



Renaissance Global Limited

Results Presentation

Q4 & FY24



Hallmark
DIAMONDS

Enchanted
Disney FINE JEWELRY

STAR WARS
FINE JEWELRY

IRASVA

JEWELILI
SHINE BRIGHT. SPEND SMALL.
and many more...

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.



Content



		
Q4 & 12M FY24 Results Overview	Company Overview	Annexure
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Renaissance Global Limited

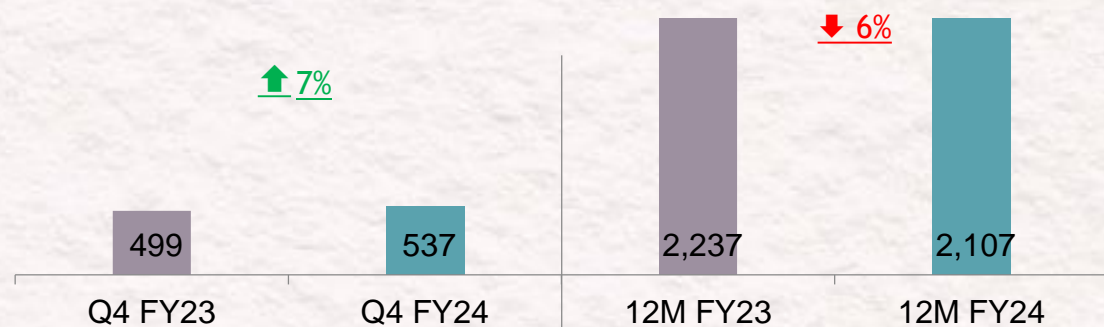
Q4 & FY24 Results Overview



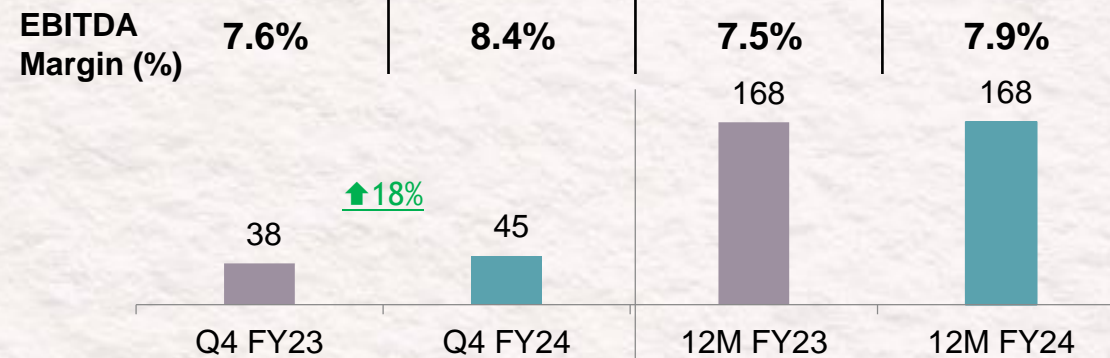
Q4 & FY24 Financial Summary



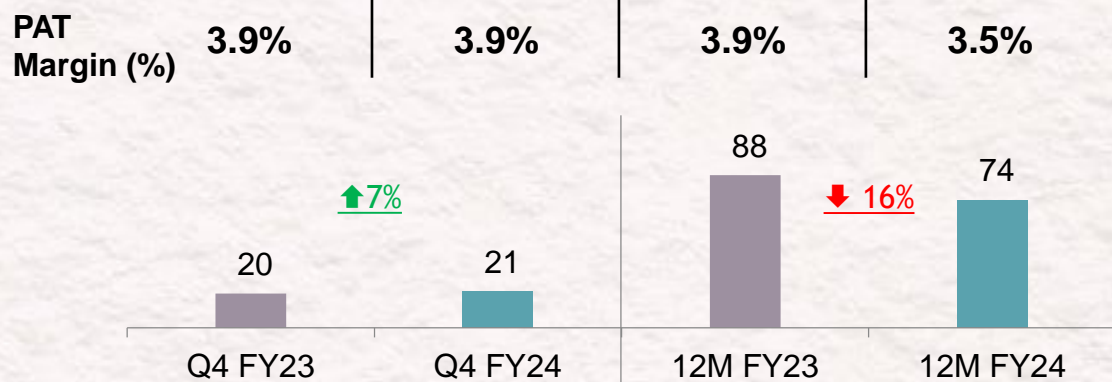
Revenue (Rs. Crore)



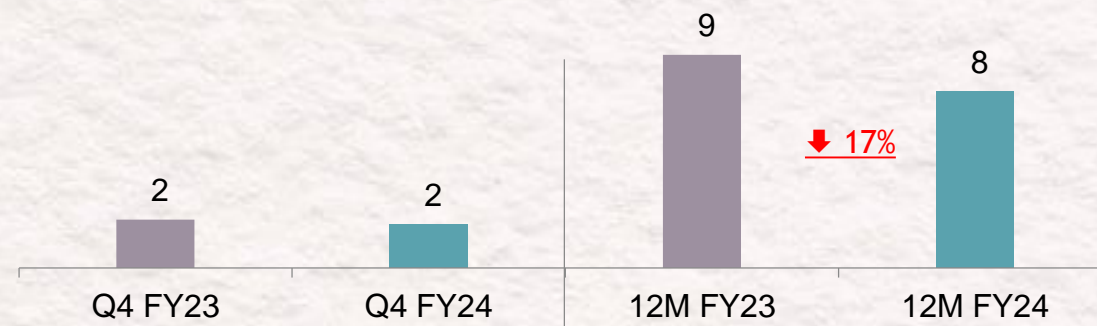
EBITDA (Rs. Crore)



PAT (Rs. Crore)



EPS (Rs.)



Management Message



Commenting on the performance for Q4 & 12M FY24, Mr. Sumit Shah – Chairman and Global CEO, Renaissance Global Limited said:



"We achieved a resilient performance this quarter with increased operating margins. Our D2C vertical is showing promising growth and remains a focal point for future expansion efforts. Our efforts to boost margins in this segment have yielded positive results this quarter, resulting in achieving an overall EBITDA margin of 8.4% in Q4FY24, marking a 79 bps expansion year-on-year. Also, revenue growth of 13% YoY in our Customer brands segment this quarter shows a sign of recovery in our larger segment.

On an annual basis, our D2C Segment has shown a remarkable growth of 25% YoY. We expect to see a similar amount of growth in this segment in the years to come.

Following the successful launch of Wonder Fine Jewelry last quarter with one of our major retail partners, we have now successfully introduced this collection with another significant retailer. Additionally, the Company has won an award at the 50th GJEPC Award ceremony in the jewellery category, marking our consistent performance in this space.

Looking ahead, our focus for the upcoming quarters is to fully leverage our strong partnerships with renowned brands, our robust distribution network, and our D2C capabilities to further boost both revenues and margins."

Outlook




- * We are currently seeing a healthy growth in our factory order book which is 25%-30% higher YoY
- * Based on this growth as well as strong anticipated performance from our D2C vertical, the company expects the overall revenue growth from the studded business to be in the range of 10%-15% YoY in FY25.
- * The company is considering strategic options to exit the Plain Gold business which will free up capital and deleverage the Balance Sheet. This in our view should increase our blended margins.
- * The company expects the growth in PBT in FY25 to be around 25%-30% YoY, ex of the Plain Gold business.

Key Developments



Renaissance Global Ltd. has received an award at the 50th GJEPC Award ceremony in the jewellery category for FY23.

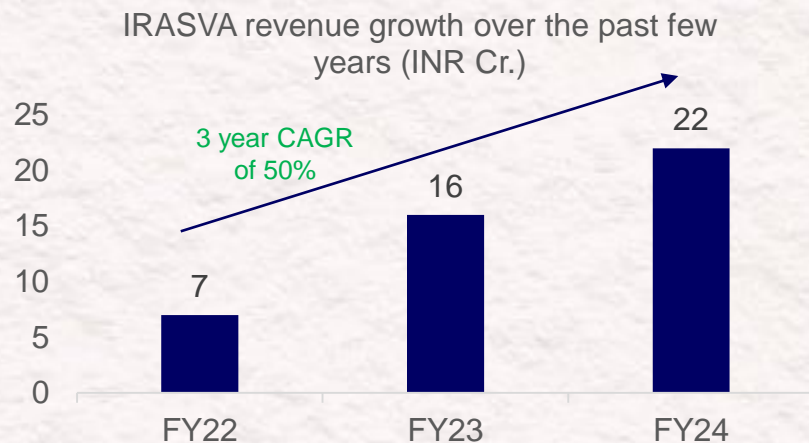
Growing D2C (Owned Brands)


India Business 

IRASVA

- IRASVA is a fine jewellery brand based in India.
- It's Inaugural store was launched in May 2019 in South Mumbai .
- Current we have four stores running –South Mumbai, North Mumbai (Borivali), Ahmedabad and Hyderabad.

The revenue growth of this brand can be seen in the below chart:



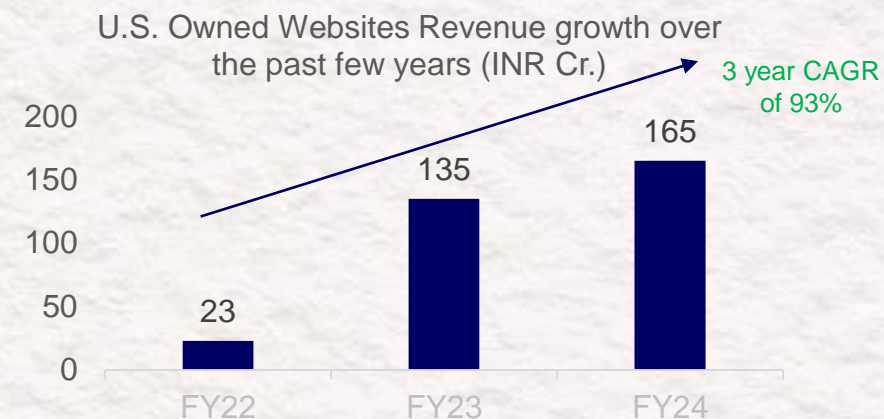
U.S. Owned Brands 

JEWELILI
SHINE BRIGHT. SPEND SMALL.



...Among others

- As a part of our endeavor to grow the D2C branded segment , we have over the years launched and acquired many brands that we manufacture and sell to the end customer via our own websites.
- This is a high growth segment with ever increasing margins, which can be depicted in the below graph:



Licensed Brands offering

We have a bouquet of licenses from global brands. We design, manufacture and distribute jewellery using these licenses through B2B channels as well as D2C through our own websites.



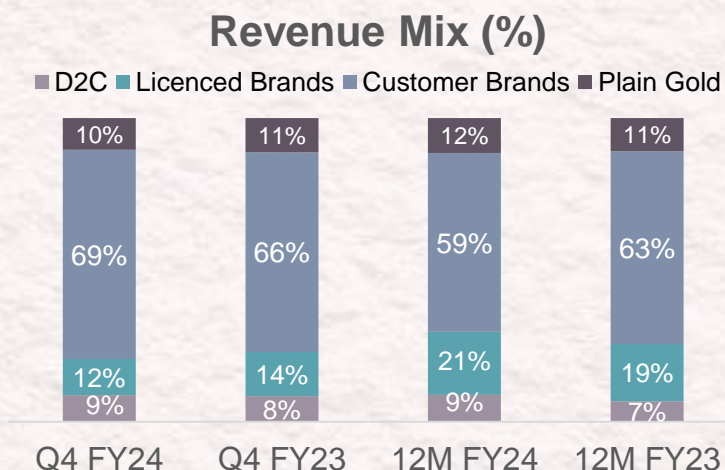
Click on the brand logos for visiting the websites. (WB and DC websites yet to developed).

The **revenue** in this segment in FY24 is Rs. 437 Crores with an **EBITDA margin** of 15.4%.

Q4 & 12M FY24 Operational Summary



Revenue Break-up (₹ Cr.)	Q4	Q4	Shift %	12M	12M	Shift % vs FY23	12M	Shift % vs FY22
	FY24	FY23		FY24	FY23		FY22	
D2C (Our Brands)	46.8	42.2	10.9%	187.4	150.5	24.5%	29.6	532.5%
<i>India brand (Irasva)</i>	6.0	4.6	29.8%	22.2	16.0	38.6%	6.6	238.2%
<i>US Brands</i>	40.8	37.6	8.6%	165.2	134.5	22.9%	23.1	616.1%
Licensed Brands (B2B + D2C)	64.3	72.3	-11.1%	436.6	422.3	3.38%	473.1	-7.7%
Customer Brands	369.3	328.1	12.6%	1,239.4	1,417.9	-12.6%	1,540.1	-19.5%
Plain Gold	56.1	56.4	-0.5%	243.8	246.7	-1.2%	147.0	65.9%
Total	537	499	7.5%	2,107	2,237	-5.8%	2,190	-3.8%



EBITDA Break-Up	Q4 FY24		Q4 FY23		12M FY24		12M FY23		12M FY22	
	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹ Cr)	EBITDA (%)	EBITDA (₹ Cr)	EBITDA (%)
D2C (Our Brands)	2.9	6.3%	1.9	4.4%	10.3	6%	(3.7)	-2.5%	(4.2)	-14.1%
<i>India brand (Irasva)</i>	(0.6)	-10.2%	(1.1)	-23.3%	(3.4)	-15.1%	(4.0)	-25.0%	(6.0)	-91.6%
<i>US Brands</i>	3.5	8.7%	2.9	7.8%	13.7	8.3%	0.3	0.2%	1.8	7.9%
Licensed Brands (B2B + D2C)	10.3	16.1%	12.7	17.6%	67.2	15.4%	74.9	17.7%	79.6	16.8%
Customer Brands	29.5	8.0%	19.7	6.0%	76.5	6.2%	79.7	5.6%	117.0	7.6%
Plain Gold	2.4	4.3%	3.9	7.0%	13.5	5.6%	17.2	7.0%	8.0	5.4%
Total	45.1	8.4%	38.1	7.6%	167.5	7.9%	168.1	7.5%	200.4	9.2%

Note: 1) We have adopted a new presentation to show our performance for owned brands and licensed brands separately. 2) Some revenues which were reflecting under the B2B Branded business in Q4FY23 have been re-classified under the Customer Brands category.

FY24: Financial & Operational Discussions (Y-o-Y)



Revenue

Total income stood at Rs. 2,117 crore from Rs. 2,243 crore in FY24

- Licensed Brands business revenues steady at Rs. 437 crore supported by a steady flow of orders from retail partners and D2C customers along with new launches
- D2C Owned brands business revenues grew by 24.5% to Rs. 187 crore
- Revenue share of studded jewellery stood at 88%, with Branded jewellery business contributing 33% of the total studded jewellery revenues

EBITDA

EBITDA came in at Rs. 168 crore translating to 7.9% margin , as against 7.5% in FY23.

- Licensed business reported 15.4% margins in FY24
- Our margins have rebounded in this quarter and we expect the revenue to be on an upward trajectory in the quarters to come.

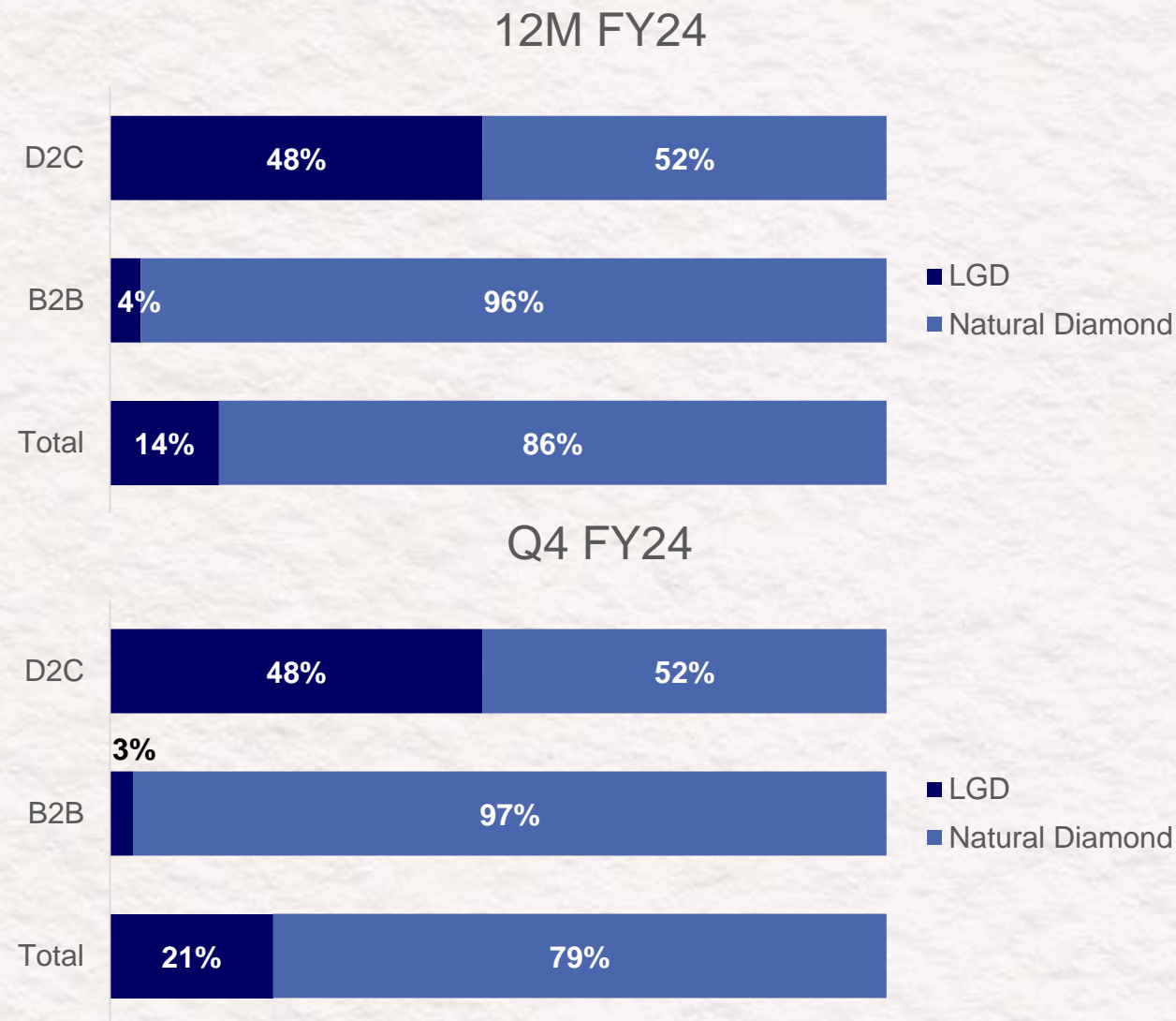
PAT

PAT, after discontinued operations, stood at Rs. 74 crore

Strategically leveraging the growing popularity of Lab Grown Diamonds (LGD) in the D2C vertical



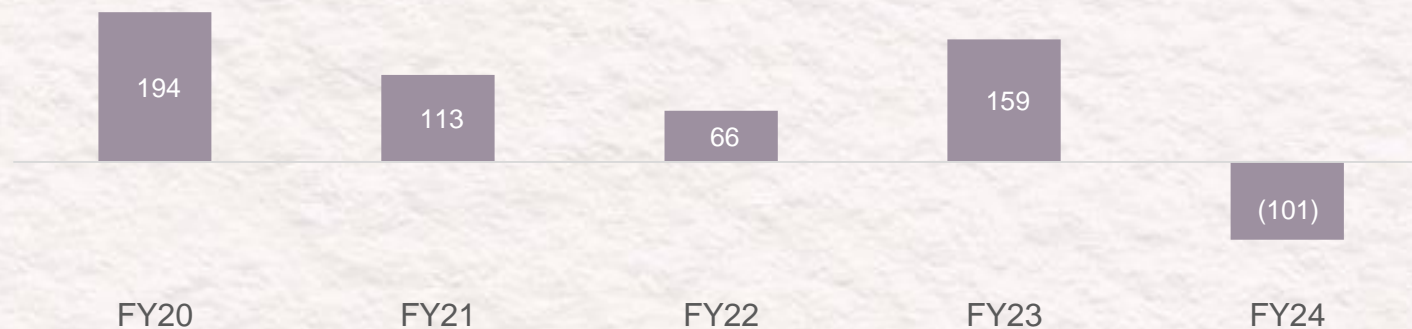
- * Globally, LGDs have gained widespread traction, especially in the segments of engagement rings and solitaire jewellery
- * Currently, 48% of Renaissance's direct-to-consumer (D2C) sales are attributed to LGDs, underscoring their increasing preference among customers, particularly due to the notable price difference compared to traditional diamonds
- * Through its D2C channels, Renaissance offers customizable options in LGDs, catering to the growing consumer demand for personalized and unique jewellery pieces.
- * Since we are not into the direct manufacturing, cutting and polishing of the LGDs, we are fairly insulated to the raw material price movement in this category.



Robust Free Cash Flow Generation

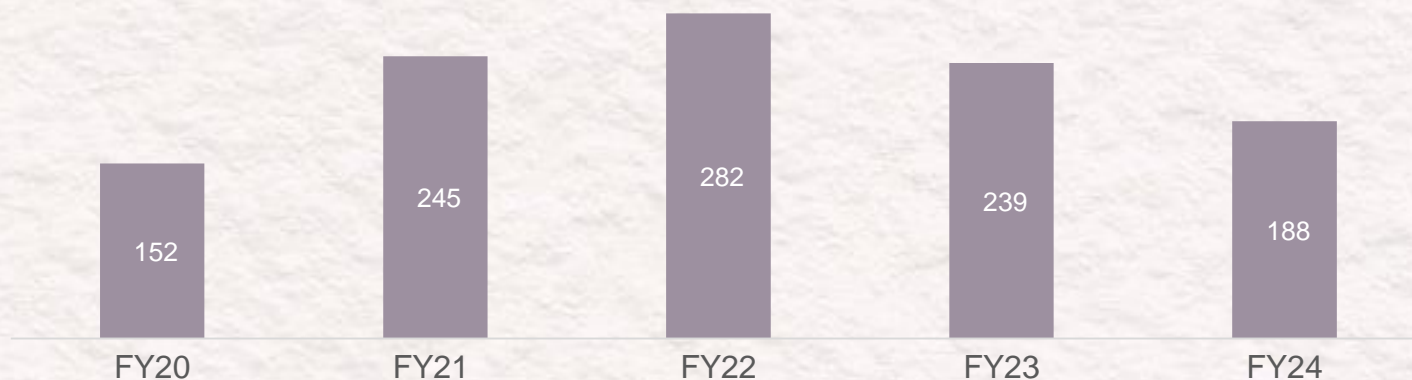


Free Cash Flow Generation (Rs. Cr.)



- * Strong FCF of Rs 431 Crores over the last five years
- * Current Inventory levels elevated due to strong order book at factory level
- * This should support strong revenue growth in FY25

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

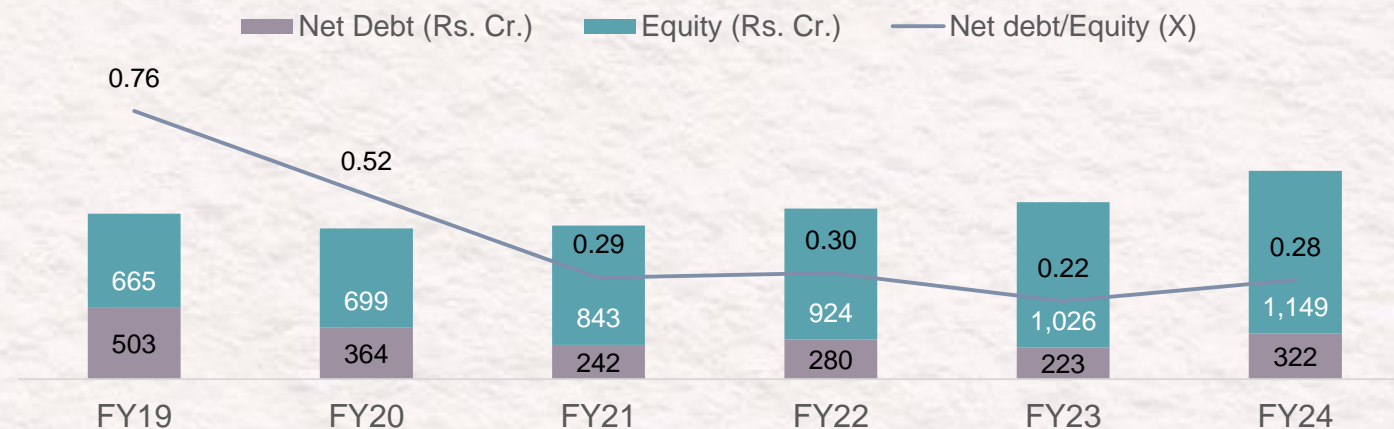


Strong Balance Sheet

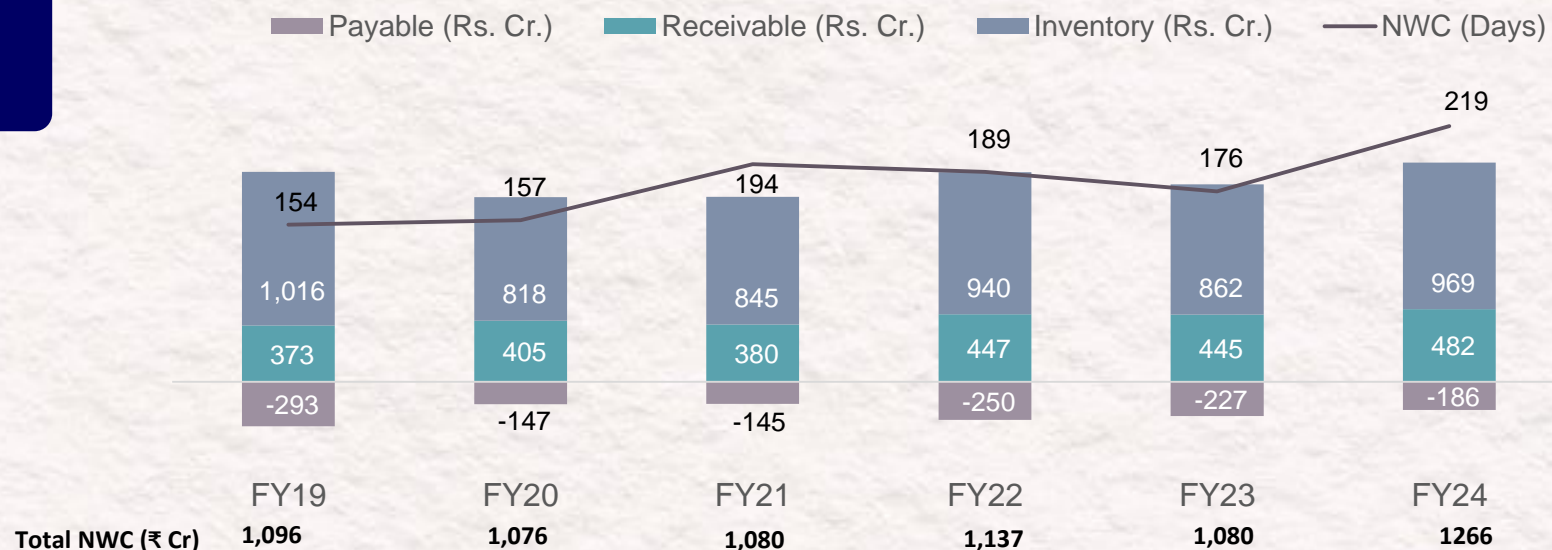


- * Highly disciplined balance sheet approach
- * Net Debt to Equity ratio as of March 2024 was at 0.28
- * This ratio was as high as 0.76 as of March 2019

Leverage



Working Capital



Note: The NWC days of the FY20 and FY21 are not comparable due to change in revenue recognition policy of the Plain Gold business from FY22 onwards. NWC days of FY21 would have 239 days on a like to like basis.

Consolidated Profit & Loss Statement



Particulars (Rs. Crore)	Q4 FY24	Q4 FY23	Y-o-Y Change (%)	12M FY24	12M FY23	Y-o-Y Change (%)
Revenues from Operations	536.5	499.5	7.4%	2,107.1	2,236.6	-5.8%
Other Income	3.1	1.9	59.8%	9.8	6.1	60.8%
Total Income	539.6	501.4	7.6%	2,117.0	2,242.7	-5.6%
COGS	372.2	351.9	5.8%	1,468.0	1,631.3	-10.0%
Gross Profit	167.4	149.5	11.9%	648.9	611.3	6.1%
Gross Margin (%)	31.0%	29.8%	120 bps	30.7%	27.3%	339 bps
Employee Expenses	32.4	31.0	4.5%	126.4	113.7	11.2%
Advertisement & Sales Promotion Expenses	31.3	25.9	20.5%	123.2	102.0	20.8%
Other Expenses	58.6	54.5	7.5%	231.8	227.6	1.8%
EBITDA	45.1	38.1	18.5%	167.5	168.1	-0.3%
EBITDA Margin (%)	8.4%	7.6%	79 bps	7.9%	7.5%	44 bps
Depreciation	4.1	3.6	13.3%	14.9	13.6	9.5%
Amortization	3.5	4.2	-16.1%	15.3	18.4	-17.0%
Finance Costs	12.7	10.2	24.7%	45.2	34.8	29.8%
Interest on Leases	1.7	1.6	7.7%	6.7	6.5	4.1%
PBT	23.1	18.5	24.9%	85.4	94.8	-9.9%
Tax expense	2.1	-1.2	-266.5%	11.8	7.0	69.5%
PAT before discontinued operations	21.0	19.7	6.6%	73.6	87.8	-16.2%
PAT Margin (%)	3.9%	3.9%	-4 bps	3.5%	3.9%	-44 bps
Profit/(Loss) on discontinued Operations	-	-0		-	-0.5	
PAT after discontinued operations	21.0	19.7	6.6%	73.6	87.3	-15.7%
EPS^[1] (Rs.)	2.1	2.2	-5.1%	7.6	9.3	-18.2%

Consolidated Balance Sheet



Particulars (Rs. Crore)	Mar 2024	Mar 2023
Shareholder's Funds	1,148.5	1,026.5
Equity Share Capital	19.2	18.9
Reserves & Surplus	1,129.3	1,007.1
Minority Interest	(0.0)	0.5
Non-Current Liabilities		
Borrowings	29.2	44.2
Other Financial Liabilities	-	-
Long Term Provisions	1.7	1.4
Other Non-Current Liabilities ^[1]	134.4	135.9
Current Liabilities		
Income Tax Liabilities (net)	0.2	-
Short Term Borrowings	481.2	418.2
Trade Payables	185.6	226.6
Other Financial Liabilities	20.2	27.9
Other Current Liabilities	20.4	37.0
Short Term Provisions	2.3	2.1
Total Equity & Liabilities	2,023.6	1,919.7

Particulars (Rs. Crore)	Mar 2024	Mar 2023
Non-Current Assets		
Fixed Assets – Tangible & Intangible ^[2]	258.5	257.6
CWIP & Intangibles under development	1.4	1.8
Other Non-Current Assets	29.6	25.6
Deferred Tax Assets (Net)	29.1	30.6
Current Assets		
Current Investments	111.6	92.3
Inventories	969.1	861.5
Trade Receivables	482.4	445.3
Cash & Bank Balances	76.8	145.7
Cash in Short term investments	0.1	1.1
Short Term Loans & Advances	7.2	4.0
Other Current Assets	57.9	52.9
Asset Classified for Sale	-	-
Current Tax Assets (Net)	-	1.08
Total Assets	2,023.6	1,919.7

FY2024: Strategic Priorities



Continued focus on enhancing contribution from D2C segment



Integrate customization options across brands



Expand omnichannel Presence



Achieve historical margin range in the D2C business





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**- sold through own website and through big retail and jewellery store partners

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

7

Licensing agreements with global brands

6

Direct-to-Consumer websites

624 cr.

Branded jewellery* revenues in FY24

~12.4%

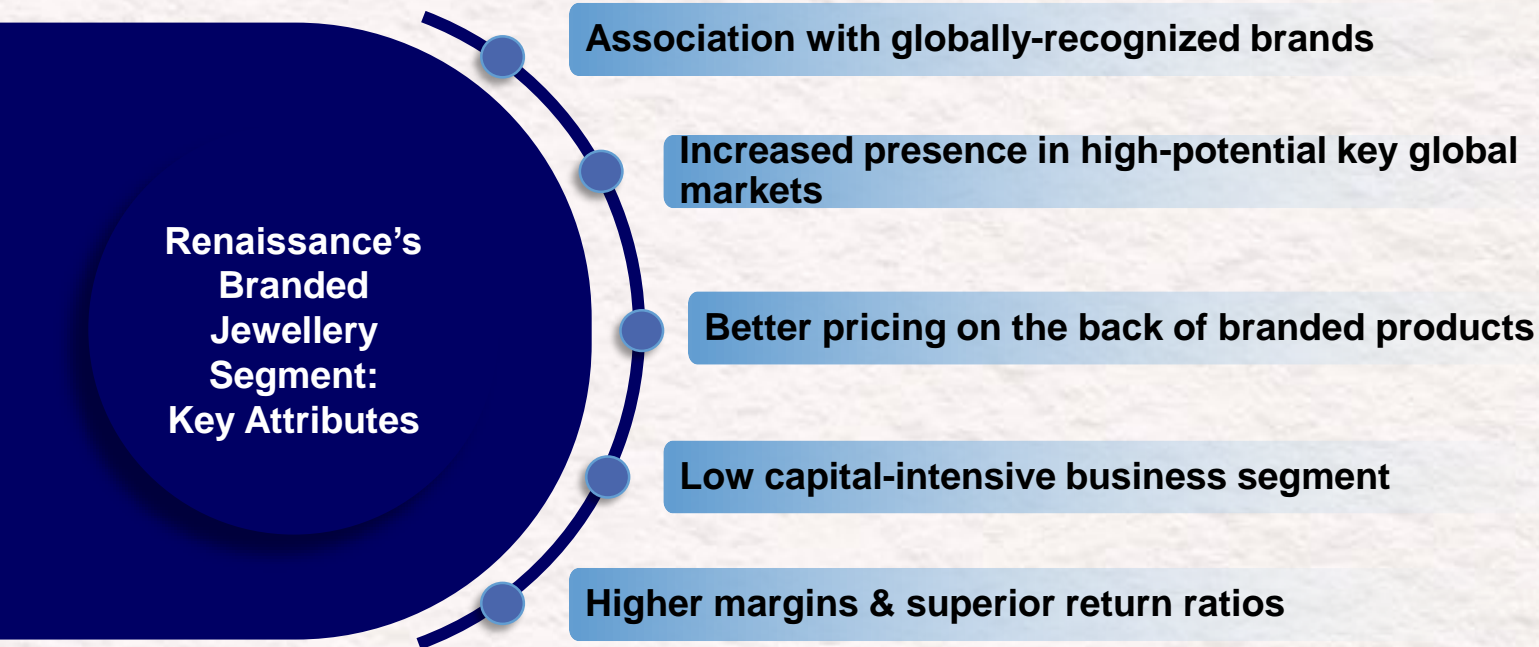
Branded jewellery* EBITDA margins in 12M FY24

0.28

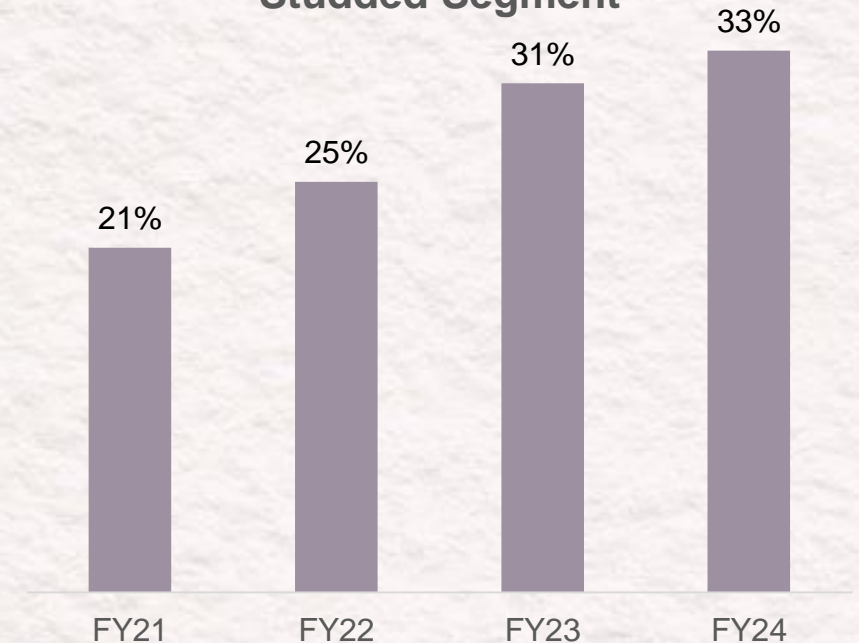
Net debt to equity as on March 31, 2024

*Branded jewellery revenue corresponds to D2C and Licensed Brands

Building a Global Branded Jewellery Business



Revenue contribution from Branded Jewellery* segment in Studded Segment



Endeavour to achieve ~50% revenue contribution in the studded segment from Branded Jewellery segment by FY27

*Branded jewellery revenue corresponds to D2C and Licensed Brands

Branded Jewellery Business Model



Brands



Design & Manufacturing



Conceptualisation & Product Development



State-of-the-Art Manufacturing Facilities

Distribution

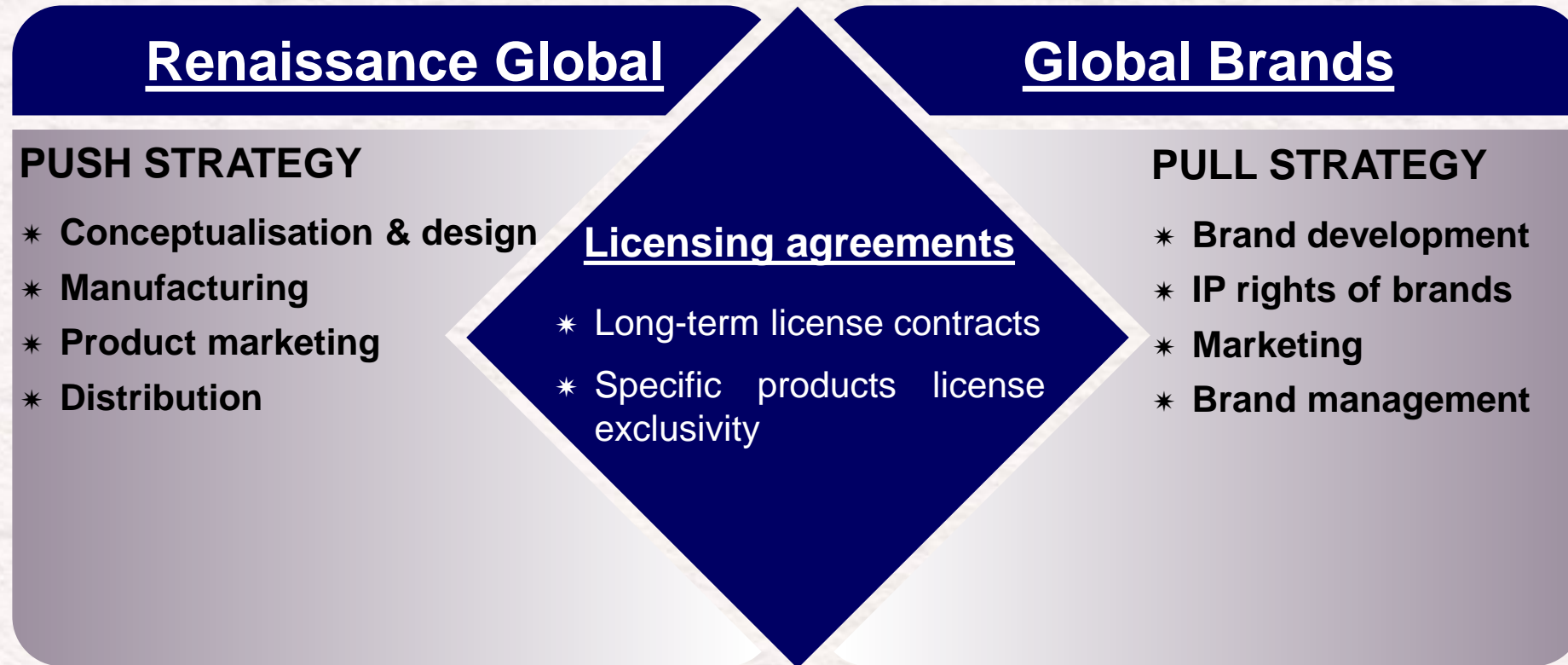


Business-to-Business (B2B) (through retail and jewellery store partners)



Direct-to-Consumer (D2C) (through our websites)

'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
- * These brands are sold through our websites and retail and jewellery store partners.

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

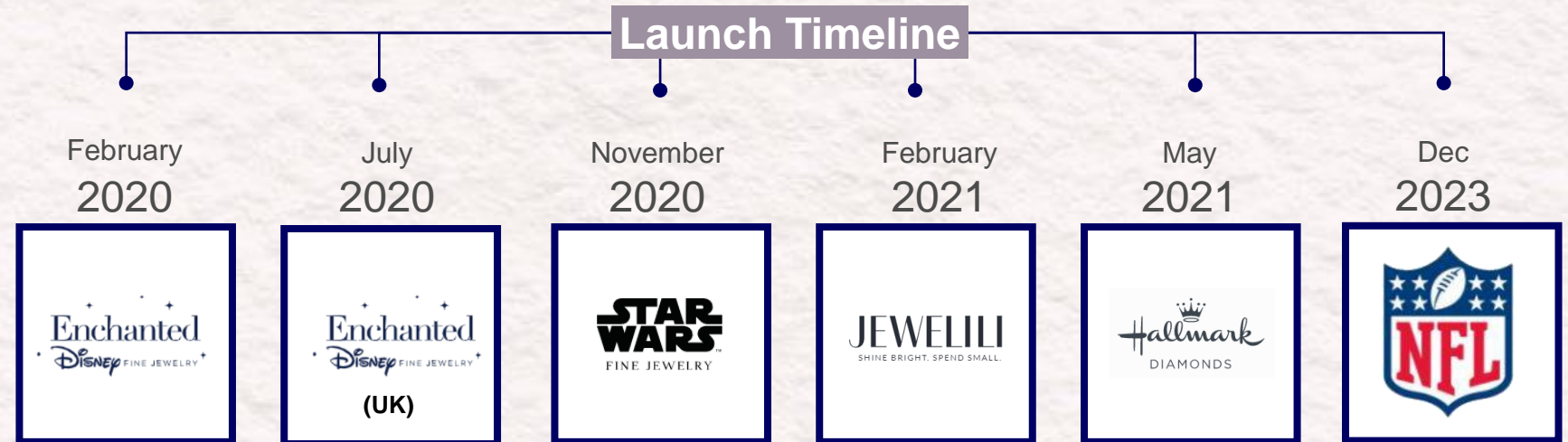
Building a strong portfolio of licensed and owned brands



Establishing High-Potential D2C Division



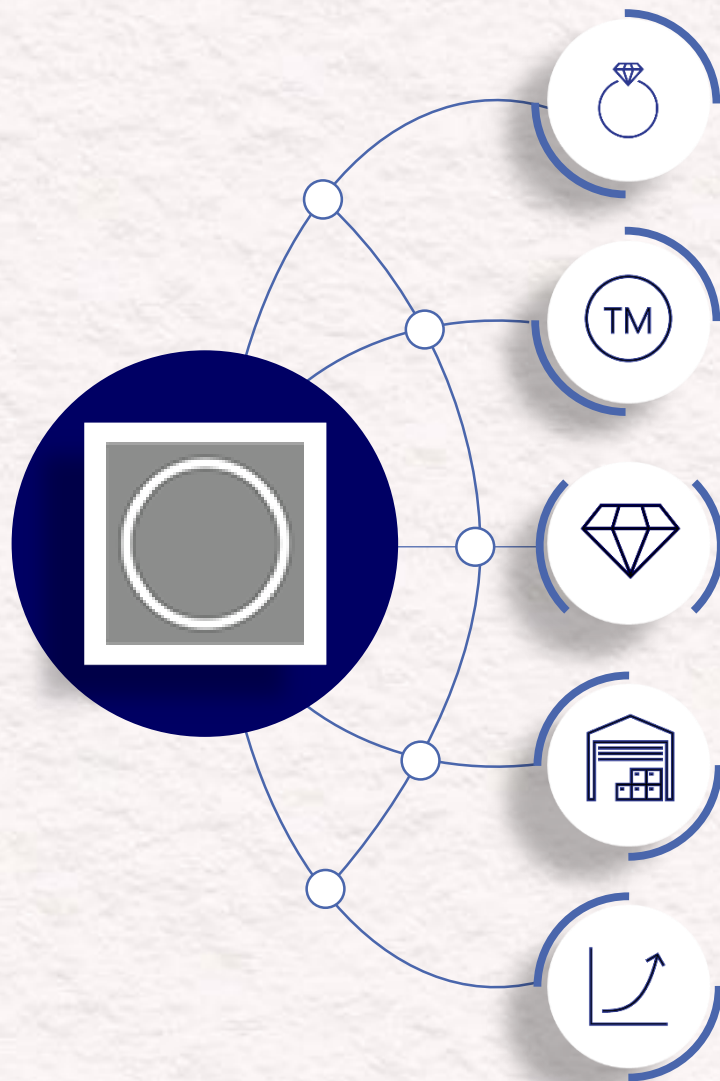
- * Successfully developed and launched 6 online stores
- * Monthly visitors on websites grown 10x since Feb 2020
- * Segment enjoys higher margins and healthy working capital cycle



CLICK ON THE LOGOS FOR THE WEBSITE LINK

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



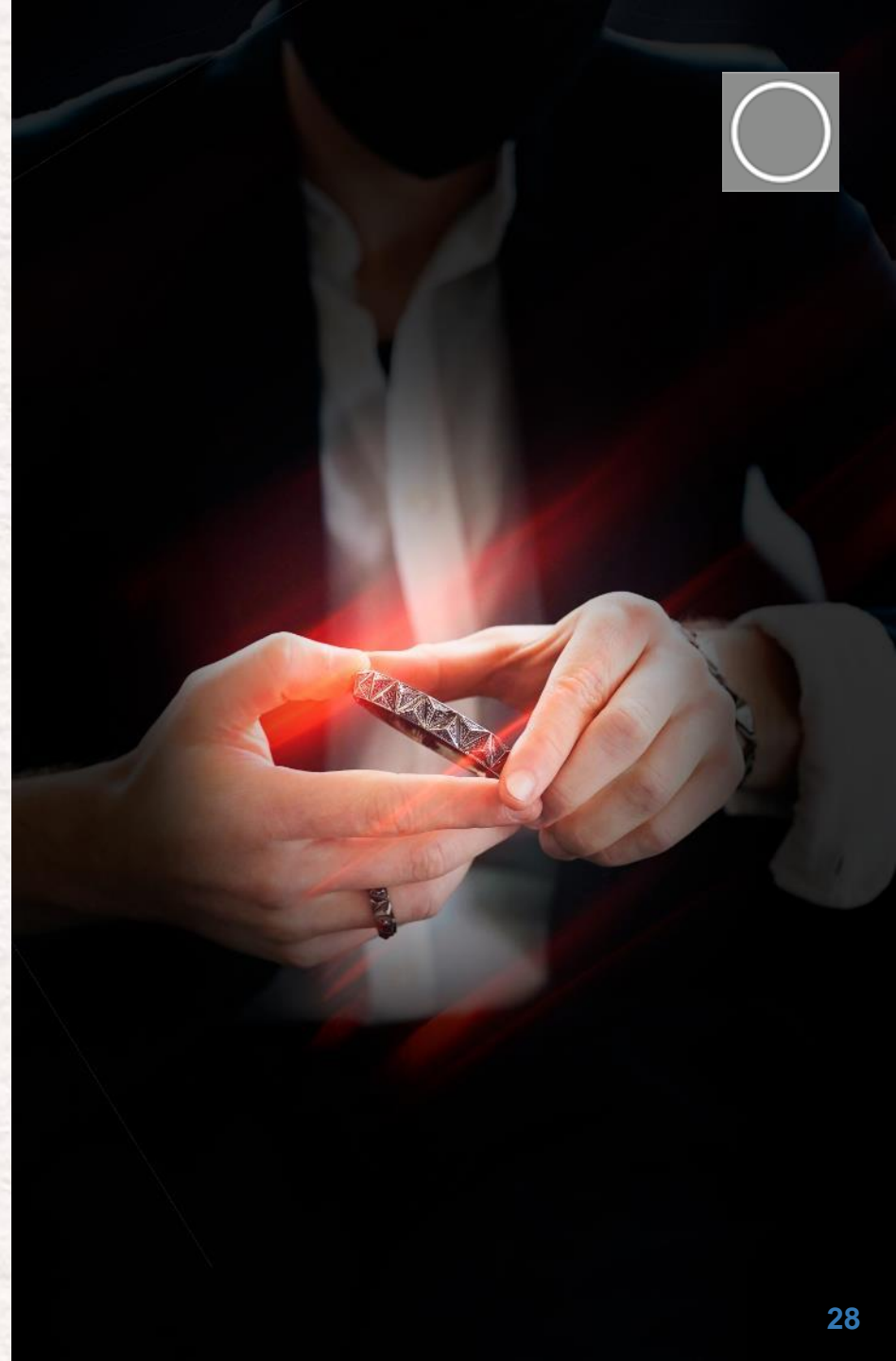
Increasing scale to drive operating leverage across distribution channels



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
- * 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 FY24, Renaissance spent Rs.76.71 lakhs 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





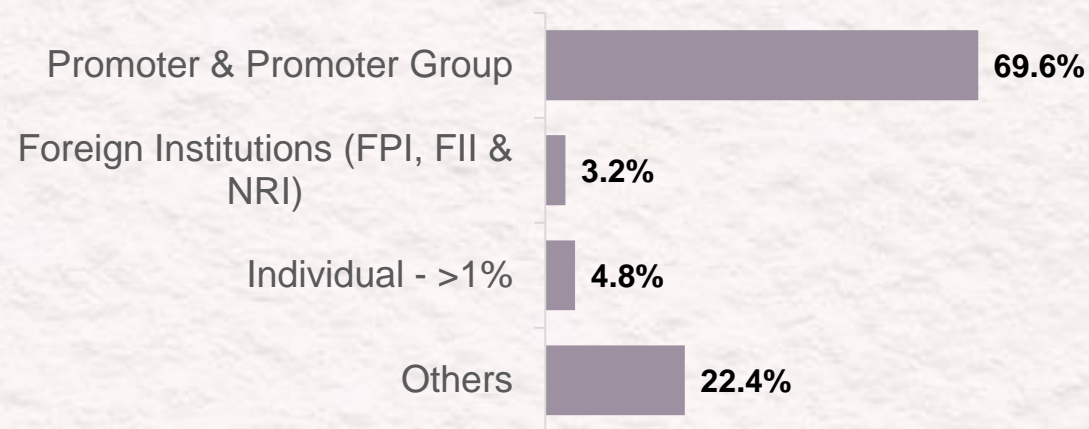
Renaissance Global Limited

Annexure



Market Snapshot

Shareholding Pattern*



*Holding as on 31st March 2024

Key Market Statistics	As on 31-March-2024 (Adjusted for Split)
BSE/NSE Ticker	532923/RGL
CMP (Rs)	99.9
Market Cap (Rs Crore)	959.9
Number of outstanding shares (Crore)	9.6
Face Value	2.0
52-week High / Low (Rs)	136.8 / 84.6



Conference Call Details

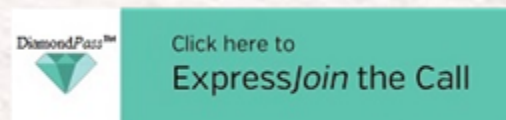


Q4 & FY2024 Earnings Conference Call

Time • 2:30 p.m. IST on Monday, June 03, 2024

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 a 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, NFL and Netflix. 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 7 D2C websites to market & supply licensed brands & owned brands.

For further information, please contact:



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Renaissance Global Limited

Thank You