


Date: February 9, 2019


PCJ
Jeweller for generations

To,
The Listing Compliance Department,
BSE Limited,
P. J. Tower, Dalal Street,
Mumbai – 400 001

To,
The Listing Compliance Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051

Ref.: PC Jeweller Limited (Scrip Code: 534809, Symbol: PCJEWELLER)

Sub.: Management Presentation

Dear Sir/Madam,

Please find enclosed herewith the Management Presentation on the standalone financial results of the Company for the quarter ended December 31, 2018.

Kindly take the same on record.

Thanking you.

Yours sincerely,

For **PC Jeweller Limited**


(SANJEEV BHATIA)

Chief Financial Officer



Encl.: As above

PC Jeweller Limited

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PC Jeweller Ltd

Results Presentation

February 9th, 2019

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Quarterly highlights

Q3 2019 EBITDA increased to 13.45% from 11.89% in Q3 2018

Q3 2019 PBT increased to 9.05% from 8.61% in Q3 2018

Q3 2019 PAT increased to 6.53% from 6.15% in Q3 2018

Q3 2019 Domestic Retail Sales : Rs 1,818.76 crores (3.07% growth over Q3 2018)

Q3 2019 Domestic Retail EBITDA : Rs 239.75 crores (0.60% growth over Q3 2018)

Q3 2019 Export Sales : Rs 300.34 crores (65.88% decrease from Q3 2018)

Q3 2019 Export EBITDA : Rs 45.31 crores (40.47% decrease from Q3 2018)



Business Updates



Business Updates – Q3 FY 19

- The financial year 2018-19 is a year of consolidation and transition for the company. The company is reducing its export business while consolidating its domestic business.
- This is reflected in decline of almost Rs 1100 cr. in the export turnover on a Y-o-Y basis.
- On the domestic front, the company has managed to cover the de-growth in sales experienced till Q2.
- The company is also working on squeezing its expenditure under all heads which is reflected in its total expenses actually declining on a Y-o-Y basis. The increase in total expenses is primarily as a result of booking of ESOP related expenses which is not a cash outflow. At the same time, the company had to bear increase in finance costs by approx Rs 4 cr. on Q-o-Q basis. Though the company's overall debt levels have gone down, the financial leverage structure has shifted towards Fund based vis-à-vis Non Fund.
- **The company had proposed to further reduce its bank exposure by Rs 500 cr during Q3 and Q4 of FY 2019. It has achieved a reduction of around Rs 300 cr. in Q3 FY 2019. The balance reduction is expected to be achieved during the current quarter.**
- The company continues to rationalise its showroom network to gain operational efficiencies. It has accordingly merged three of its showrooms and shut down one during the quarter.
- The Company has opened one showroom at Saharanpur (Uttar Pradesh) during the quarter.



Business Updates – Q3 FY 19

- www.pcjeweller.com is a great complement to our physical showrooms and this aligns with our strategy of targeting future wedding jewellery customers at an early age
 - Targeting the rapidly growing Work Wear/ Daily Wear jewellery segment with launch of periodic new collections
 - Helps in target the young segment - A regular visitor/ buyer at www.pcjeweller.com is more likely to visit/ prefer nearby PCJ Showrooms when she/ he has to evaluate a high-ticket wedding jewellery purchase
 - Better Analytics - Enhanced data collections and analysis of customers' preferences and behaviour to develop effective marketing, communication and targeting strategies for both online and offline stores
- Omni Channel Roll Out
 - Online - Offline Integration is the way forward for any retailer, especially in jewellery sector. The ability to provide customers with variety of ready to ship products online will drive the conversions online.
 - The Company's omni channel with over 2500 designs from Delhi - NCR showrooms was piloted in Q3 and has seen very good response



Business Updates – Q3 FY 19

- Currently there are around 4,000 designs (10,000+ products) from 40 showrooms across 11 states live online under same day shipping and the company is working on a plan to roll out the same across all its showrooms by end of this fiscal
- Additionally, this also helps in discovery of high value products online and conversion offline, as customers can checkout the products available at nearby locations.
- Average Selling Price of products under Omni is 30% higher than for online and marketplace make to order products
- PCJ's products are currently listed on leading marketplaces – Amazon, Flipkart and TataCliq, which enhances its ability to showcase products to a larger customer segment. It is also one of the few jewellers featured on SBI Yono App.



Financial Updates



Highlights: Overall Business

Particulars (Rs. Crores)	Q3 FY 2019	Q3 FY 2018	9M FY 2019	9M FY 2018
Domestic Retail Sales	1,819	1,765	4,985	4,998
Export Sales	300	880	1,193	2,388
Gross Margins (%)	14.81%	13.97%	14.64%	13.88%
Domestic Retail	16.51%	17.09%	16.52%	16.86%
Exports	4.49%	7.72%	6.79%	7.64%
Expenses (% of total Revenue)				
Employee Expenses	1.44%	0.86%	1.41%	0.90%
Advertisements	0.42%	1.08%	0.35%	0.55%
Rentals	0.58%	0.55%	0.68%	0.60%
Other Income	(2.12%)	(1.72%)	(1.70%)	(1.19%)
Other Costs	1.04%	1.31%	0.96%	1.26%
EBITDA Margins	13.45%	11.89%	12.94%	11.76%
PBT Margins	9.05%	8.61%	8.37%	8.61%
PAT Margins	6.53%	6.15%	6.05%	6.08%



Highlights: Domestic Business

Particulars (Rs. Crores)	Q3 FY 2019	Q3 FY 2018	9M FY 2019	9M FY 2018
Revenue from Operations	1,819	1,765	4,985	4,998
Gross Margins (%)	16.51%	17.09%	16.52%	16.86%
EBITDA Margins (%)	13.18%	13.51%	12.93%	13.53%
PBT Margins (%)	8.93%	11.04%	8.93%	10.91%
PAT Margins (%)	7.32%	7.97%	6.72%	7.75%

Highlights: Export Business

Particulars (Rs. Crores)	Q3 FY 2019	Q3 FY 2018	9M FY 2019	9M FY 2018
Revenue from Operations	300	880	1,193	2,388
Gross Margins (%)	4.49%	7.72%	6.79%	7.64%
EBITDA Margins (%)	15.09%	8.65%	12.99%	8.04%
PBT Margins (%)	9.79%	3.72%	6.04%	3.77%
PAT Margins (%)	1.74%	2.51%	3.28%	2.59%



'AZVA'

Product Design

- 50+ new designs introduced including new enamell, diamonds, uncut polki and inlay techniques in handcrafted gold.



Harmony Collection - AZVA



Cones Collection - AZVA



Love Gold (New Brand) - AZVA



PERIWINKLE
Blossoming Friendship



PRIMROSE
Long Lasting Relationship



LILAC
First Emotion of Love



Love Gold (New Brand) - AZVA



Love Gold Collection now on display at AZVA Boutique at Taj Santacruz, Mumbai + Available on Love Gold and PCJ Website.



Social Media - AZVA



Creative shoots for Social Media. Great response and increase in engagement. All shoots and creatives done in-house.



Espresso Collection



espresso
COLLECTION
Express Yourself



Showroom Opened in Q3 FY 2019



Saharanpur, Uttar Pradesh



For further information, please contact:

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