

Date: 16th November, 2022

To,
The Manager,
Compliance Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.

To,
The Manager,
Compliance Department,
BSE Limited
Corporate Service Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

Dear Sir / Madam,

Re: **Tribhovandas Bhimji Zaveri Limited. Script Code & ID: 534369 / TBZ**
Sub: **Investors / Analysts' Presentation {Disclosure of Material Event/
Information under Regulation 30 of SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015}**

Further to our letter dated 10th November, 2022 on the Conference Call, and pursuant to Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of the Earnings Presentation that we propose to make during the Conference Call for analyst and investors scheduled to be held on **Wednesday, 16th November, 2022 at 4.30 p.m. (IST)** is enclosed and the said Earnings Presentation has also been uploaded on the Company's Website at www.tbztheoriginal.com.

We request you to kindly take the same on record.

Thanking You.
Yours faithfully
For **Tribhovandas Bhimji Zaveri Limited**



Niraj Oza
Head - Legal & Company Secretary

Encl: as above

tbz[®]
The original since 1864

TRIBHOVANDAS BHIMJI ZAVERI LTD.

CIN No : L27205MH2007PLC172598

Regd. Office: 241/243, Zaveri Bazar, Mumbai - 400 002. Tel.: +91 22 3956 5001, 91 22 4046 5001

Corp. Office: 11th Floor, West Wing, Tulsiani Chambers, Free Press Journal Road, Nariman Point, Mumbai - 400 021. Tel.: 022 3073 5000, 91 22 4925 5000

www.tbztheoriginal.com

INVESTOR PRESENTATION
Q2 FY23 RESULTS



TRIBHOVANDAS BHIMJI ZAVERI
SHRIKANT ZAVERI GROUP

DISCLAIMER

This presentation has been prepared by Tribhovandas Bhimji Zaveri Limited (“TBZ”) for informational purposes only and does not constitute or form any part of any offer, invitation or recommendation to purchase or subscribe for any securities in any jurisdiction, and no part of it shall form the basis of, or be relied upon in connection with, any contract or commitment on the part of any person to proceed with any transaction.

The information contained in this presentation has not been independently verified. No representation or warranty, express or implied, is made and no reliance should be placed on the accuracy, fairness or completeness of the information presented or contained in these materials.

Any forward-looking statements in this presentation are subject to risks and uncertainties that could cause actual results to differ materially from those that may be inferred to being expressed in, or implied by, such statements. Such forward-looking statements are not indicative or guarantees of future performance. Any forward-looking statements, projections and industry data made by third parties included in this presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.

This presentation may not be all inclusive and may not contain all of the information that you may consider material. The information presented or contained in these materials is subject to change without notice and its accuracy is not guaranteed. Neither the Company nor any of its affiliates, advisers or representatives accepts liability whatsoever for any loss howsoever arising from any information presented or contained in these materials. This presentation cannot be used, reproduced, copied, distributed, shared or disseminated in any manner. No person is authorized to give any information or to make any representation not contained in and not consistent with this presentation and, if given or made, such information or representation must not be relied upon as having been authorized by or on behalf of TBZ.

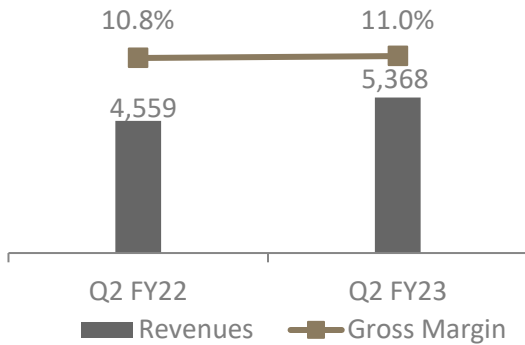
DISCUSSION SUMMARY

- [Q2 & H1FY23 Results Update](#)
- [About Us](#)
- [Business Model](#)

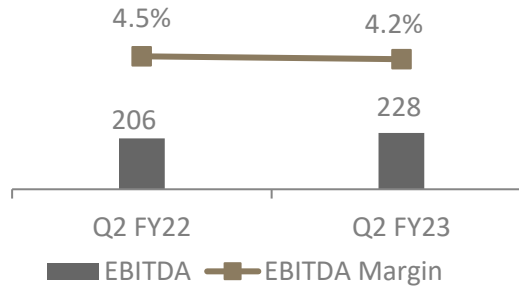
Q2 FY23 RESULT HIGHLIGHTS

In Rs Mn

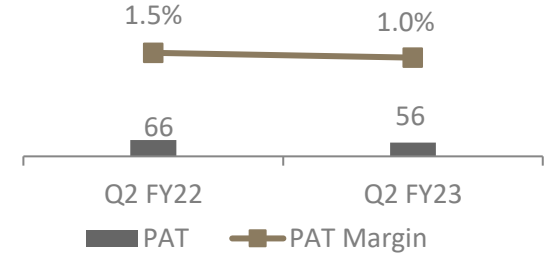
REVENUES & GROSS MARGIN



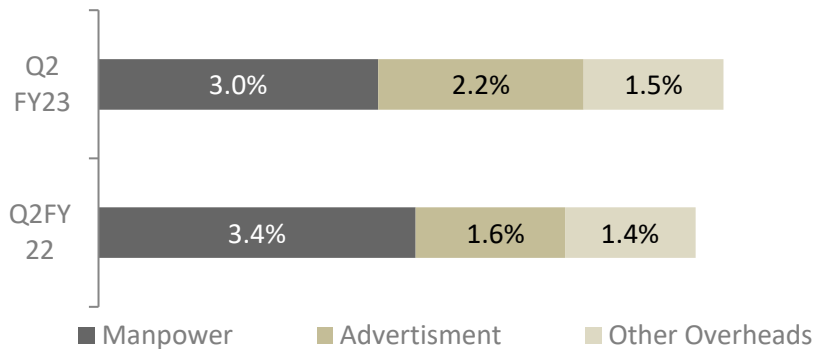
EBITDA & EBITDA Margin (%)



PAT & PAT Margin (%)



OPERATING COSTS (% of Total Revenue)



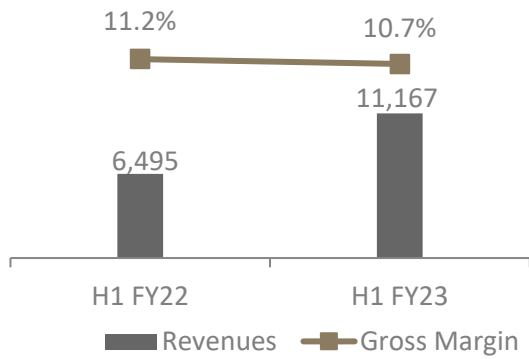
Other highlights

Share of Diamond Jewellery – Q2 FY23 (Q2 FY22) 24.3% (21.2%)

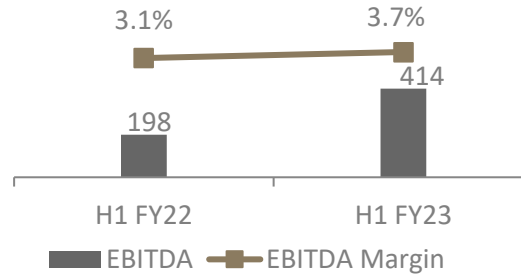
H1 FY23 RESULT HIGHLIGHTS

In Rs Mn

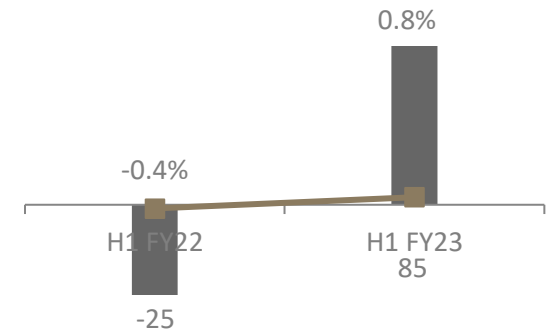
REVENUES & GROSS MARGIN



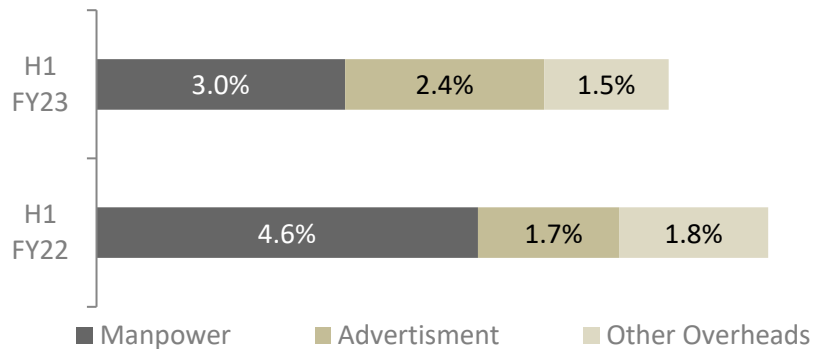
EBITDA & EBITDA Margin (%)



PAT & PAT Margin (%)



OPERATING COSTS (% of Total Revenue)



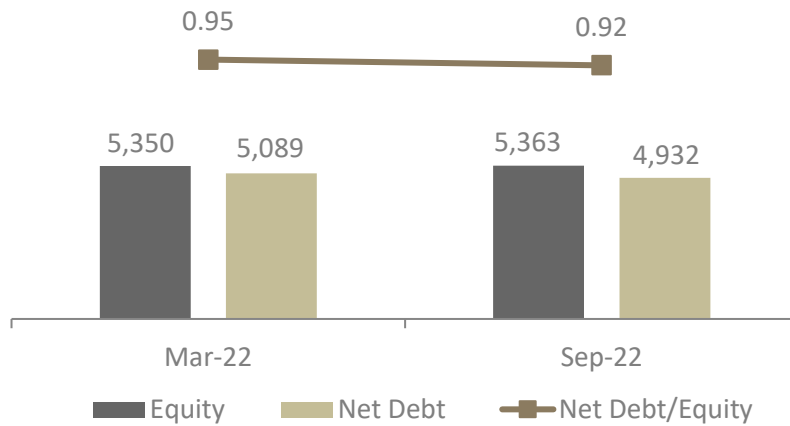
Other highlights

Share of Diamond Jewellery – H1 FY23 (H1 FY22) 22.0% (20.8%)

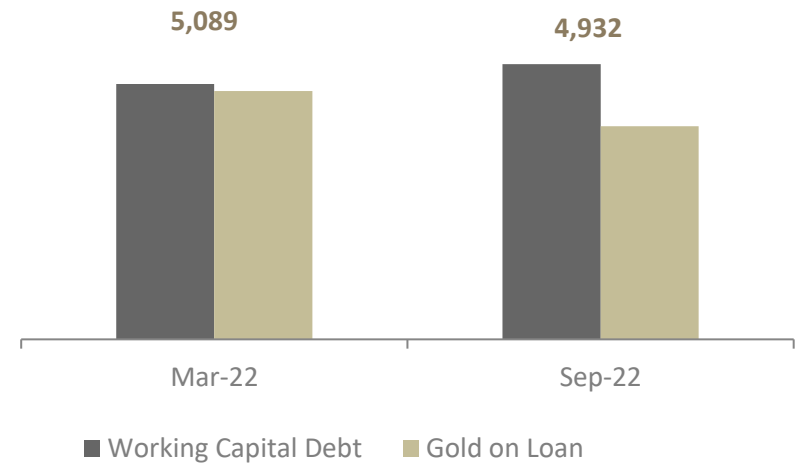
Q2 & FY23 BALANCE SHEET UPDATE

In Rs Mn

LEVERAGE ANALYSIS



TOTAL DEBT BREAKUP



Notes:

1. Net debt reduced from 5,089 mn in Mar-22 to Rs. 4,932 mn in Sept – 22.
2. Gold on Loan is shown as part of borrowings, while some of the listed peers show it under current liabilities / trade payables

Q2 FY23 - KEY RESULT TAKEAWAYS

REVENUE & MARGIN:

- Revenue in Q2FY23 was up by 17.8% YoY, on account of higher footfalls and consistent conversion.
- Gross margins also improved marginally and stood at 11% in Q2FY23.
- EBITDA stood at ₹228 mn during Q2FY23, up from ₹ 206 mn in Q2FY22.
- Aggressive advertising and marketing campaigns were activated for the 2nd quarter to attract higher walk-ins in the festival and wedding season.
- Product mix remained in line with last year. With the upcoming festive and marriage season, several new and appealing designs are being added to the product portfolio.



BALANCE SHEET & CASH FLOW:

- Inventory volumes have been further rationalized during Q2FY23, as part of our overall strategy to rationalize our Inventory this quarter.
- Inventory levels are higher in Q2FY23 as a part of the preparation for the upcoming festive and wedding season, and for stocking the new store.



Q2 & H1FY23 - PROFIT & LOSS STATEMENT

Particulars (In Rs Mn)	Q2FY23	Q2FY22	YoY %	H1FY23	H1FY22	YoY %
Net Revenues	5,368	4,559	17.7%	11,167	6,495	71.9%
COGS	4,780	4,064	17.6%	9,974	5,769	72.9%
Gross Profit	588	495	18.9%	1,193	726	64.4%
Gross Margin (%)	11.0%	10.8%	11 bps	10.7%	11.2%	-49 bps
Personnel Expenses	163	153	6.6%	339	303	11.9%
Other Expenses	197	135	46.1%	440	225	95.3%
EBITDA	227	206	10.3%	414	198	109.4%
EBITDA Margin (%)	4.2%	4.5%	-29 bps	3.7%	3.0%	66 bps
Depreciation	62	56	10.2%	118	113	0
Other Income	12	26	-53.7%	37	45	-19.6%
Interest Expenses	101	85	19.2%	217	165	31.4%
Profit Before Tax	76	91	-16%	116	-35	-435%
Tax	20	25	-0.2	31	-10	-419.5%
PAT	56	66	-15%	85	-25	-441%
Profit Margin (%)	1.0%	1.5%	-41 bps	0.76%	-0.4%	114 bps

Q2 FY23 - BALANCE SHEET STATEMENT

Particulars (In Rs Mn)	September-22	June-22	March-22	December-21	September-21
Shareholders Funds	5,363	5,378	5,350	5,317	5,146
Loan Funds	4,932	4,833	5,089	4,076	4,076
Gold on Loan	2155	2,088	2,509	2,051	2,005
Working Capital Loan	2777	2,745	2,580	2,025	2,071
Lease liability	582	513	607	614	544
Provisions	73	72	68	72	68
Other Long -Term Liabilities	3	3	1	1	2
Sources of Funds	10,953	10,799	11,114	10,080	9,835
Net Block	1,299	1,294	1,301	1,264	1,208
Other Long -Term Assets	519	495	486	384	404
Inventory	12,052	11,782	12,058	11,108	10,938
Debtors	39	29	16	22	25
Cash and Bank Balance	411	386	453	371	370
Other Current Assets	321	252	342	295	359
Current Liabilities	3,688	3,466	3,542	3,364	3,469
Net Current Assets	9,135	9,010	9,328	8,432	8,223
Application of Funds	10,953	10,799	11,114	10,080	9,835

NEW STORE LAUNCH IN KALYAN



MARKETING INITIATIVES DURING THE QUARTER

- TBZ - The Original tied up with SBI Card during the quarter for the festive offer, where the bank funded cashbacks to customers (up to Rs.5,000 on minimum purchase of Rs.50,000) via SBI.
- Pan-India campaigns for blocking the gold rate and redeeming during the festive season during September (to start advance bookings) were run before Navratri.
- A Sara Ali Khan promotional shoot was carried out in August for the festive season, for both Gold & Diamond festive Jewellery. Content included reels shots for digital content, and wishing on social media
- Promotion of No Making Charges on Diamond Jewellery was run in the month of July, along with 50% off on making of Gold Jewelry run in August during Independence Day week.
- NPS for the quarter was again higher at 71. TBZ is constantly striving at achieving better NPS customer feedback and improve customer experience.



MARKETING INITIATIVES DURING THE QUARTER

ONE TBZ PROMISE 153

FLAT
50% OFF
ON MAKING CHARGES OF ALL GOLD JEWELLERY*

100% value on exchange of ANY OLD GOLD

*Valid only on purchase of Gold. T&Cs. Conditions apply.

tbz[®]
The original since 1864

ONE TBZ PROMISE 153
TRUST OF

NO MAKING CHARGES ON DIAMOND JEWELLERY*

*Conditions Apply

tbz[®]
The original since 1864

HAPPY
Onam

tbz[®]
The original since 1864
TRIBHOVANDAS BHIMJI ZAVERI
SIRIKANT ZAVERI GROUP

DISCUSSION SUMMARY

- Q2 FY23 Results Update
- [About Us](#)
- Business Model

WHY IS TBZ DIFFERENT ?

Pedigree

- 157+ years in jewellery business
- First jeweller to offer buyback guarantee in 1938
- Professional organisation spearheaded by 5th generation of the family

Strong Brand Value

- Healthy sales productivity
- High footfalls conversion

Scalability & Reach

- 32 stores (1,00,000 +. ft.)
- Presence – 25 cities, 12 states

TBZ

SUSTAINABLE
COMPETITIVE
ADVANTAGES

Specialty Wedding Jeweller

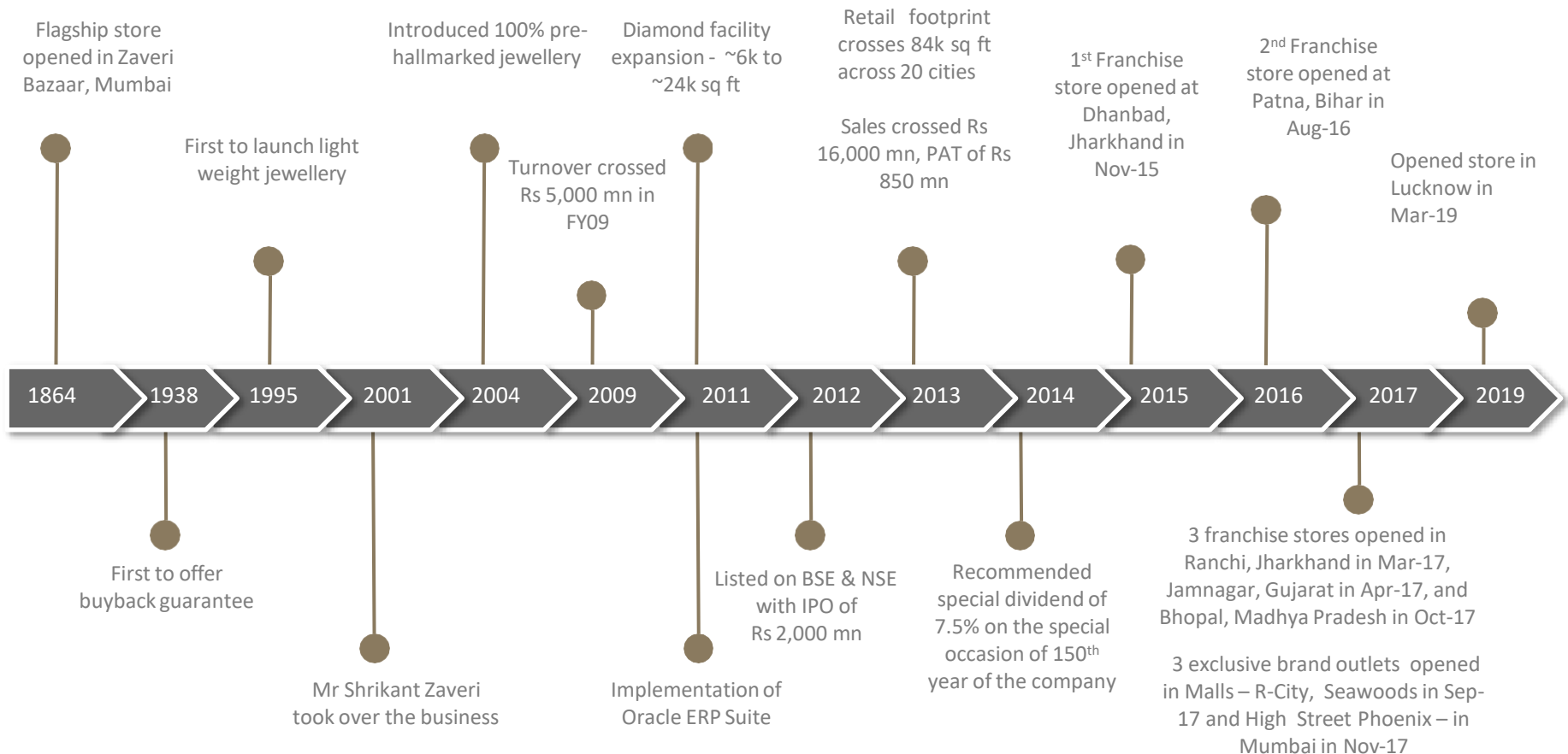
- ~ 65% of sales are wedding & wedding related purchases
- Compulsion buying
- Stable fixed budget purchases by customers

Design Exclusivity

- 8 - 10 new jewellery lines/year
- In-house diamond jewellery production
- Customer loyalty
- Premium pricing

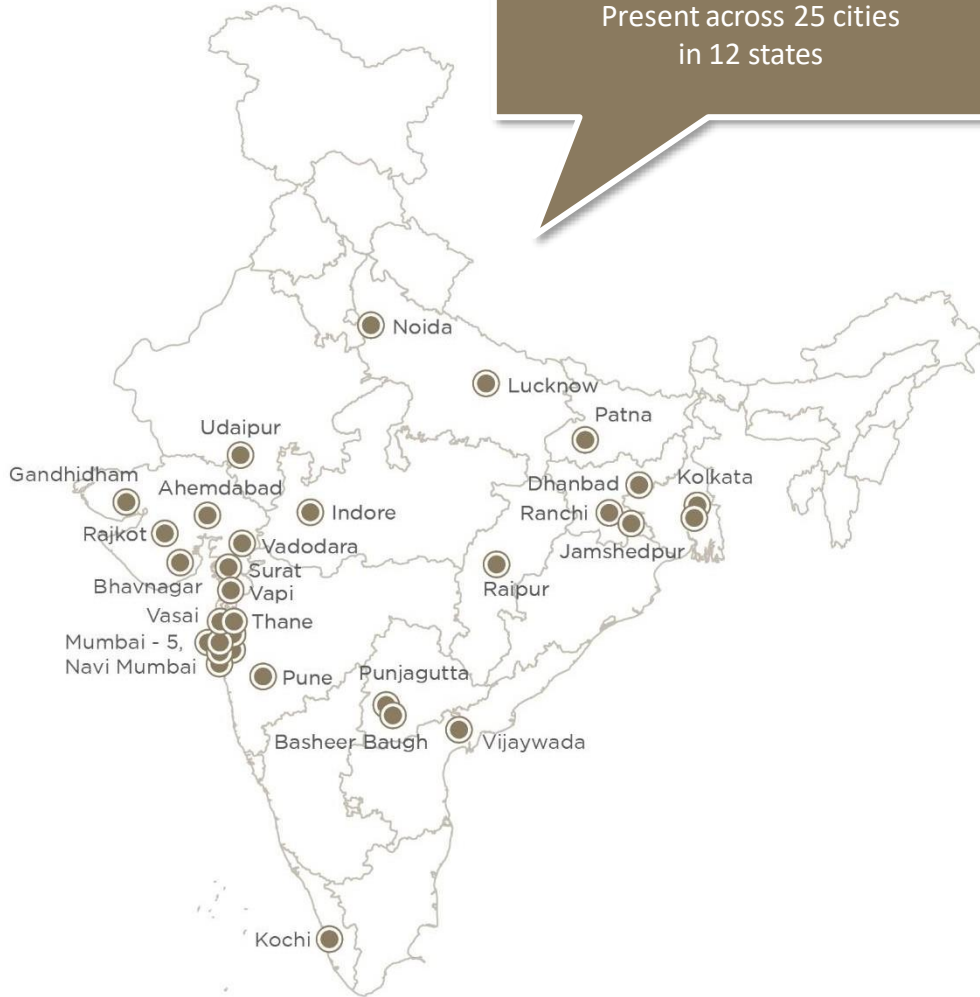
KEY MILESTONES

STRONG LEGACY OF MORE THAN 150 YEARS BUILT ON TRUST



RETAIL PRESENCE

Present across 25 cities
in 12 states



PAN-INDIA PRESENCE WITH 32 STORES
WITH A RETAIL SPACE OF ~100,000+
SQ. FT. SPREAD ACROSS
25 CITIES IN 12 STATES

NUMBER OF STORES	TILL DATE
Large Format (> 2,000 sq. ft.)	29
Small Format (<= 2,000 sq. ft.)	3
Total Stores	32
Total Area (sq. ft)	~1,00,000+



DISCUSSION SUMMARY

- Q2 FY23 Results Update
- About Us
- [Business Model](#)

BUSINESS MODEL: MANUFACTURING

PROCUREMENT

Gold

- Raw Material - Bullion
- Sources:
- Banks – Gold on loan
 - Exchange & purchase of old jewellery
 - Bullion dealers

MANUFACTURING

- Gold jewellery manufacturing is outsourced.
- Vast nation-wide network of 150+ vendors
- Each vendor has an annual gold processing capacity of more than 100 kg.
- These vendors are associated with TBZ since generations and are experts in handmade regional jewellery designs.



BUSINESS MODEL: MANUFACTURING

PROCUREMENT

Diamond

- Raw Material - Cut & polished diamonds

Sources:

- DTC site holders

MANUFACTURING

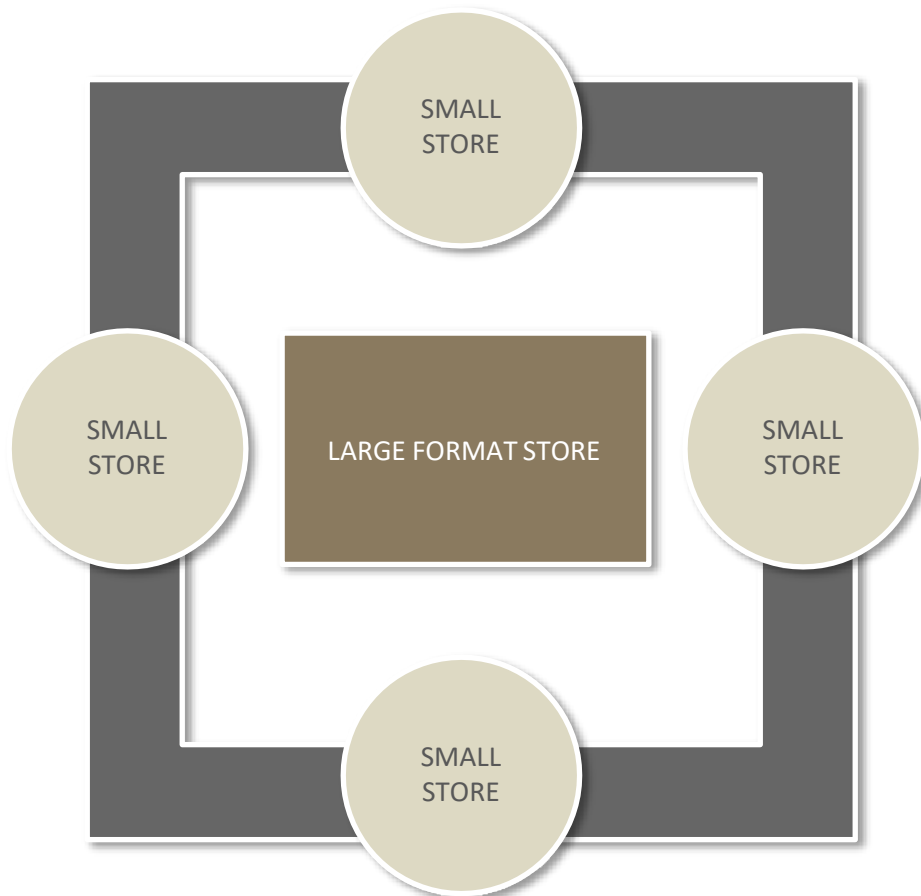
- In-house diamond jewellery manufacturing leading to exclusive designs, lower costs, and higher margins
- Manufacturing facility at Kandivali, Mumbai
- The facility also has a sizeable capacity for gold refining and matching capacity for jewellery components manufacturing.



BUSINESS MODEL: RETAIL

EFFICIENT INVENTORY MANAGEMENT

HUB & SPOKE MODEL - ROI OPTIMISATION



SMALL STORES

- $\leq 2,000$ sq ft
- Across the city
- Smaller range
- Lower price points
- (up to Rs 500k)

LARGE STORES

- $> 2,000$ sq ft
- Standalone high street - heart of city
- Wider range
- Higher price points
(up to Rs 2,000k)

GOLD METAL LOAN: EFFICIENT SOURCING CHANNEL

GOLD METAL LOAN ORIGINATION

- TBZ takes 10 kg gold from a bank on lease on day 0.
- The contract for gold lease is 180 days.
- TBZ provides a bank guarantee worth 110% of gold leased.
- Total Financing cost (interest on gold lease plus bank guarantee commission) to TBZ is ~4.25% p.a.

GOLD METAL LOAN REPAYMENT

- TBZ repays the gold daily based on actual sales of gold jewellery.
- The bank converts 1 kg of gold on lease as a sale to TBZ at a reference rate set by them as on day 1.
- TBZ books a purchase of 1 kg of gold.
- The balance 9 kg worth of gold continues to remain on lease.
- TBZ again replenishes the inventory by taking 1 kg of gold on lease from bank on day1.
- Since TBZ's gold jewellery inventory turns 2-3 times, it repays the gold lease before 180 days.

GOLD METAL LOAN ADVANTAGES

- **Interest Cost Savings:** Borrowing cost on gold lease is significantly lower compared to working capital borrowing cost.
- **No Commodity Risk:** Since gold is taken on lease, there is no gain if gold prices increase or loss if gold prices decrease.

GOLD METAL LOAN LIMITATIONS

- **Sharp increase in gold prices:** Gold lease is marked to market on a daily basis. So any increase in gold price will cause TBZ to top up its bank guarantee.
- **Bank Guarantee limitations:** Bank guarantee issued by the bank to TBZ is based on the drawing power enjoyed by TBZ.
- **Contract Period:** If TBZ is unable to sell the gold on lease within 180 days, then they will have to convert the balance unutilized gold to purchase.

AWARDS & RECOGNITION

- BEST BRACELET DESIGN AWARD AT THE 9TH EDITION OF JJS-IJ JEWELLERS CHOICE DESIGN AWARDS 2019
- “CONTEMPORARY DIAMOND JEWELLERY AWARD” & “TREASURE OF THE OCEAN “
GJC’S NATIONAL JEWELLERY AWARD 2018
- “DIAMOND VIVAH JEWELLERY OF THE YEAR”
Retail Jeweller India Awards - 2018
- “INDIA’S MOST PREFERRED JEWELLERY BRAND”
UBM India - 2017
- “BEST RING DESIGN OVER Rs. 2,50,000”
JJS-IJ Jewellers Choice Design Awards - 2016
- “TV CAMPAIGN OF THE YEAR”
12th Gemfields Retail Jeweller India Awards - 2016
- “DIAMOND JEWELLERY OF THE YEAR”
12th Gemfields Retail Jeweller India Awards - 2016
- “BEST NECKLACE DESIGN AWARD– 2016 ”
JJS-IJ Jewellers’ Choice Design Award - 2016
- “ASIA’S MOST POPULAR BRANDS – 2014 ”
World Consulting & Research Corporation (WCRC) - 2014



CSR INITIATIVES – PROJECT PANKHI

A Project initiated by TBZ to provide Counselling & Skill Development to women impacted by Domestic Violence

- Counsellors engaged in **15** different community settings in Mumbai, Vadodara, Ahmedabad, Pune, Kochi, Patna, Delhi and Hyderabad
- **831** cases reported
- **447** Calls received through helpline
- **5,524** Lives impacted through Online and community awareness sessions
- Partnership with NGOs in different cities –Mumbai, Kochi and Ahmedabad
- **6** Women aided through Telephonic counselling
- Operational with the following organizations:-
 - Stree Mukti Sanghatana, Mumbai
 - Urja, Mumbai
 - Cultural Academy for Peace, Kochi
 - AWAG, Ahmedabad
- Expansion with five new programmes- AWAG, BCC, CORO, MCF, URJA Jogeswari & Urja Dadar



One call can set you free





TRIBHOVANDAS BHIMJI ZAVERI
SHRIKANT ZAVERI GROUP



TRIBHOVANDAS BHIMJI ZAVERI
SHRIKANT ZAVERI GROUP

Mukesh Sharma
Chief Financial Officer
Tribhovandas Bhimji Zaveri Limited
+91 022 30735000
mukesh.sharma@tbzoriginal.com

DICKENSON

Shankhini Saha
Chintan Mehta
IR Consultant
Dickenson
+91 8981592855 /9892183389
tbz@dickensonworld.om