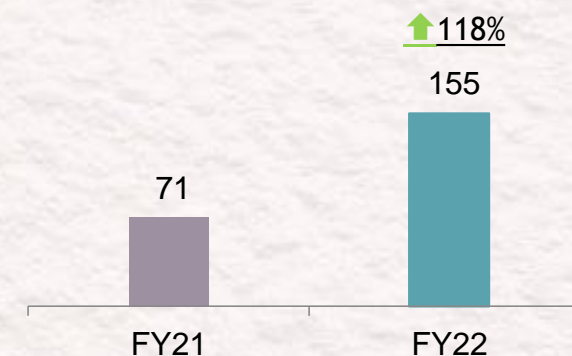
^[2] After the end of quarter under review, the Company has sub-divided the exiting 1 (one) equity share of face value of ` 10/- each fully paid-up into 5 (five) equity shares of face value of ` 2/- each fully paid-up with effect from July 20, 2022 (Record Date). The Earning Per Share (EPS) number of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

Adjusted Financial Performance

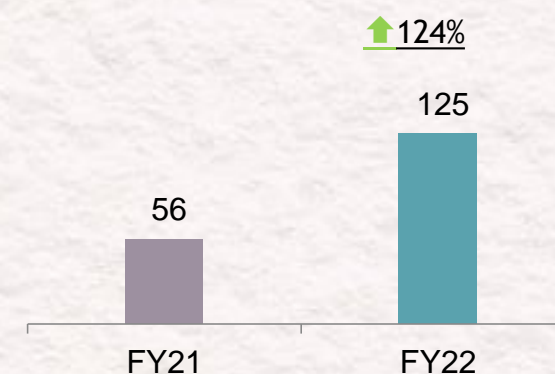


Particulars (Rs. crore)	FY22	FY21	YoY Change (%)
Reported PAT	106.5	46.3	130%
Add: Non-Cash Expenses			
Amortization Expenses ^[1]	8.16	10.21	
Non Cash Lease Expense ^[2]	10.68	1.78	
Less: Tax effect on adjustments	-4.14	-2.63	
One time MAT Adjustment ^[3]	3.43		
Adjusted PAT	124.6	55.6	124%
PAT Margin (%)	6%	3%	

Adjusted PBT (Rs. Crore)



Adjusted PAT (Rs. Crore)

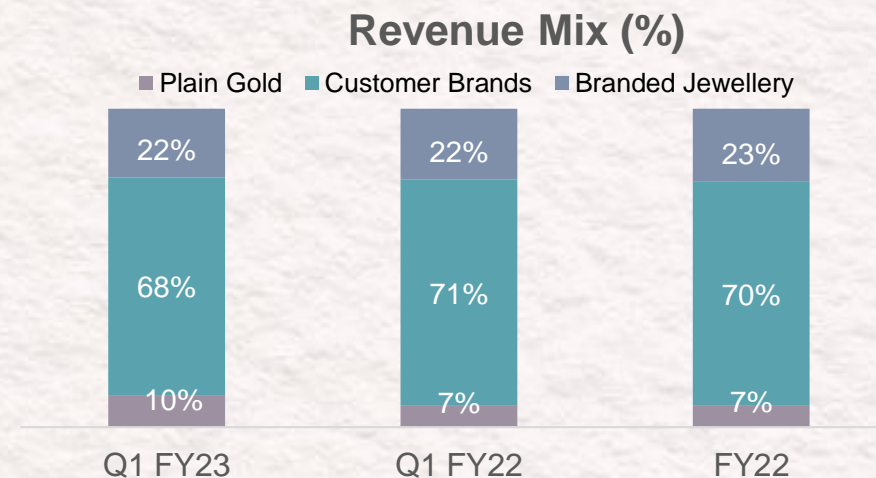


This table represents an adjusted picture of the profitability if the profits are adjusted for certain non-cash expenses. These numbers are not intended to represent the audited financial performance of the company and are only for indicative purposes only. ^[1] Amortization expense pertains to acquisition of goodwill on Jay Gems Inc. acquisition made in 2018. By the end of this financial year, the goodwill remaining to be amortized will be insignificant. ^[2] During the financial year, the company has leased new office premises in New York, the first payout for which is due only in the next financial year as we have received a 1 year lease free period. However as per IND AS reporting, we are required to amortize the lease for the entire period irrespective when the lease payouts start becoming due. ^[3] The company has taken a one-time write off of MAT credit to the tune of ₹3.4 crore on changing to reduced Income tax rate regime.

Q1 FY23 & FY22 Operational Summary



Revenue Break-up (Rs. Cr.)	Q1 FY23	Q1 FY22	Shift %	FY22	FY21	Shift %
Branded Jewellery	124.1	91.5	35.6%	502.7	367.2	36.9%
- B2B	83.4	66.5	25.3%	378.9	302.4	25.3%
- D2C	40.7	25.0	63.1%	123.8	64.9	90.9%
Customer brands	392.0	290.7	34.9%	1,540.1	1,200.1	28.3%
Plain Gold*	57.6	27.3	111.1%	147.0	463.9	-68.3%
Total Revenues	573.8	409.5	40.1%	2,189.8	2,031.2	7.8%



EBITDA Break-Up	FY22		FY21		Shift YoY	Q1 FY23		Shift YoY
	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹)	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹)
Branded	75.5	15.0%	44.2	12.7%	70.9%	16.2	13.1%	17.8%
- B2B	52.2	13.8%	31.2	11.0%	67.2%	10.1	12.1%	8.9%
- D2C	23.4	18.9%	13.0	20.0%	79.8%	6.1	15.1%	36.0%
Customer brands	117.1	7.6%	67.0	5.5%	74.7%	22.8	5.8%	-12.3%
Plain Gold*	7.9	5.4%	4.4	0.9%	78.9%	3.0	5.2%	94.5%
Total EBITDA	200.5	9.2%	115.6	5.7%	73.4%	42.0	7.3%	1.7%

*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 **for FY22 revenue growth stood at 33% against reported growth of 8%.**

Robust Free Cash Flow Generation

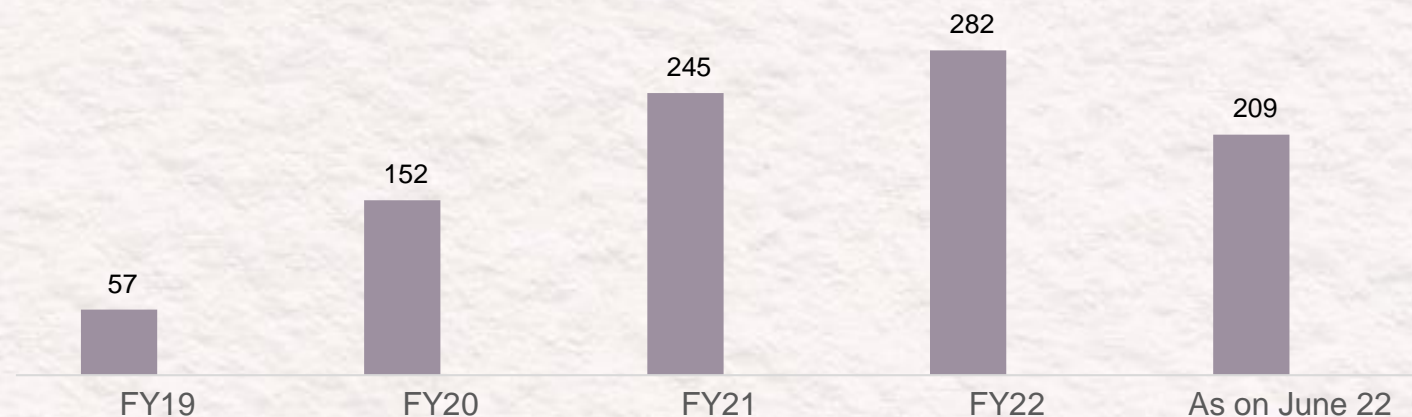


- * Strong FCF generation
- * Branded Jewellery - a low capital-intensive business
- * Operating leverage & minimal capex spends to further improve FCF generation, going ahead
- * Cash balances to be strategically utilized to create shareholder value

Free Cash Flow Generation (Rs. Cr.)



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

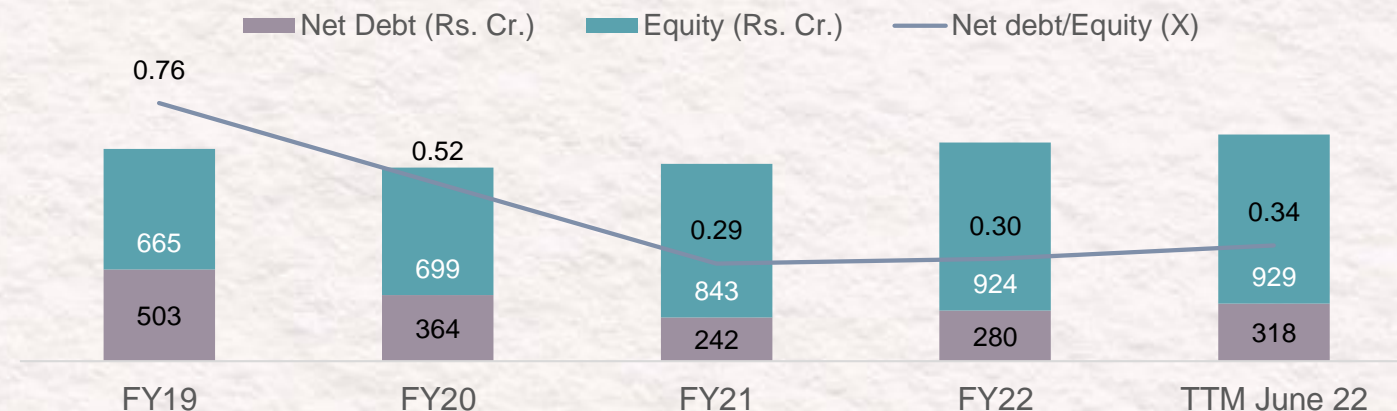


Strong Balance Sheet

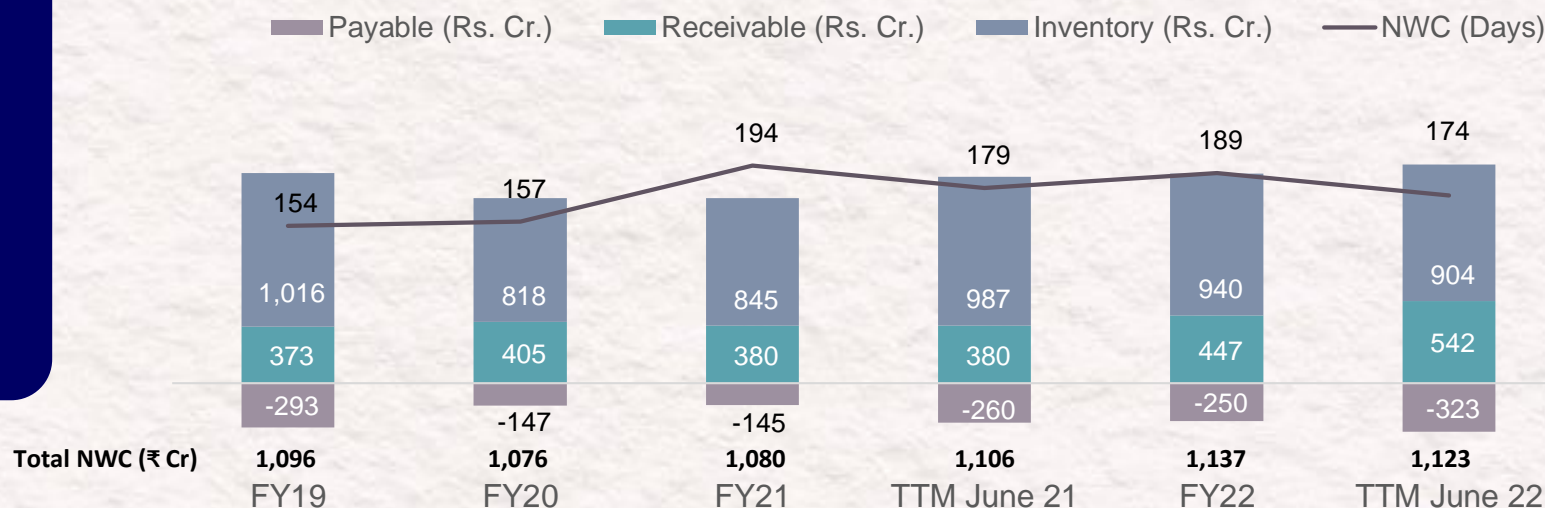


- * Highly disciplined balance sheet approach
- * Increase in capital deployment due to higher business YoY reflecting in higher equity & debt.
 - Net Debt to Equity ratio as of June 2022 continues to be at 0.34 vs 0.30 in March 2022
- * Strict control over working capital reflected in NWC days falling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

Leverage



Working Capital



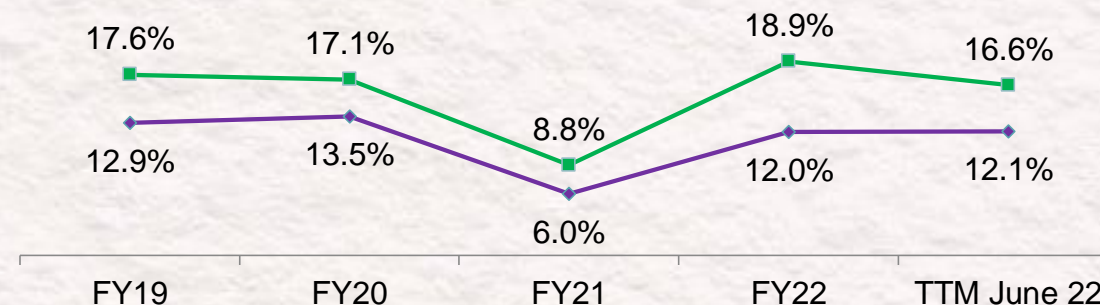
* Net Working Cycle days is not comparable to previous periods due to recent change in revenue recognition policy in the Plain Gold Division due to which, Renaissance is now recognizing only making charges as revenue for this gold division. This will meaningfully reduce the reported revenues of the company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

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



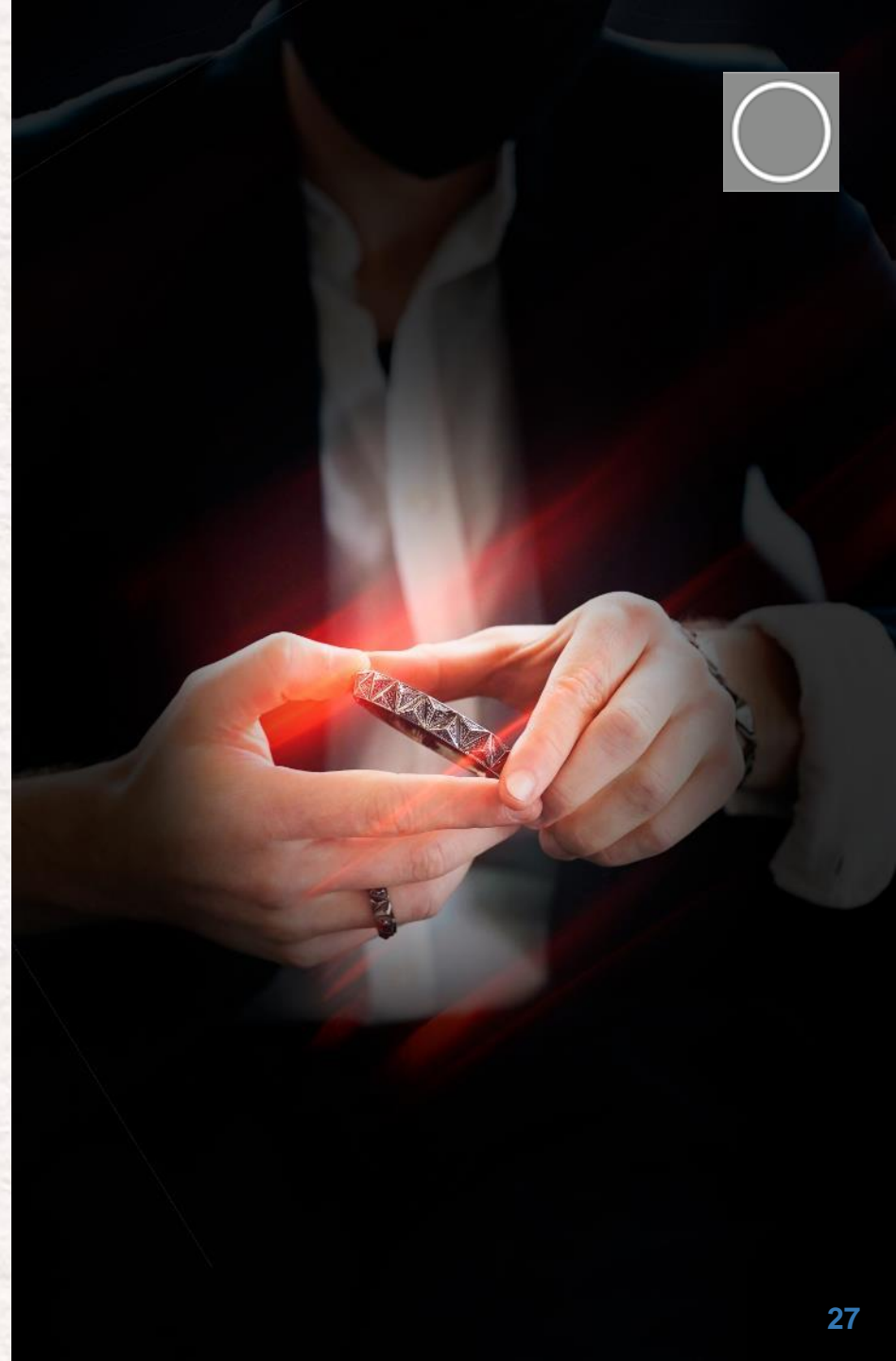
Increasing scale to drive operating leverage across distribution channels



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



Prudent capital allocation with focus on creating sustainable shareholder value





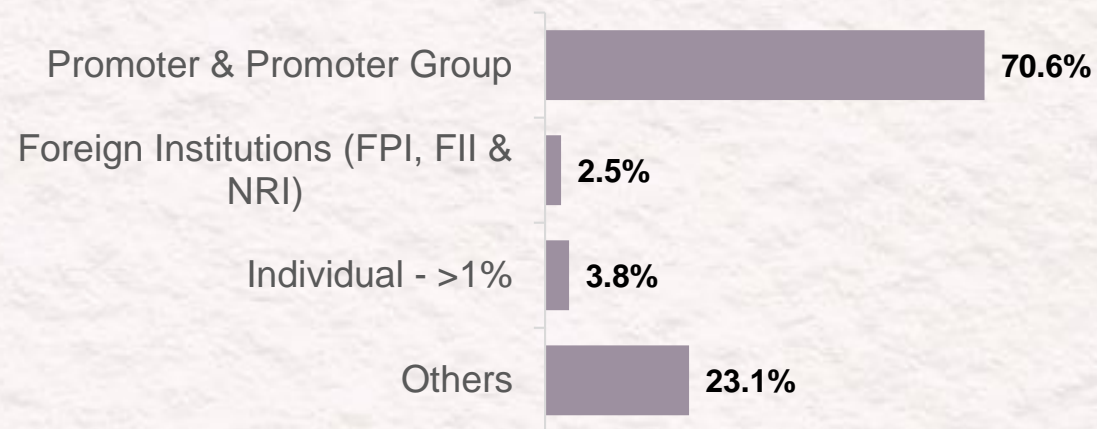
Renaissance Global Limited

Annexure



Market Snapshot

Shareholding Pattern*



*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



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:



Snehkumar Purohit



Renaissance Global Limited



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Thank You