



Renaissance Global Limited

Results Presentation

Q3 & 9M 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.

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Renaissance Global Limited

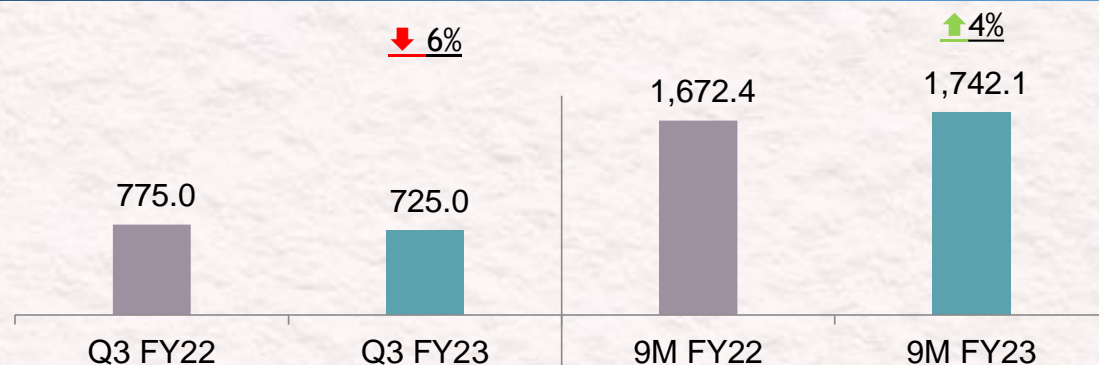
Q3 & 9M FY23 Results Overview



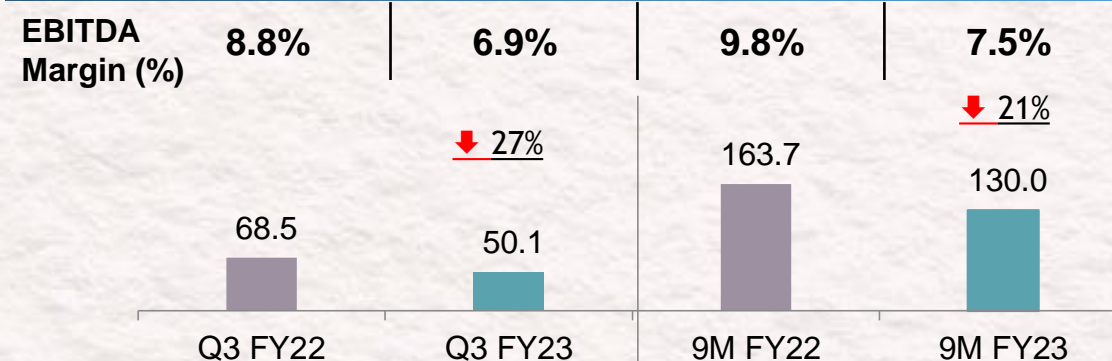
Q3 & 9M FY23 Financial Summary



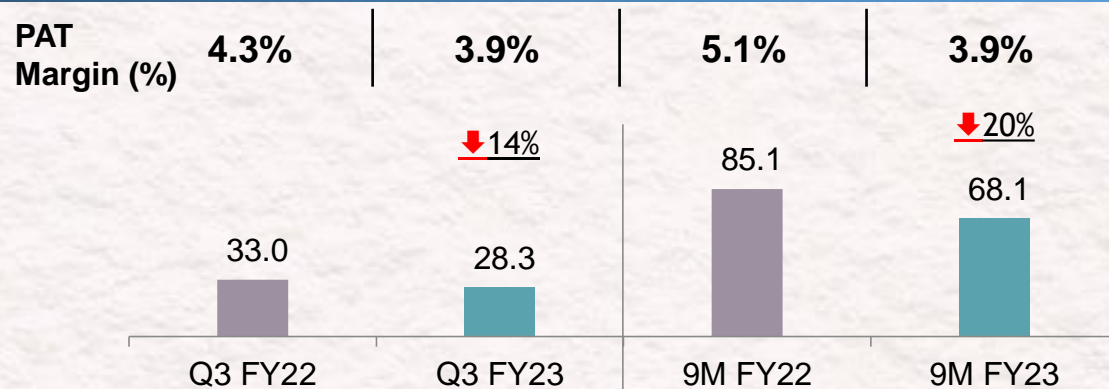
Total Income (Rs. Crore)



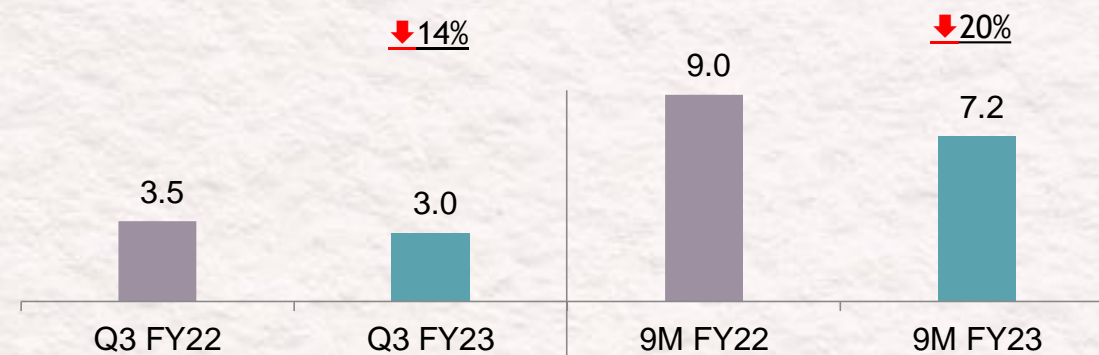
EBITDA (Rs. Crore)



PAT (Rs. Crore)



EPS (Rs.)



^[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 Q3 & 9M FY23, Mr. Sumit Shah – Chairman and Global CEO, Renaissance Global Limited said,



“Despite strong global headwinds, we were able to minimize the downward pressure on our revenues for 9M FY23. It was largely driven by the growth in our branded jewelry division which was up by 20% YoY.

Our high-margin Direct-to-Consumer segment remains a priority for us, and we are pleased to see it grow in the current demand scenario. The annual run-rate for the segment improved to Rs. 225 crore in 9M, further improving the 2-year revenue CAGR to 86%. We are thrilled to report that the recently acquired LGD engagement rings business has achieved breakeven towards the end of the quarter and is now poised to start contributing to our profitability going forward. We are confident that it will play a critical role in driving our D2C growth in the years to come. We remain committed to executing our integration plan efficiently and effectively, and we will continue to keep you updated on our progress.

Additionally, we were pleased to see continued demand for our branded product by our retail partners and continued strength in our plain gold business in the Middle East. However, inflationary pressure has impacted our EBITDA margins, and we expect margins to remain in the current range for the short term. We remain committed to aggressively growing our direct-to-consumer business and expect to see improvement in margins over the long term.”

Growing Direct to Consumer (D2C) Business

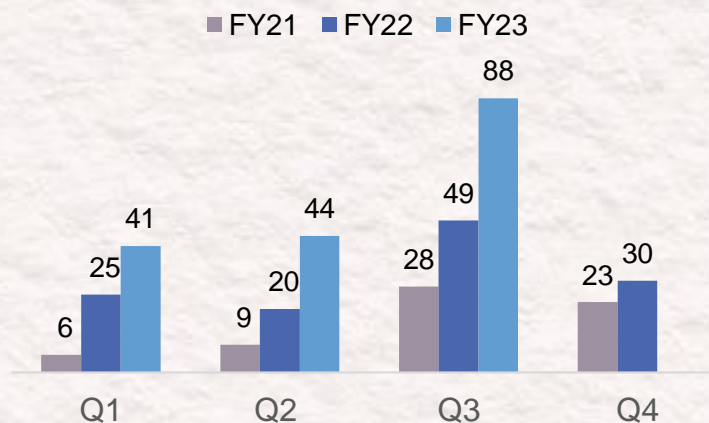


- * During Q3 FY23, direct-to-consumer business posted revenues of Rs. 88.2 crores compared to Rs. 48.9 crores in Q3 FY22, registering a growth of 80%
- * For 9MFY23, direct-to-consumer business revenue was up by 83% to Rs.172.8 crores as compared to Rs. 94.3 Crores in 9MFY22
- * Annual revenue run rate for FY23 has improved to Rs. 225 crores from Rs. 210 crores reported in Q2 & H1 FY23, further improving the 2-year D2C revenue CAGR to 86%
- * For 9MFY23, EBITDA margins of the D2C business were impacted while we built scale and covered integration costs from our recently acquired Four Mine Inc. business. The business has now achieved breakeven and is poised to positively contribute to our profitability moving forward. We anticipate a return to our historic D2C margins in the next few quarters.

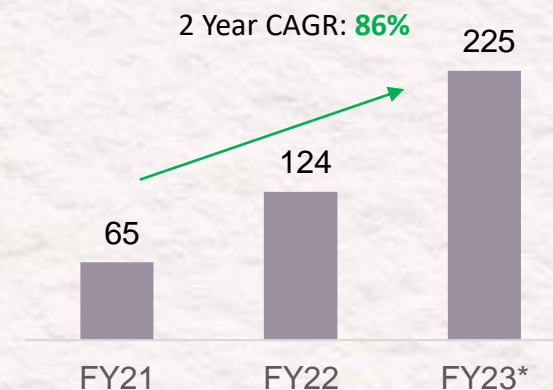


Kindly click on the logos above to visit Renaissance's D2C websites

Quarterly D2C Sales Trend
(Rs. Cr.)



Annual D2C Sales Trend
(Rs. Cr.)

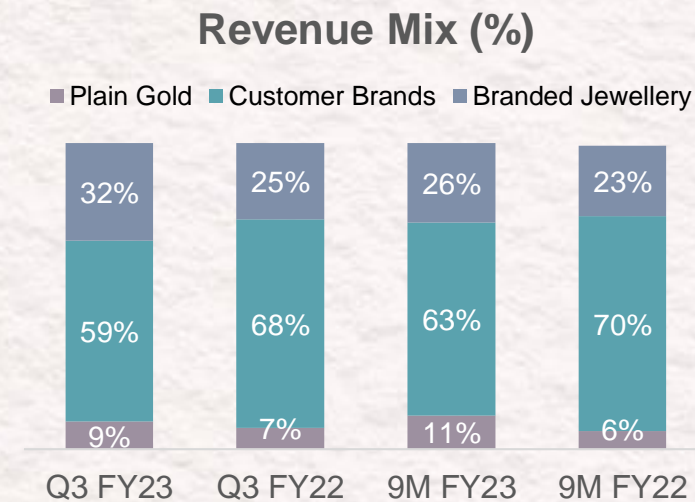


* Annual Revenue Run Rate

Q3 & 9M FY23 Operational Summary



Revenue Break-up (Rs. Cr.)	Q3 FY23	Q3 FY22	Shift %	9M FY23	9M FY22	Shift %
Branded Jewellery	234.2	196.3	19.3%	457.9	382.9	19.6%
- B2B	146.0	147.4	-0.9%	285.1	288.6	-1.2%
- D2C	88.2	49.0	80.2%	172.8	94.3	83.3%
Customer brands	424.5	523.7	-18.9%	1,089.7	1,169.8	-6.8%
Plain Gold	65.1	53.9	20.9%	190.3	107.9	76.3%
Total Revenues	723.9	773.9	-6.5%	1,737.9	1,660.5	4.7%



EBITDA Break-Up	Q3 FY23		Q3 FY22		Shift YoY	9M FY23		9M FY22		Shift YoY
	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹)	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹)
Branded	28.0	12.0%	29.3	14.9%	-4.5%	57.5	12.6%	59.3	15.5%	-3.0%
- B2B	17.8	12.2%	20.0	13.6%	-10.8%	36.1	12.7%	41.3	14.3%	-12.7%
- D2C	10.2	11.6%	9.4	19.1%	9.1%	21.4	12.4%	18.0	19.1%	19.1%
Customer brands	17.5	4.1%	36.0	6.9%	-51.2%	59.3	5.4%	97.3	8.3%	-39.1%
Plain Gold	4.6	7.0%	3.2	5.9%	43.4%	13.2	7.0%	7.1	6.5%	87.2%
Total EBITDA	50.1	6.9%	68.5	8.8%	-26.8%	130.0	7.5%	163.7	9.9%	-20.6%

Q3 FY23: Financial & Operational Discussions (Y-o-Y)



Revenue

Total income stood at Rs. 725.0 crore from Rs. 775.0 crore

- Branded Jewellery business revenues stood at Rs. 234.2 crore supported by a steady flow of orders from retail partners and increasing revenues from D2C business
 - D2C business revenues grew by 80% to Rs. 88.2 crore in Q3FY23 and expanded by 83% to Rs. 172.8 crore in 9MFY23
- Revenue share of studded jewellery stood at 89%, with Branded jewellery business contributing 30% of the total studded jewellery revenues

EBITDA

EBITDA came in at Rs. 50.1 crore as against Rs. 68.5 crore

- EBITDA Margins stood at 6.9% as against 8.8%, down by 192 bps
- During the period, the D2C business experienced modest margins due to building of scale and integration costs at recently acquired Four Mine Inc.
 - The integration of Four Mine Inc is progressing smoothly and has already reached break-even point, which is expected to result in future profitability
 - Renaissance anticipates this segment to report strong margins over the longer-term

PAT

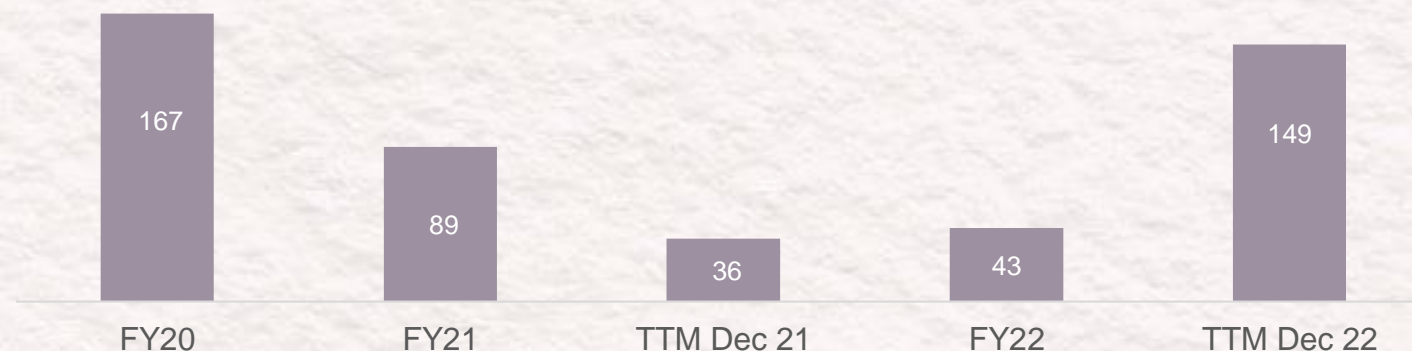
PAT, after discontinued operations, stood at Rs. 27.8 crore as against Rs. 33.0 crore, down by 16%

Robust Free Cash Flow Generation

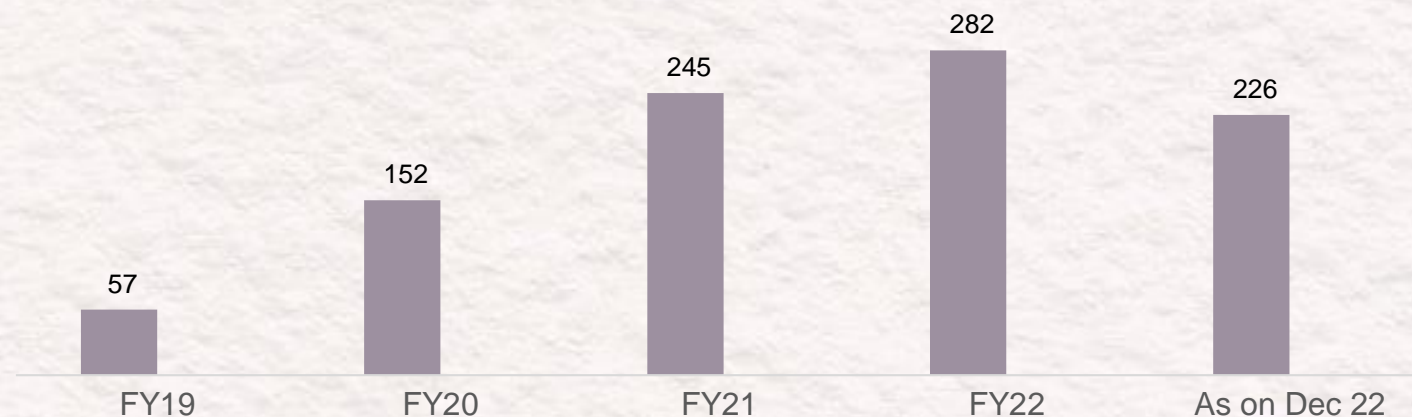


- * Strong FCF generation
- * Branded Jewellery - a low capital-intensive business
- * Operating leverage & minimal capex spends to further improve FCF generation, going ahead
- * Cash balances to be strategically utilized to create shareholder value

Free Cash Flow Generation (Rs. Cr.)



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

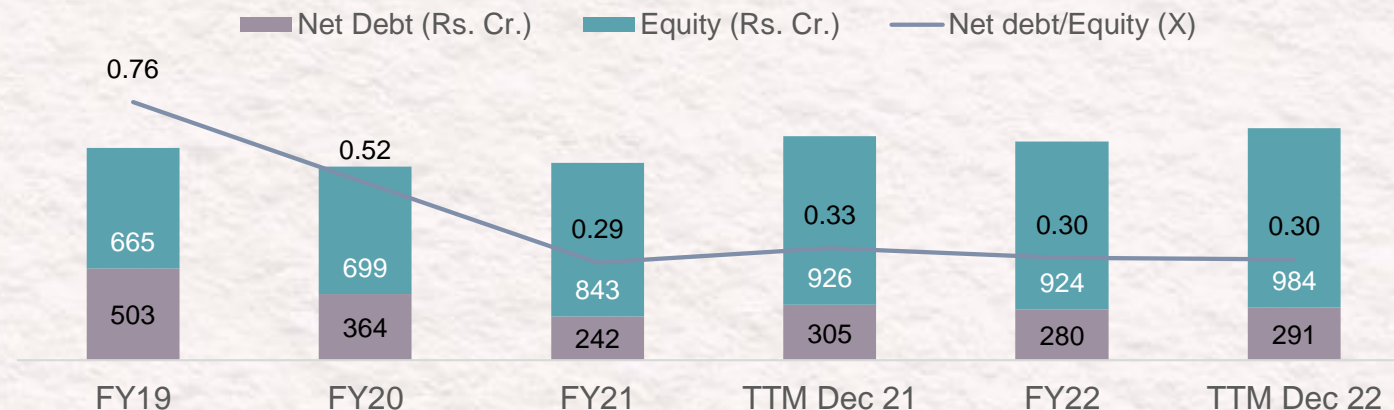


Strong Balance Sheet

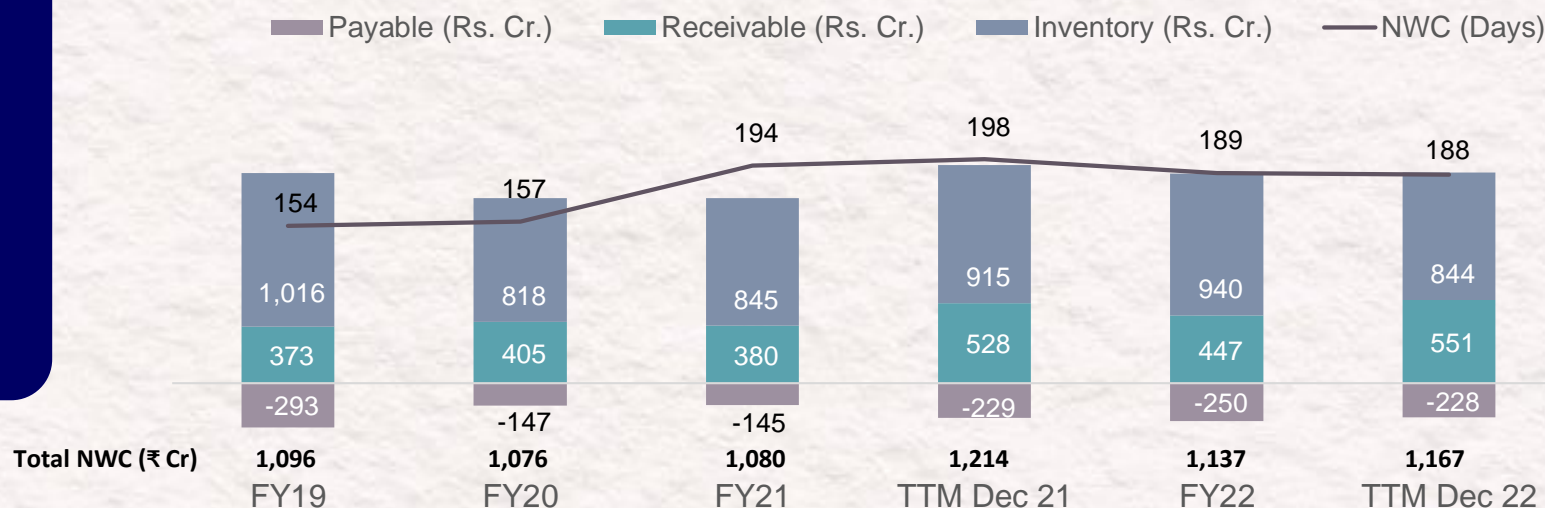


- * Highly disciplined balance sheet approach
- * Net Debt to Equity ratio as of December 2022 improves to 0.30 vs 0.41 in September 2022
- * Strict control over working capital reflected in NWC days falling from 213* to 188 days

Leverage



Working Capital



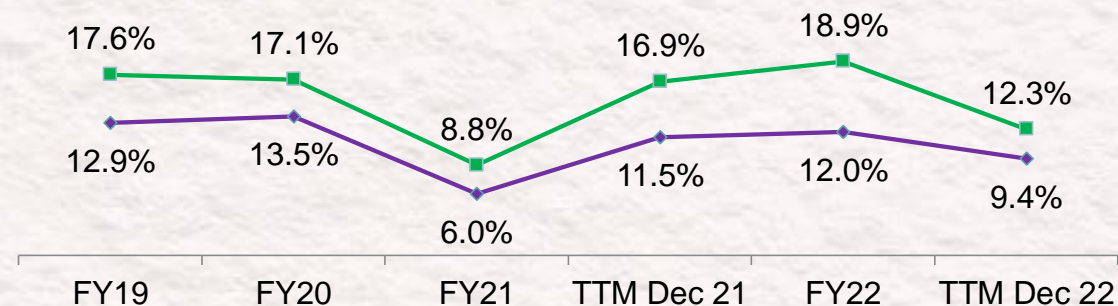
* Net Working Cycle days is not comparable to previous periods due to recent change in revenue recognition policy in the Plain Gold Division due to which, Renaissance is now recognizing only making charges as revenue for this gold division. This will meaningfully reduce the reported revenues of the company leading to a higher NWC days number. On a like to like basis revenue recognition the NWC cycle has improved from 213 days as on Dec 21 to 188 days in Dec 22.

Healthy Return Ratios



- * 9M FY23 Return on Equity stood at 9.4% vs 12.0% for FY22.
- * 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)	Q3 FY23	Q3 FY22	Y-o-Y Change (%)	9M FY23	9M FY22	Y-o-Y Change (%)
Revenues from Operations	723.9	773.9	-6.5%	1,737.9	1,660.5	4.7%
Other Income	1.1	1.0	4.2%	4.2	11.9	-64.8%
Total Income	725.0	775.0	-6.5%	1,742.1	1,672.4	4.2%
COGS	551.6	594.6	-7.2%	1,279.5	1,204.5	6.2%
Gross Profit	173.4	180.4	-3.9%	462.6	467.9	-1.1%
Gross Margin (%)	23.9%	23.3%	64 bps	26.6%	28.0%	-142 bps
Employee Expenses	26.5	25.0	6.2%	82.7	75.64	9.3%
Advertisement & Sales Promotion Expenses	51.5	30.5	69.3%	76.1	62.8	21.2%
Other Expenses	45.2	56.5	-20.0%	173.9	165.9	4.8%
Total Expenses	123.3	111.9	10.2%	332.6	304.2	9.3%
EBITDA	50.1	68.5	-26.8%	130.0	163.7	-20.6%
EBITDA Margin (%)	6.9%	8.8%	-192 bps	7.5%	9.8%	-232 bps
Depreciation and Amortization	3.9	5.1	-23.4%	10.0	14.8	-32.4%
Amortization of Right of use assets	3.9	5.0	-21.6%	14.2	12.2	16.2%
Finance Costs	9.1	6.2	46.2%	24.6	17.5	40.6%
Interest on Leases	1.6	1.7	-1.4%	4.9	3.6	36.5%
PBT	31.6	50.5	-37.5%	76.3	115.6	-34.0%
Tax expense	3.3	17.5	-81.2%	8.2	30.4	-73.0%
PAT before discontinued operations	28.3	33.0	-14.3%	68.1	85.1	-20.0%
PAT Margin (%)	3.9%	4.3%	-36 bps	3.9%	5.1%	-118 bps
Profit/(Loss) on discontinued Operations	-0.5	0.0		-0.5	-0.1	
PAT after discontinued operations	27.8	33.0	-15.8%	67.6	85.1	-20.6%
EPS^[1] (Rs.)	3.00	3.50		7.21	9.02	

^[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)	December 2022	December 2021
Shareholder's Funds	984.2	925.7
Equity Share Capital	18.9	18.7
Reserves & Surplus	964.3	907.1
Minority Interest	1.0	-0.1
Non-Current Liabilities		
Borrowings	47.2	40.7
Other Financial Liabilities	0.3	4.0
Long Term Provisions	1.7	1.8
Other Non-Current Liabilities ^[1]	137.7	131.6
Current Liabilities		
Income Tax Liabilities (net)	-	4.3
Short Term Borrowings	469.2	549.9
Trade Payables	228.2	228.8
Other Financial Liabilities	74.0	71.6
Other Current Liabilities	44.6	53.3
Short Term Provisions	1.7	0.9
Total Equity & Liabilities	1,988.7	2,012.6

Particulars (Rs. Crore)	December 2022	December 2021
Non-Current Assets		
Fixed Assets – Tangible & Intangible	258.0	184.9
CWIP & Intangibles under development	0.1	3.1
Other Non Current Assets	27.0	21.7
Deferred Tax Assets (Net)	32.1	18.0
Current Assets		
Current Investments	81.7	139.7
Inventories	844.2	915.4
Trade Receivables	550.6	527.6
Cash & Bank Balances	141.7	144.8
Cash in Short Term Investments	2.1	1.6
Short Term Loans & Advances	2.6	2.1
Other Current Assets	48.4	53.4
Current Tax Assets (Net)	0.39	-
Asset Classified for Sale	-	0.40
Total Assets	1,988.7	2,012.6

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

FY23: Outlook

Revenue from Operations

Rs.1,970 – 2,150 crore

Revenue for FY23 is estimated to decrease by 2-10% YoY.

Profit after Tax

Rs.85 – 90 crore

PAT for FY23 is anticipated to decline by 15-20% YoY.

We are constantly monitoring the macro environment and business developments. We believe our expertise, personnel, and experience position us well to navigate the current uncertain environment and deliver growth in our Branded Jewellery segment. Our long-term outlook remains intact, with a focus on reaching approximately 50% of our sales from our Branded Jewelry division in the next three to four years.





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

5

Licensing agreements with global brands

6

Direct-to-Consumer websites

575 cr

Branded jewellery revenues (Rs.) in 9M FY23 (annualised)

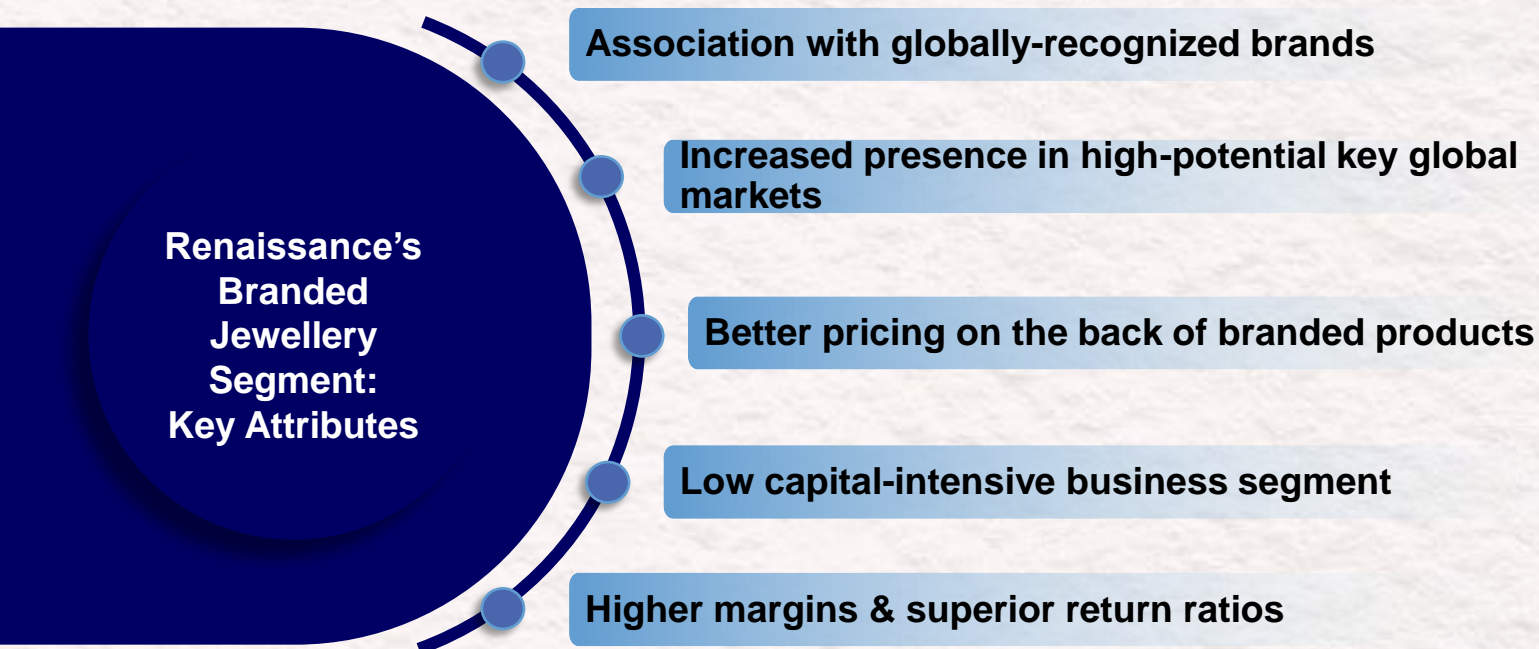
13%

Branded jewellery EBITDA margins in 9M FY23

0.30x

Net debt to equity as on December 31, 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



MADE FOR YOU

IRASVA

Design & Manufacturing



**Conceptualisation
& Product
Development**



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

Distribution

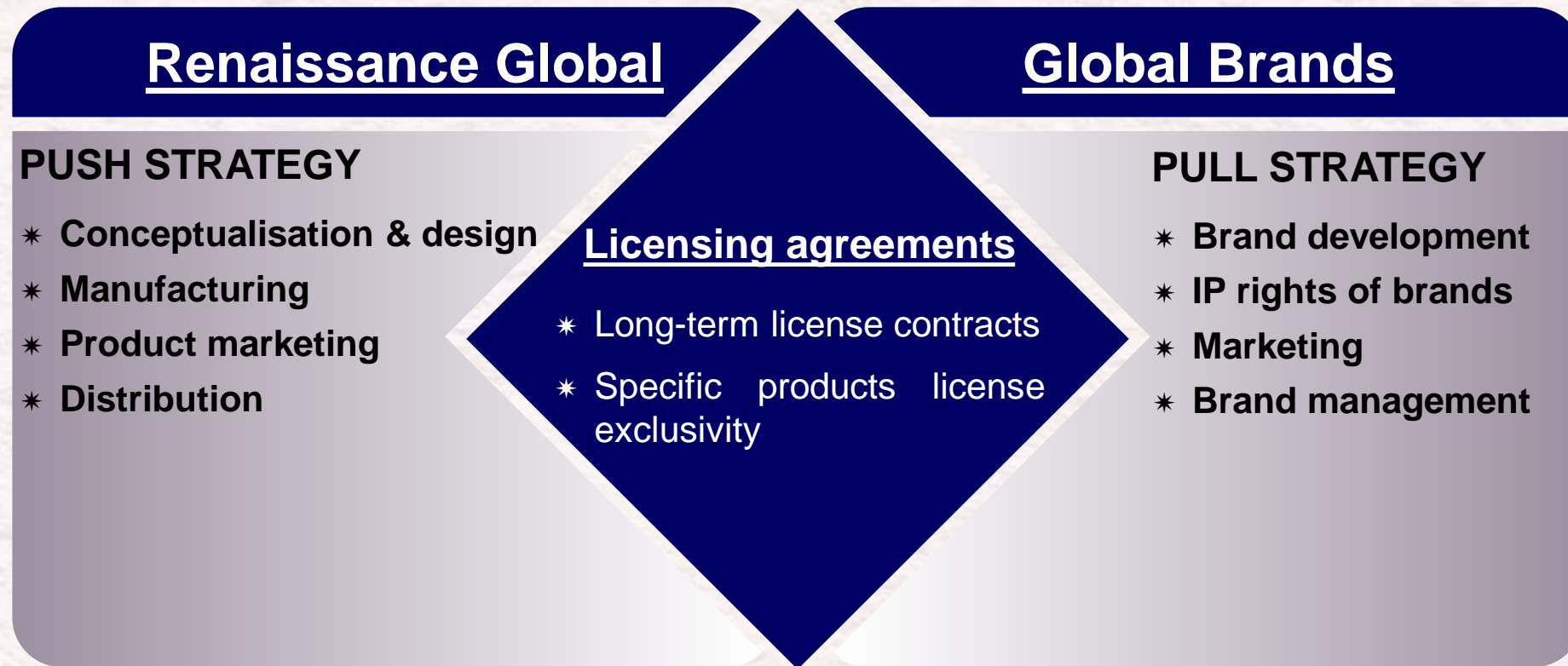


**Business-to-
Business
(B2B)**



**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 jewelry
 - 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
- * Licensing agreement with Netflix in October 2022 with the launch of Netflix series 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

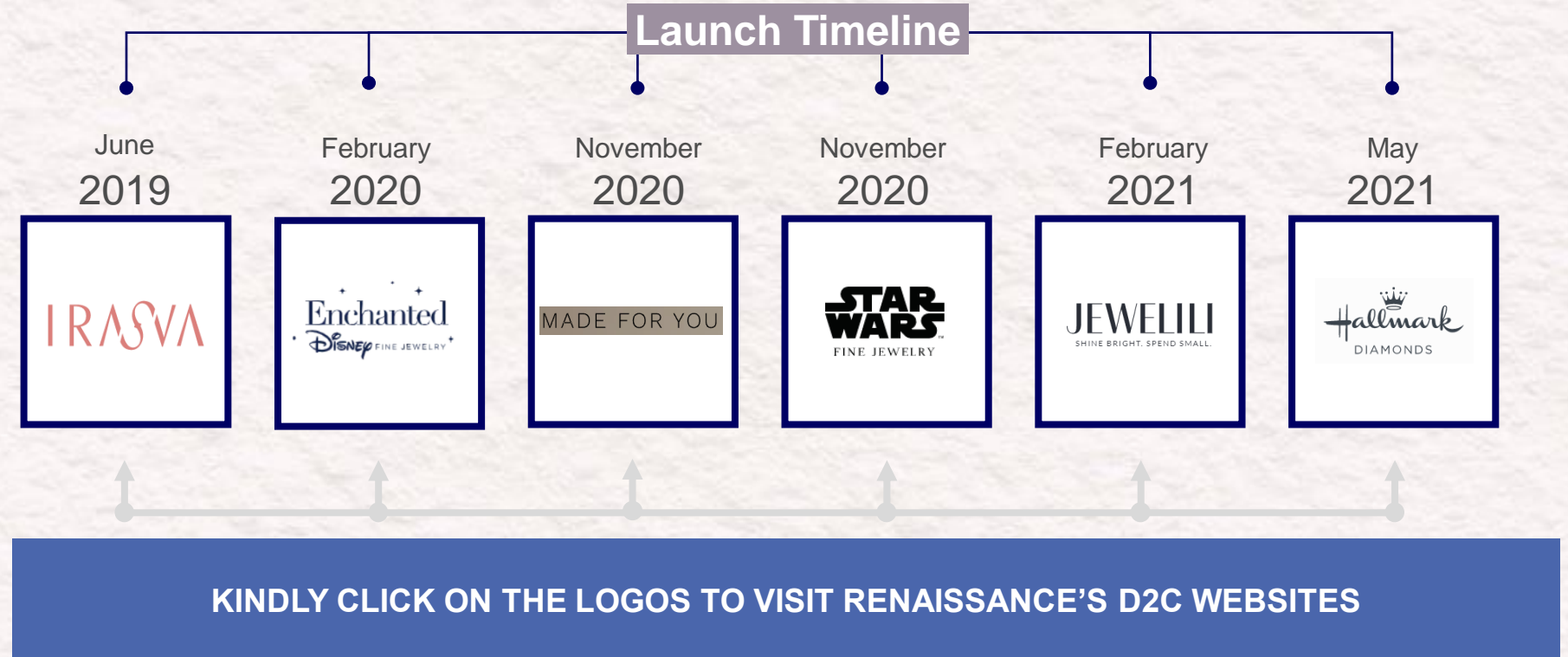
Building a strong portfolio of licensed and owned brands



Establishing High-Potential D2C Division

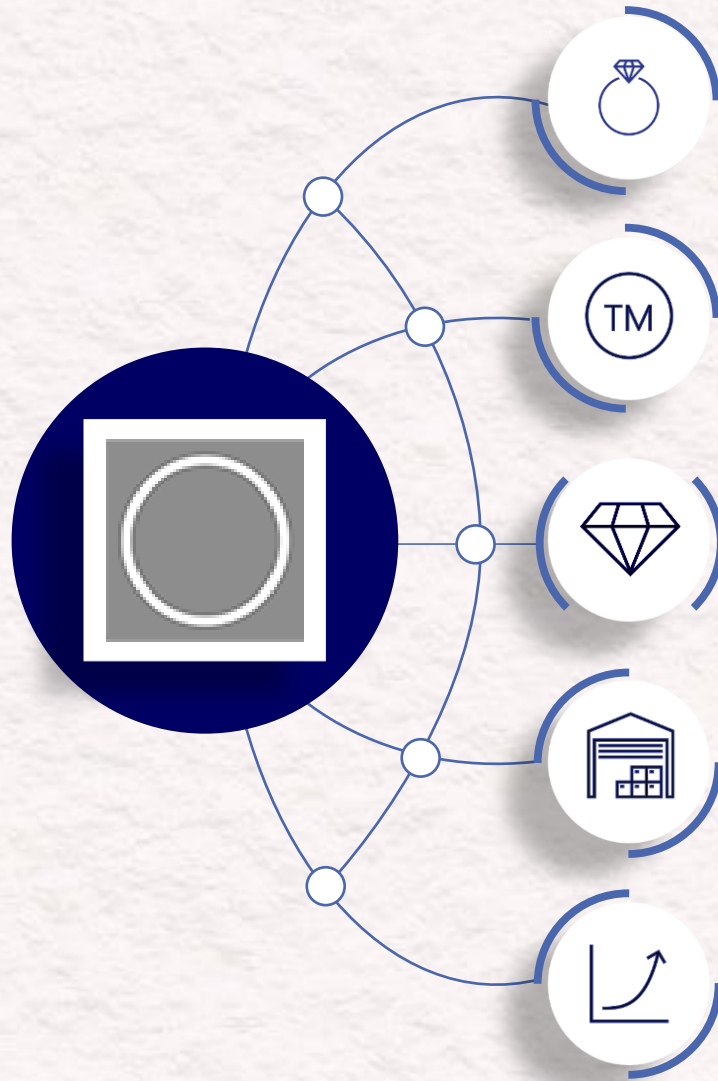


- * Successfully developed and launched 6 online stores
- * Segment enjoys higher margins and healthy working capital cycle



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



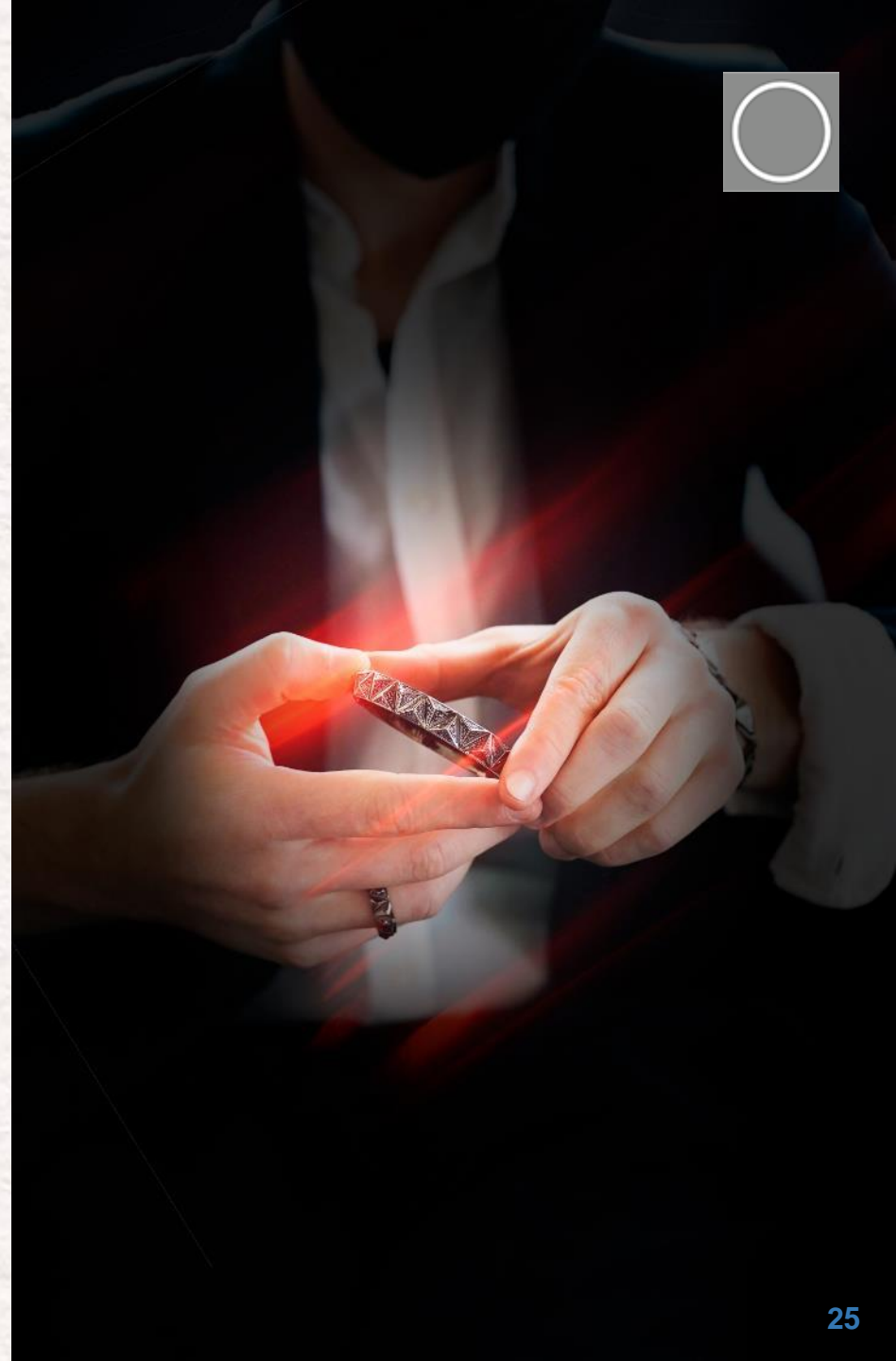
Increasing scale to drive operating leverage across distribution channels



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



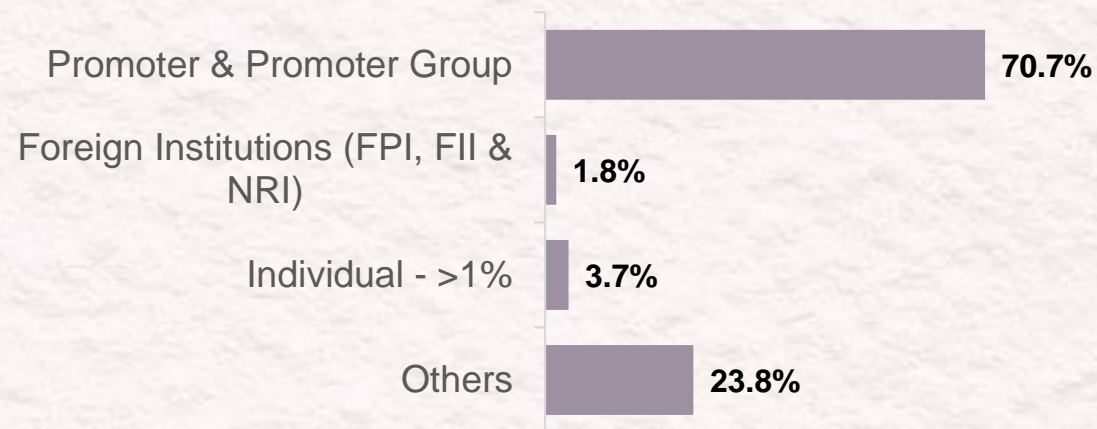
Renaissance Global Limited

Annexure



Market Snapshot

Shareholding Pattern*



*Holding as on 31st December 2022

Key Market Statistics	As on 30-December-2022 (Adjusted for Split)
BSE/NSE Ticker	532923/RGL
CMP (Rs)	98.15
Market Cap (Rs Crore)	931.66
Number of outstanding shares (Crore)	9.44
Face Value	2.0
52-week High / Low (Rs)	218.8 / 82.00



Conference Call Details

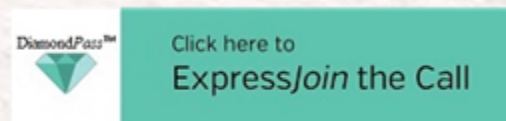


Q3 & 9M FY2023 Earnings Conference Call

Time • 2:00 p.m. IST on Wednesday, February 08, 2023

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) (BSE: 532923, NSE: RGL), is a global branded jewellery player. Renaissance designs, manufactures, and supplies branded jewellery across key high-potential markets in USA, Canada, UK & Asia. 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