



RENAISSANCE JEWELLERY LTD.

Ref. No.: RJL/S&L/2018/10

February 12, 2019

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
--	---

Sub.: Update on Company Performance and Investor Presentation for Q3 FY 19 .

Dear Sir

We are enclosing herewith the update on Company Performance and Investor Presentation for the Q3 FY 19, for the purpose of updating our investors.

We request you to upload the same under the suitable section of your website.

Thanking you,

Yours faithfully,
For **Renaissance Jewellery Ltd.**

G. M. Walavalkar
G. M. – Legal & Company Secretary

Encl.: As Above



RENAISSANCE JEWELLERY LIMITED

Highest Quarterly Turnover Since Inception Exceeded Last Full Year Revenue / EBITDA in 9 months

Mumbai, February 12, 2019: Renaissance Jewellery Limited, India's highly differentiated luxury lifestyle products company and the largest exporter of branded jewellery and supplier of licensed brands to leading global retailers, reported its unaudited and reviewed results for the third quarter and first nine months of financial year ending 31st March 2019 as approved by its Board of Directors.

Financial Highlights – Q3 FY19 Consolidated

- Highest ever quarterly revenue at INR 8,220.1 million, up by 33% YoY
- EBITDA (including other income) at INR 586.7 million, up by 34% YoY
- PAT at INR 375.9 million, up by 27% YoY

Financial Highlights – 9M FY19 Consolidated

- Revenue from operations at INR 18,751.9 million, up by 36% YoY
- EBITDA (including other income) at INR 1,141.9 million, up by 30% YoY
- PAT at INR 712.4 million, up by 29% YoY

Particulars	Rs. In millions					
	Q3 FY19	Q3 FY18	% YoY	9M FY19	9M FY18	% YoY
Revenue	8,220.1	6,160.9	33%	18,751.9	13,765.3	36%
EBITDA	586.7	436.5	34%	1,141.9	876.6	30%
PAT	375.9	296.0	27%	712.4	554.3	29%

Mr. Sumit Shah, Vice Chairman of the company stated that, “We reported strong sales growth in the third quarter largely driven by robust traction in licensed branded jewellery sales and increased proportion of studded jewellery to our customers across various markets. Our licensed branded jewellery sales primarily included the ‘Enchanted Disney Fine Jewellery’ for which we are the exclusive global licensee. Further, third quarter has historically been the strongest quarter due to festival season. In addition, our recent acquisition of Jay Gems has now been successfully integrated and has positively contributed to our revenues.”

He further added “The Board of Directors has approved the change of company name to ‘**Renaissance Global Limited**’. The new name signifies the future growth trajectory of the company which has transformed over the years from being a manufacturer & exporter of jewellery products to a highly differentiated luxury lifestyle products company. The company continues to focus on licensed branded sales such as ‘Enchanted Disney Fine Jewelry’ and ‘Heart of Hallmark’ jewellery collections to leading global retailers across various geographies. This will be backed by our diverse product portfolio, strong design capabilities, and global marketing presence.”



RENAISSANCE JEWELLERY LIMITED

Q3 FY19 Business Highlights

- Revenue share of studded jewellery was 79% and that of gold jewellery was 21%.
- Healthy geographical distribution of sales across various markets – North America (71%), Middle East (25%) and Others (4%)
- Successful integration of Jay Gems operations positioning the company for robust growth.
- Continued focus on inventory management and working capital efficiency.

About Renaissance Jewellery Limited:

Renaissance Jewellery Limited is a highly differentiated luxury lifestyle products company. It is the largest exporter of branded jewellery and supplier of licensed branded jewellery through its licensing agreement to sell “Enchanted Disney Fine Jewellery” and “Heart of Hallmark” jewellery collections. The company has long-standing relationships with marquee global retailers like Amazon, Argos, Helzberg, J.C Penny, Malabar Gold, Signet, Wal-Mart, Zales Corp. etc. The Company has successfully expanded its product portfolio, backed by strong design capabilities, to offer a wide range of studded jewellery namely Diamond Fashion, Diamond Bridal, Gemstone Jewellery in line with latest fashion trends. The company has diversified operations across key markets in USA, UK & Middle East with its global marketing presence through own subsidiaries and via strategic acquisitions over the years.

For more information, visit www.renjewellery.com

For More Information, Please Contact:

Renaissance Jewellery Limited
G. M. Walavalkar
Compliance Officer
investors@renjewellery.com



RENAISSANCE JEWELLERY LIMITED

INVESTOR PRESENTATION
FEBRUARY 2019





Discussion Summary

- 1 Company Overview
- 2 Business Strategy & Outlook
- 3 Q3 & 9M FY19 Results Update
- 4 Annexure



COMPANY OVERVIEW

A Highly Differentiated Luxury Lifestyle Products Company, built on:

- ❖ Established Design House & Supplier to Global Jewellery Retailers
- ❖ Proven history of Successful and Accretive Acquisitions
- ❖ Robust and Disciplined Balance Sheet to Fuel Future Growth

Largest Exporter of Branded Jewellery To Leading Global Jewellery Retailers



Focus on Licensed Brands

- Licensing agreement to sell “Enchanted Disney Fine Jewellery” and “Heart of Hallmark” jewellery collections
- Branded jewellery sales to bring significant value addition, higher margins & profitability

Acquisition Strategy

- Track record of successful acquisitions
- Expansion of Product portfolio and geographies via strategic Acquisitions
- Opportunities continue to be available due to turmoil in market

Largest Exporter of Studded Jewellery

- GJPEC Award for “Largest Exporter of Studded Metal Jewellery” for 7th time in 2017
- 3.3 Mn pieces of jewellery sold in FY18, backed by robust manufacturing (166,000 sq. ft., 2,916 employees)

Robust Financials *

- Total Revenues, EBITDA & PAT of Rs 18,251 Mn, Rs 1,016 Mn & Rs 638 Mn in FY18, grown at 4yr-CAGR of 11%, 13%, 21% respectively
- Low leverage: Net Debt / Equity – 0.51
- Return Ratios: ROCE: 9.9%, ROE: 11.4%

Strong Design Capabilities

- ~95% of sales based on in-house designs
- ~12,000 new designs developed in FY18
- 151 member design team based in US, UK, Hong Kong, Dubai & Mumbai
- Strong R&D to drive product innovation

Global Marketing Presence

- Dedicated marketing across key markets in USA, UK & Middle East through own subsidiaries
- Continued focus on geographical diversification
- Share of revenues from US reduced from 85% in FY11 to 41% in FY18

Marque Clientele

- Amazon, Argos, Helzberg, J.C Penny, Malabar Gold, Signet, Wal-Mart, Zales Corp. etc.
- No single client contributes more than 10% of total revenues

Focus on Branded Jewellery Sales Through Licensing Agreements



Benefits of Branded Jewellery Sales

Superior Product Positioning

Increased Competitiveness
Through Design Exclusivity

Higher Value Addition With
Focus on Studded Jewellery

Better Pricing Leading to
Higher Margins

Comprehensive Offerings
Across Bridal & Fashion
Collections

Rings, Earrings, Bracelets,
Pendants, Necklaces

Licensing Agreement with Disney



Licensing Agreement with Hallmark



Licensed Jewellery



Enchanted Disney Fine Jewellery

- Disney, one of the world's best loved brands
- Thousands of brides & grooms are adding romance to their engagement and wedding occasion with the magic of the Disney brand
- According to a study by the Knot/ XO Group, 1 in 4 brides want something from Disney for their wedding day
- Disney - biggest licensing company in world with USD 55.1 Bn sales in 2017
- Disney Princess is now USD 3 Bn annual global business

Disney's Wedding Connection



~50,000

~5,000

#1

Vows Exchanged at
Disney Weddings

Weddings
Annually

Honeymoon
Destination

Social Media Outreach



100+ Mn
Followers

12+ Mn
Followers

5+ Mn
Followers

3+ Mn
Subscribers

40+ Mn
Website Visitors



Hallmark Jewellery

- Hallmark has a global presence in more than 100 countries
- Hallmark is a leading consumer brand
 - Top 2% of Brands (2017 Equitrend/Harris Interactive)
 - #5 Most Reputable Company (2017 U.S Reprtrak 100)
 - #1 Rated & Most Watched Weekend Primetime & Primetime Entertainment Channel (Holiday)
- Brand Footprint: 6 billion annual brand interactions
- Brand reaches 99% of women ages 25-54 (U.S.)
- Over half of adult women interacted with at least 3 Hallmark touch points in the past 6 months (U.S.)
- 500+ bloggers with reach of +24 million
- Hallmark Brand Vision: We will be the company that creates a more emotionally connected world by making a genuine difference in every life, every day.

Social Media Outreach



64.1
Million



16
Million



150
Million



92
Million



16.7
Million

Growth Through Acquisitions



Vogue DMCC

- Renaissance Jewellery DMCC acquired the assets of Vogue DMCC in 2016.
- Vogue DMCC was engaged in manufacturing and wholesaling of Plain Gold jewellery to major retailers and wholesalers in the Middle East.
- The acquisition enabled the company to expand its business in GCC markets.

Jewel America Inc

- Acquired assets of Jewel America in 2013.
- Jewel America had a strong Gem stone business to large retailers in US.
- Enabled the company to expand its Gem stone business with existing as well as certain new customers.

Jay Gems Inc

- Renaissance Jewellery New York Inc (RJNY), a wholly owned subsidiary of RJL acquired Jay Gems Inc in August 2018 for USD 25.62 Mn
- Jay Gems has been in existence for 25 years, focused on diamond jewellery, and generated revenues of USD 79.5 Mn in 2017
- Jay Gems has a licensing agreement with “Enchanted Disney Fine Jewelry”
- The acquisition further expands the product offerings of RJL thus enabling to capture higher wallet share from global clients

Established Partner to Global Jewellery Retailers



Strong Design Team With Expertise on Global Fashion Trends

- 151 member design team based in US, UK, Hong Kong, Dubai & Mumbai
- Design bank of over 200,000 styles build over two decades
- Over 12,000 new designs launched every year based on international styles and fashion trends
- Partner of choice of marquee global brands like Links of London and Kendra Scott
- Partner of choice for Global retailers.
- Designs are provided by Renaissance Jewellery and remain the intellectual property of the Company.

Strong R&D Thrust to Drive Product Innovation

- 25 member Research & Development team who have developed multiple patented products
- 5,000 sq. ft dedicated Research & Development facility constantly developing products for international design houses
- Investment R&D acts as a key differentiator in global markets
- Currently, RJL owns over 100 patents / copyrights globally

Preferred Partner to Marquee Global Retailers Across The World



50+ Customers
Across USA, UK &
Middle East

Top 10 Customers
Associated For More
Than 10 Years

No single Customer
Contributes More Than
10% of Total Revenues

Minimal Credit Risk Due
to Reputed Clientele &
Disciplined Credit Terms

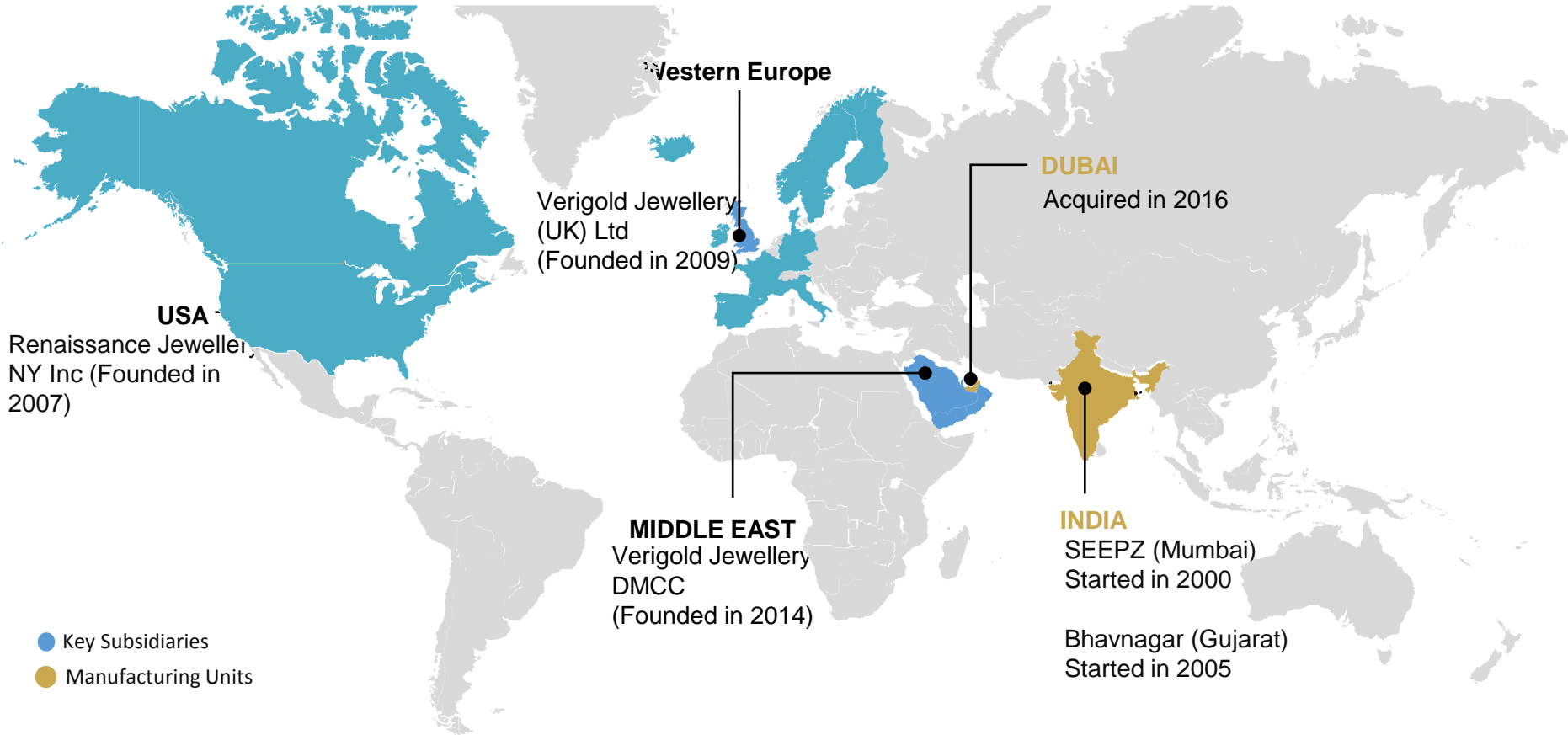
E-commerce/ Television

Speciality Jewellers

Multi-Brand Retailers



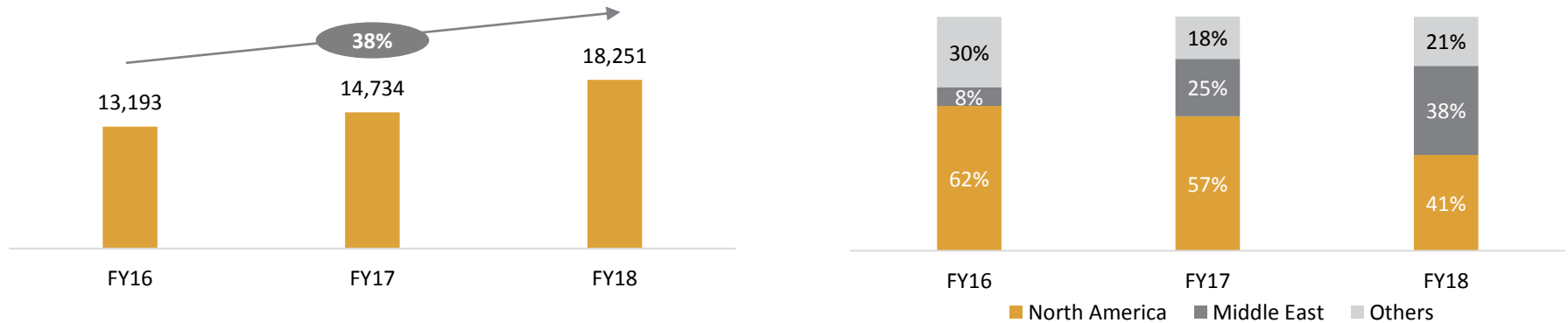
Global Marketing Presence To Serve Key Jewellery Markets



Geographical Diversification Through Entry Into New Markets



Robust Sales Growth & Geographical Diversification Achieved Over FY16 to FY18 Driven by Entry in GCC Market



- Over the years, RJL has reduced its dependence on USA and diversified its presence in key jewellery markets across Middle East, Asia Pacific and Europe
- In addition to having a direct marketing presence through own subsidiaries in USA, UK and Middle East, RJL has also diversified its manufacturing base across India and Dubai
- Acquisition of manufacturing facility in Dubai has helped RJL to penetrate in the Gulf Cooperation Council (GCC) market

RJL has consciously worked towards geographical diversification

- In FY 2011, the Company had 85% of its revenues from USA which has now reduced to 41% in FY18
- Acquisition in Dubai also helped to substantially increase the contribution from the Middle East from 8% in FY16 to 38% in FY18

State-Of-The-Art Manufacturing Facilities With Highly Skilled Workforce



- Robust manufacturing setup spread over 166,000 sq. ft. across 8 manufacturing facilities with 2,916 skilled employees
- Global standard manufacturing technologies including Casting, CNC Machining and 3D Printing
- Each piece of jewellery is handmade and made exclusively as per customer requirements, backed by strong internal processes
- Right balance between on-roll and contractual manpower, resulting in cost savings during the off season
- Customized ERP solution for effective monitoring and efficient inventory management

Mumbai (across all 6 units)
Area: 95000 sq ft
Manpower: 1312

Bhavnagar
Area: 65,000 sq ft
Manpower: 1512

Dubai
Area: 6000 sq ft
Manpower: 92

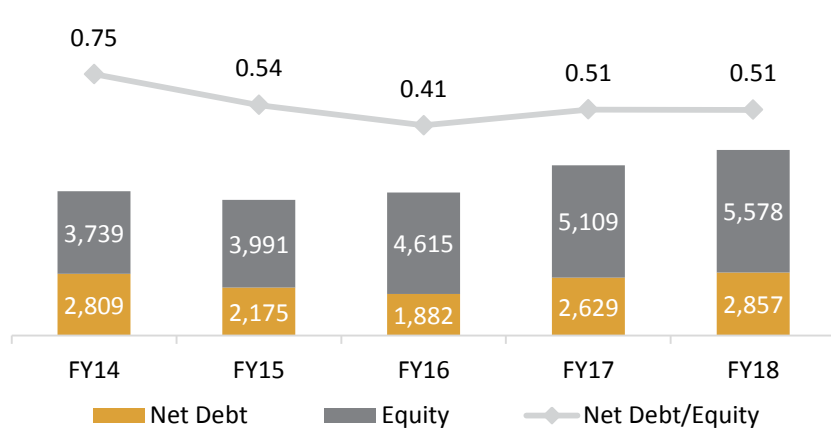
Manufacturing Facilities in Maharashtra & Gujarat



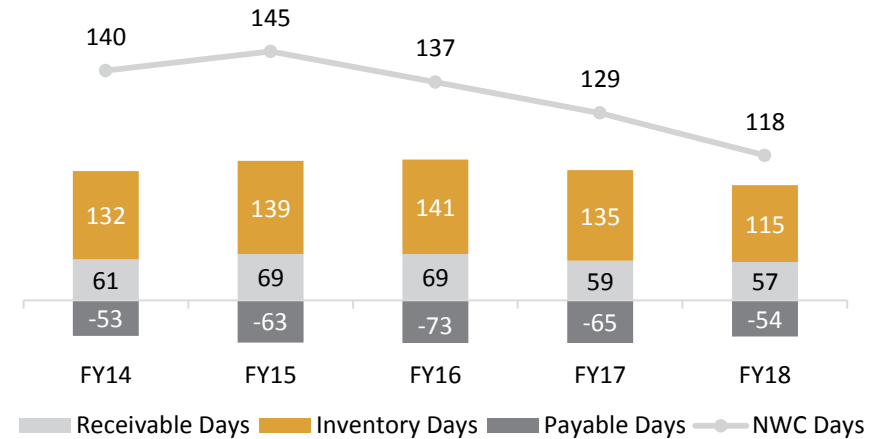
Strong Balance Sheet Position To Support Business Growth



Low Leverage (Rs Mn)



Working Capital Analysis



Balance Sheet Discipline - Low Leverage & Efficient Working Capital Management

- The Gems & Jewellery sector in India, especially Jewellery Exports Business, has been impacted by gross capital mismanagement & highly levered balance sheet
- RJL, on the other hand, has been able to steadily grow its business following a highly disciplined approach based on prudent capital allocation and efficient working capital management
- Lower inventory & receivables days has been possible by close monitoring of the entire cycle from placing orders to delivery till the receipt of money
- RJL has been able to grow its revenues by 52% and EBITDA by 64% over last 5 years, whilst reducing its net debt and leverage position
- **The recent acquisition of Jay Gems Inc was also managed through internal accruals**

Limited Exposure to Currency & Commodity Fluctuations

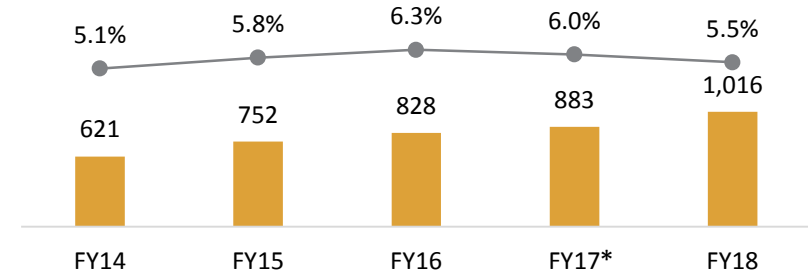


Business Offers Significant Natural Hedge Leading to Limited Exposure to Currency & Commodity Risk

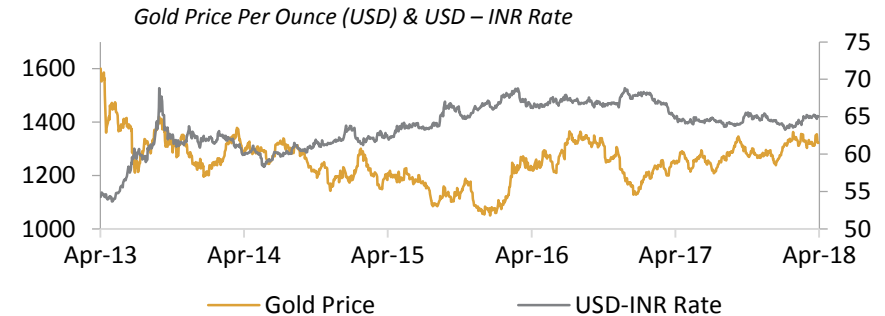
The Company's functional Currency is USD since majority of the business transactions are undertaken in USD currency

- Operating margins have been largely stable despite currency & commodity price volatilities
- Majority of the sales are in USD currency while few sales in European market are in their local currency
- Globally, sales are on MRP basis, leading to limited exposure to commodity prices & inventory price risk
- All the raw material purchases including gems, diamonds and gold, even in India, are in USD currency
- The incremental sales take into account the currency and commodity price at the time of order confirmation from customer
- A small portion of manufacturing expenses in India are booked in INR, for which commensurate hedging is undertaken
- Majority of the loans are under PSFC & PCFC are also in USD

Healthy EBITDA Growth & Stable EBITDA Margin over Last 5 Years



Despite Volatile Currency & Commodity Price Movements





BUSINESS STRATEGY & OUTLOOK



Renaissance Jewellery Is Well Positioned To Double its Business over Next 4-5 Years



Increasing Sales Of Licensed Brands In Existing Markets

- Grow branded jewellery sales under “Enchanted Disney Fine Jewelry” & “Heart of Hallmark” licensing agreements, leading to increased customer wallet share and market penetration
- Develop new products under Disney license – Mickey, Minnie and Star Wars

Expanding Licensed Brand Sales In New Geographies

- Introduce wide range of Enchanted Disney Fine Jewelry in new markets where there is a strong Disney brand recall
- Launch Hallmark Jewelry in new markets

Continued Focus on New Product Development and Innovation

- Expand Gold Jewellery portfolio in Middle East by introducing newer technologies like 3D printing
- Introduce products like wedding bands in the US, and later replicate across other geographies

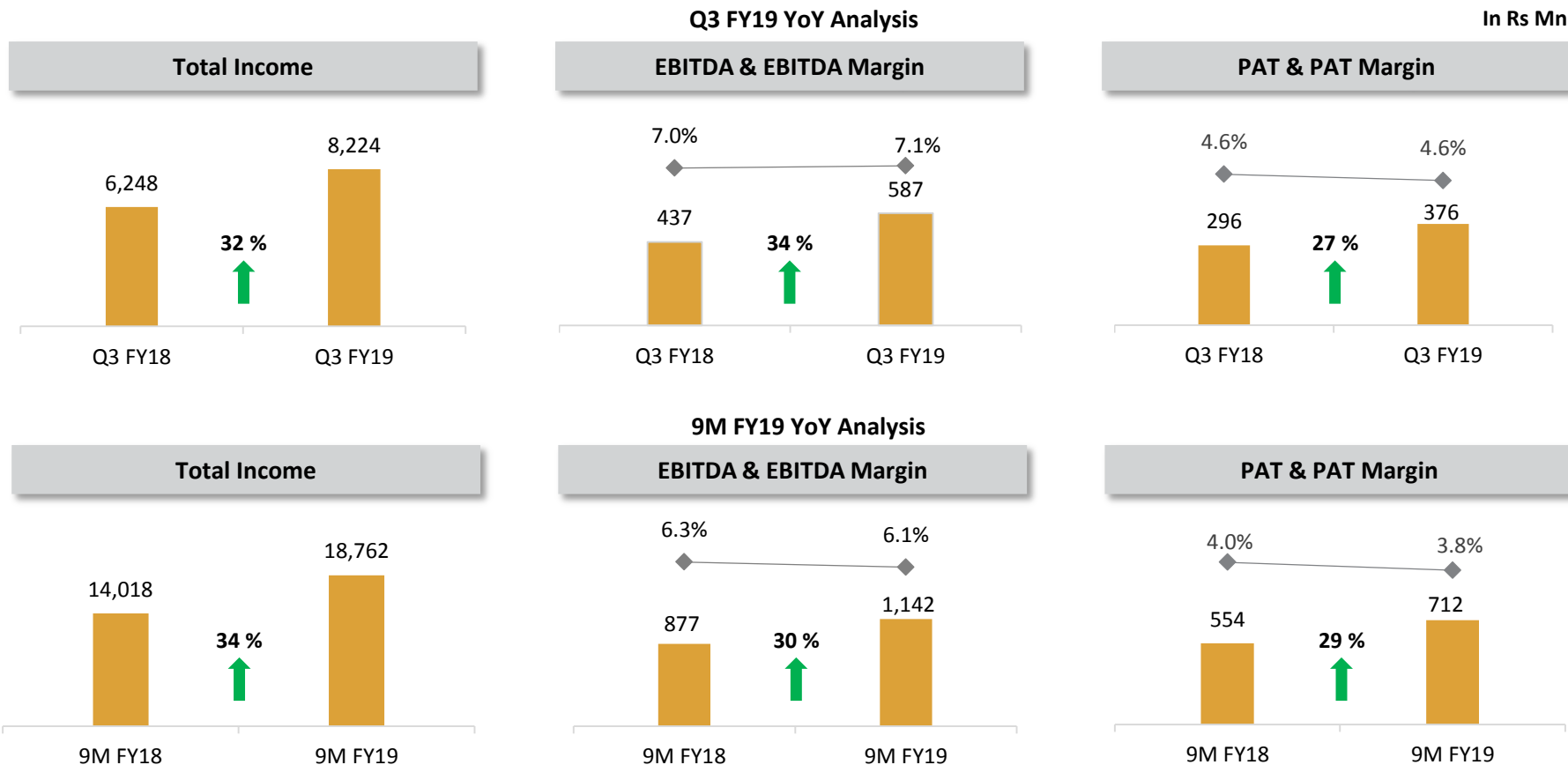
Inorganic Growth To Accelerate Growth in New Products & New Markets

- Continue to look for suitable acquisition opportunities, new brand licenses for product expansion & geographical expansion
- Leverage strong balance sheet position for faster growth



Q3 & 9M FY19 RESULTS UPDATE

Q3 & 9M FY19: Key Highlights

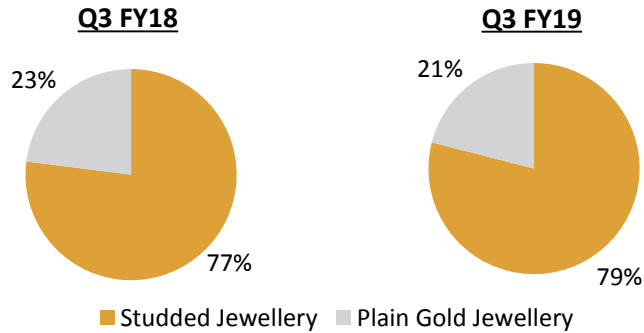


Q3 & 9M FY19: Segment Analysis

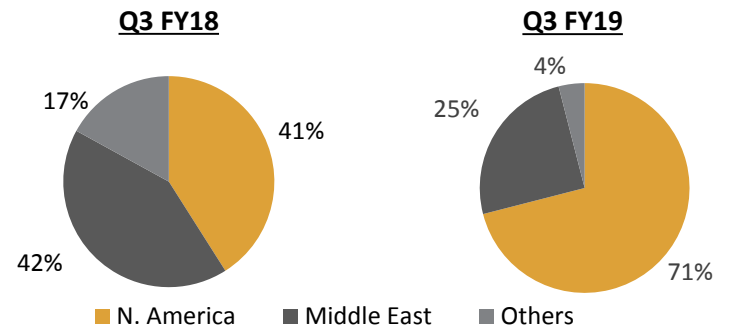


Q3 FY19 YoY Analysis

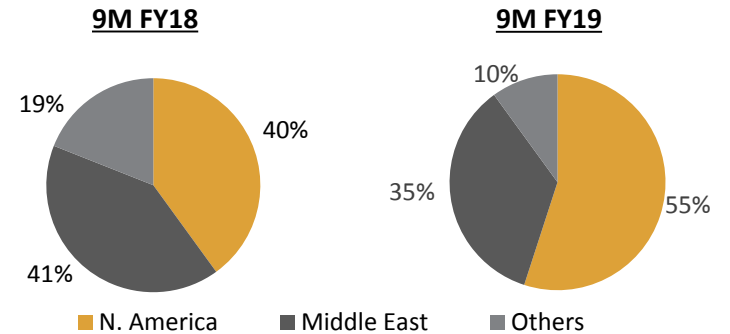
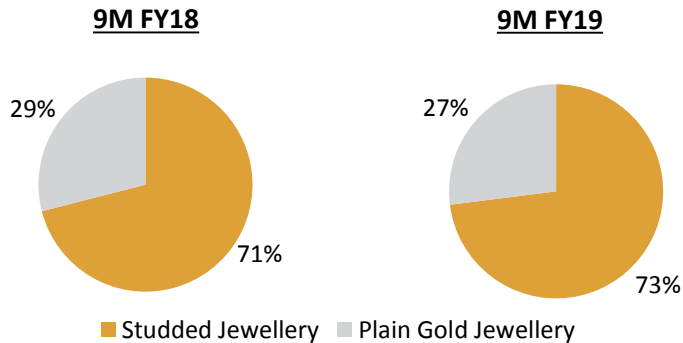
Studded & Plain Gold Jewellery



Geographical Mix



9M FY19 YoY Analysis



Consolidated Profit & Loss Statement



Particulars (In Rs Mn)	Q3 FY19	Q3 FY18	YoY %	9M FY19	9M FY18	YoY %
Revenue From Operations	8,220.1	6,160.9	33.4%	18,751.9	13,765.3	36.2%
Other Income	3.7	87.4	-	9.8	252.4	-
Total Income	8,223.8	6,248.3	31.6%	18,761.7	14,017.7	33.8%
COGS	6,712.3	5,157.9	30.1%	15,272.6	11,268.7	35.5%
Gross Profit	1,511.5	1,090.4	38.6%	3,489.1	2,749.0	26.9%
Gross Margin %	18.4%	17.5%	93 bps	18.6%	19.6%	-101 bps
Employee Expenses	264.5	263.1	0.6%	699.4	664.9	5.2%
Other Expenses	660.3	390.8	68.9%	1,647.8	1,207.5	36.5%
EBITDA	586.7	436.5	34.4%	1,141.9	876.6	30.2%
EBITDA Margin %	7.1%	7.0%	16 bps	6.1%	6.3%	-17 bps
Depreciation	37.5	31.6	18.3%	100.5	92.1	9.1%
Finance Cost	82.5	36.1	128.6%	179.5	102.7	74.6%
PBT	466.7	368.8	26.5%	861.9	681.8	26.4%
Tax Expense	90.8	72.8	24.6%	149.5	127.5	17.2%
PAT	375.9	296.0	27.0%	712.4	554.3	28.5%
PAT Margin %	4.6%	4.6%	-6 bps	3.8%	4.0%	-16 bps

Consolidated Balance Sheet



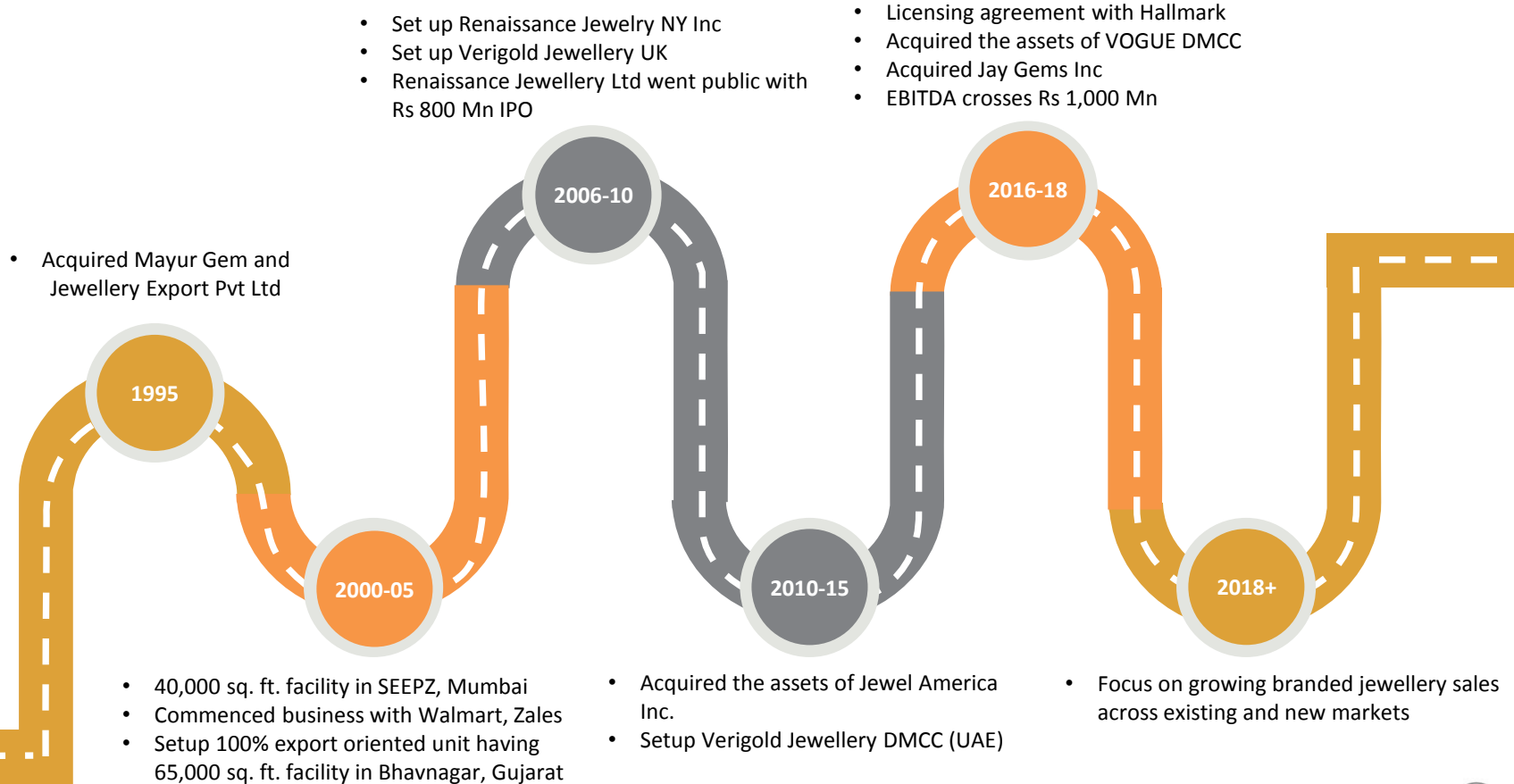
Particulars (In Rs Mn)	Dec-18	Dec-17
Shareholder's Funds		
Equity Share Capital	186.8	188.8
Reserves & Surplus	6,256.2	5,561.7
Minority Interest	-6.3	1.5
Non-Current Liabilities		
Borrowings	13.9	1,486.0
Long Term Provisions	16.4	19.1
Current Liabilities		
Income Tax Liabilities (net)	86.2	42.4
Short Term Borrowings	6,712.8	2,349.3
Trade Payables	4,568.1	3,683.1
Other Current Liabilities	484.9	115.8
Short Term Provisions	20.2	13.2
Total Equity & Liabilities	18,339.2	13,460.9

Particulars (In Rs Mn)	Dec-18	Dec-17
Non-Current Assets		
Fixed Assets – Tangible & Intangible	1,184.3	817.2
CWIP & Intangibles under development	0.5	17.2
Other Non Current Assets	20.6	6.4
Deferred Tax Assets (Net)	265.4	160.7
Current Assets		
Current Investments	117.2	829.1
Inventories	10,859.3	6,078.3
Trade Receivables	4,660.3	4,128.1
Cash & Bank Balances	504.7	659.4
Short Term Loans & Advances	5.2	4.7
Other Current Assets	657.5	759.8
Asset Classified for Sale	64.2	-
Total Assets	18,339.2	13,460.9



ANNEXURE

Key Milestones



Experienced Management Team



Niranjan Shah, Chairman

- Associated with the company since inception
- Over 4 decades of experience in the gems & jewellery industry
- Responsible for the overall strategic planning and decision making



Sumit Shah, Vice Chairman

- 22 years of industry experience
- Responsible for long term business plans and new business initiatives



Hitesh Shah, Managing Director

- 22 years of industry experience
- Responsible for Finance, Accounting and Merchandising operations



Suhel Kothari, Director

- President, RJNY Inc (Verigold)
- Manages operations of USA division



Neville Tata, – Executive Director

- 21 years of industry experience
- He is responsible for Production and HRM



Experienced Independent Directors: Strong Corporate Governance



Veer Kumar Shah, – Independent Director (ICAI, 1969;)

- Practicing Chartered Accountant with more than 4 decades of experience
- Expert in Accounting, Auditing , Taxation, Company Law matters, Arbitration matters and management consultancy in diverse sectors



Anil Chopra, Independent Director

- 30 years experience in marketing of consumer products, Prior worked in Tata Sons and their group company, Voltas
- Exp. in Commercial, Human Resource Development and Administration functions



Arun Sathe, Independent Director

- Practicing Lawyer in High court & Supreme Court & Veteran Economist
- Governing Council Member of Mah. Chamber of Commerce, Finance & Taxation Committee of the Chamber & FICCI; Part time member of SEBI



Vishwas Mehendale, Independent Director

- Practicing Chartered Accountant in Taxation and appellate matters, including drafting and arguing appeals before Commissioners of I.Tax & Appellate Tribunal
- Expert in Direct & Indirect Tax Laws, Accounts & Audits, Finance & Corporate Laws



Madhavi Pethe, Independent Director

- Former Independent Director of Bombay Commodity Exchange Ltd. by Forward Markets Commission, Central Govt
- Member of Board of Studies of Banking & Insurance University of Mumbai

Consolidated Profit & Loss Statement



Particulars (In Rs Mn)	FY18	FY17*	FY16	FY15	FY14
Revenue From Operations	18,251.0	14,734.5	13,195.8	12,764.4	12,221.6
Other Income	339.1	179.7	41.9	181.9	14.5
Total Income	18,590.1	14,914.2	13,237.7	12,946.3	12,236.1
COGS	15,160.7	11,577.4	9,959.1	9,907.2	8,796.6
Gross Profit	3,429.4	3,336.8	3,278.0	3,039.1	3,439.5
Gross Margin %	18.5%	22.4%	24.7%	23.4%	28.1%
Employee Expenses	838.6	803.2	792.4	779.6	864.6
Other Expenses	1,574.7	1,651.0	1,658.5	1,507.3	1,953.9
EBITDA	1,016.1	882.6	827.6	752.2	620.9
EBITDA Margin %	5.5%	5.9%	6.3%	5.8%	5.1%
Depreciation	124.5	140.3	150.2	173.5	120.1
Finance Cost	144.9	132.1	105.3	115.9	116.7
PBT	746.8	610.1	572.1	455.8	384.1
Tax Expense	108.9	114.9	98.6	57.2	89.4
PAT	637.9	495.2	473.5	405.6	294.7

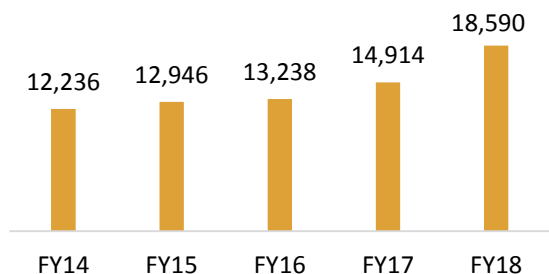
* Excluding extraordinary items

Financial Summary

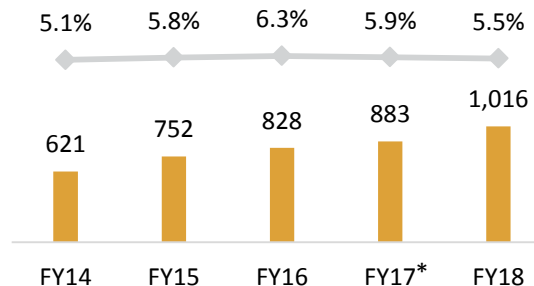


In Rs Mn

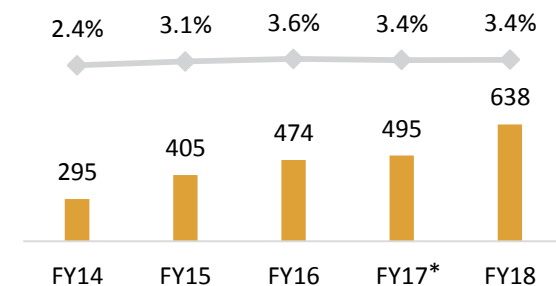
Total Income



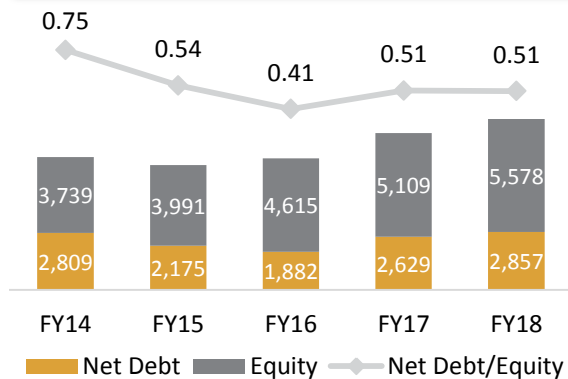
EBITDA & EBITDA Margin



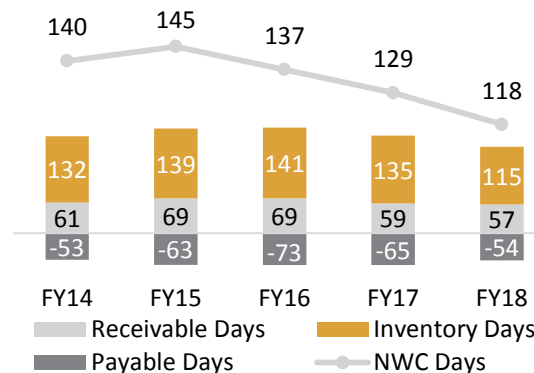
PAT & PAT Margin



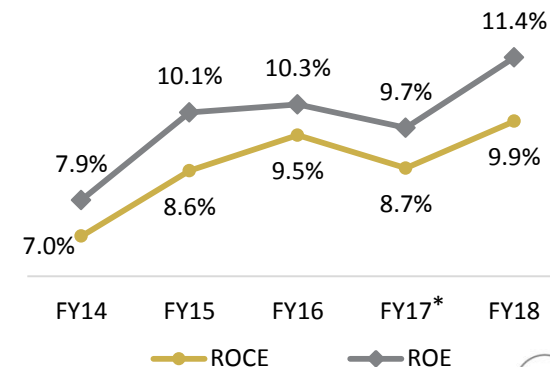
Leverage Analysis



Working Capital Analysis



Return Ratios



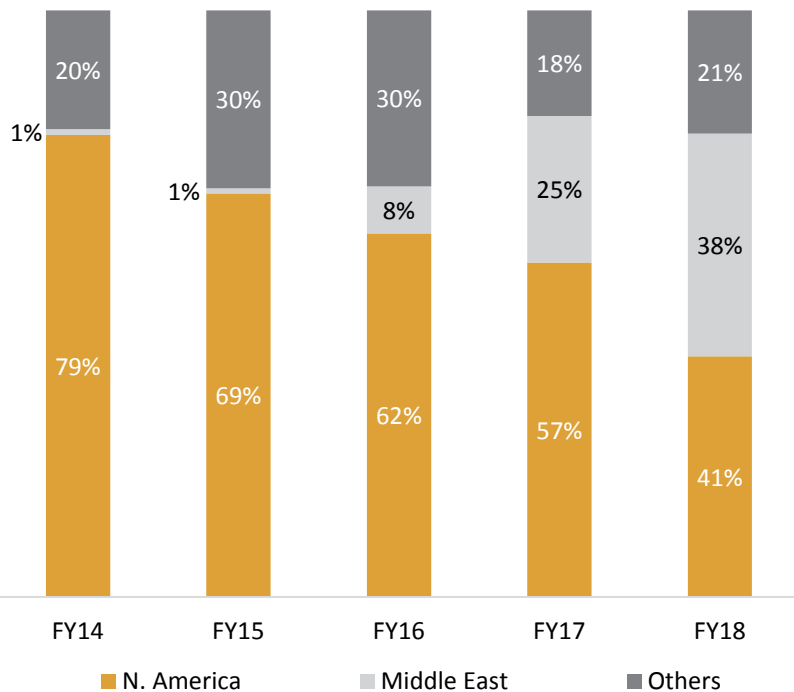
Working capital calculated with Total Income as denominator in all ratios
 ROCE = EBIT / Cap. Employed (Equity inc. minority & Debt)

* Excluding extraordinary items

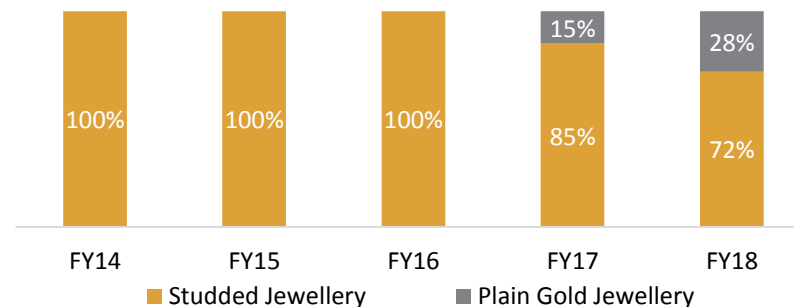
Operational Summary



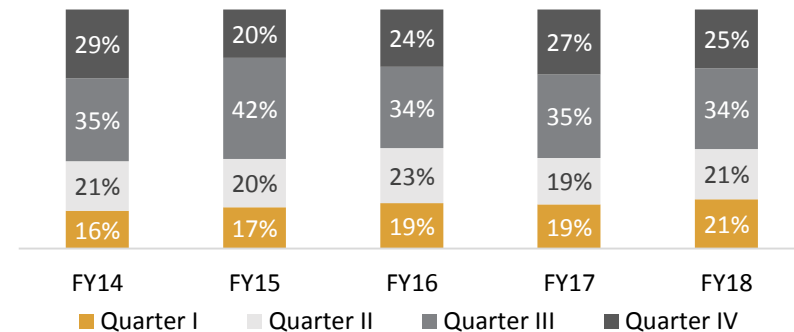
Geographical Mix



Studded Jewellery vs. Plain Gold Jewellery



Seasonality



Awards



2001
SEEPZ-SEZ Star
Award



2008
GJEPC Award for
largest exporter of
studded metal
jewellery



2012
GJEPC Award for
largest exporter of
studded metal
jewellery



2005
WM Int'l Supplier of
the Year



2009
Emerging India
Award



2015
GJEPC Award for
largest exporter of
studded metal
jewellery



2006
GJEPC Award for
largest exporter of
studded metal
jewellery



2011
GJEPC Award for
largest exporter of
studded metal
jewellery



2016 & 2017
GJEPC Award for
largest exporter of
studded metal
jewellery





This presentation and the following discussion may contain “forward looking statements” by Renaissance Jewellery 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.

In particular, 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.



RENAISSANCE
JEWELLERY LIMITED

THANK YOU

For any investor queries, reach out to us



RENAISSANCE JEWELLERY LTD.

G. M. Walavalkar
Compliance Officer

Investor Grievance Redressal Cell
Email: investors@renjewellery.com

DICKENSON

DICKENSON SEAGULL IR

Aakash Mehta
Email: Aakash.Mehta@dickensonir.com
Mob: 098706 79263