

Date: August 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 Management Presentation on the standalone financial results of the Company for the quarter ended June 30, 2019.

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**

REGD. & CORPORATE OFF: C - 54, PREET VIHAR, VIKAS MARG, DELHI - 110 092 PH: 011 - 49714971 FAX : 011 - 49714972

info@pcjeweller.com • www.pcjeweller.com • CIN: L36911DL2005PLC134929



# PC JEWELLER LTD

Results Presentation

August 9<sup>th</sup>, 2019

# Safe Harbor



This presentation and the accompanying slides (the “Presentation”), which have been prepared by PC Jeweller Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.



# Showroom Details



Particulars (as on)	Own Showrooms		Franchisee		Total	
	30 <sup>th</sup> June 19	31 <sup>st</sup> Mar 19	30 <sup>th</sup> June 19	31 <sup>st</sup> Mar 19	30 <sup>th</sup> June 19	31 <sup>st</sup> Mar 19
<b>Number of Cities</b>	58	57	12	14	70	71
<b>Number of showrooms</b>	73	72	12	14	85	86
<b>Total Area (in sqft)</b>	3,06,631	3,04,731	28,128	31,988	3,34,759	3,36,719
<b>Area/Showroom (in sqft)</b>	4,200	4,232	2,344	2,285	3,938	3,915



# Key Balance Sheet items



## Liabilities

Standalone (Rs. Crores)	30 <sup>th</sup> June 18	31 <sup>st</sup> Mar 2019	30 <sup>th</sup> June 19
<b>Liabilities</b>			
<b>Total Bank Exposure (including gold loans) (A)</b>	4,064	3,243	3,199
<b>Operational Creditors</b>	201	207	185
<b>JFL</b>	171	142	126
<b>Other Liabilities (B)</b>	<b>372</b>	<b>349</b>	<b>311</b>
<b>Total (A) + (B)</b>	<b>4,436</b>	<b>3,592</b>	<b>3,510</b>
<b>Networth (C)</b>	<b>4,074</b>	<b>3,936</b>	<b>3,970</b>
<b>TOL/TNW (B/C)</b>	<b>1.09</b>	<b>0.91</b>	<b>0.88</b>

## Assets

Standalone (Rs. Crores)	30 <sup>th</sup> June 18	31 <sup>st</sup> Mar 2019	30 <sup>th</sup> June 19
<b>Inventory</b>	<b>4,842</b>	<b>4,988</b>	<b>5,092</b>
<b>Receivables</b>	<b>2,101</b>	<b>1,733</b>	<b>1,618</b>



# Quarterly highlights



Q1 FY 2020 Sales : Rs 1,349 crores (44.3% de-growth over Q1 FY 2019)

Q1 FY 2020 EBITDA : Rs 173 crores (38.5% de-growth over Q1 FY 2019)

Q1 FY 2020 PBT : Rs 74 crores (61.6% de-growth over Q1 FY 2019)

Q1 FY 2020 PAT : Rs 48 crores (66.1% de-growth over Q1 FY 2019)

Q1 FY 2020 Domestic Retail Sales : Rs 1,223 crores (24.3% de-growth over Q1 FY 2019)

Q1 FY 2020 Export Sales : Rs 126 crores (84.4% de-growth over Q1 FY 2019)

**FY20 is likely to be a year of consolidation for industry at large**

**PCJ will focus on stronger branding, customer acquisition & same store sales growth along with expansion of franchisee network**



*Financial Updates*



# Highlights: Overall Business



Particulars (Rs. Crores)	Q1 FY 2020	Q1 FY 2019
<b>Revenue from Operations</b>	<b>1,349</b>	<b>2,423</b>
Domestic Retail	1,223	1,616
Exports	126	807
<b>Gross Margins (%)</b>	<b>15.3%</b>	<b>13.1%</b>
Domestic Retail	16.6%	15.9%
Exports	3.3%	7.5%
<b>Expenses (% of total Revenue)</b>		
Employee Expenses	1.7%	1.1%
Advertisements	0.3%	0.4%
Other Costs	1.2%	1.3%
Other Income	0.7%	1.3%
<b>EBITDA Margins</b>	<b>12.8%</b>	<b>11.6%</b>
<b>PBT Margins</b>	<b>5.5%</b>	<b>8.0%</b>
<b>PAT Margins</b>	<b>3.6%</b>	<b>5.9%</b>





# Highlights: Domestic Retail



Particulars (Rs. Crores)	Q1 FY 2020	Q1 FY 2019
Revenue	1,223	1,616
Gross Margins (%)	16.6%	15.9%
<b>Expenses (% of total Revenue)</b>		
Employee Expenses	1.7%	1.4%
Advertisements	0.4%	0.6%
Other Costs	1.4%	1.6%
Other Income	0.7%	(0.2%)
<b>EBITDA Margins (%)</b>	<b>13.8%</b>	<b>12.1%</b>



# Highlights: Export Business



Particulars (Rs. Crores)	Q1 FY 2020	Q1 FY 2019
Revenue	126	807
Gross Margins (%)	3.3%	7.5%
Expenses (% of total Revenue)		
Employee Expenses	1.1%	0.6%
Advertisements	-	-
Other Costs	0.4%	0.7%
Other Income	0.8%	4.4%
EBITDA Margins (%)	2.6%	10.6%



*Business Updates*



# Business Updates for the Quarter



- The business environment remained tough during this quarter and there was an overall decline in the industry.
- The company's domestic turnover has declined by nearly 25% on a Q-o-Q basis. The main reasons behind the same are (i) closure of ten owned stores in the previous FY; (ii) closure of two franchisee stores in Q1 ;(iii) restrictions on movement of goods on account of general elections held in May 2019 which significantly impacted consumer spending.
- The company is taking cognizance of the twin factors of continuing credit crunch for Gems & Jewellery Sector as well as slowing down of consumer demand and hence is concentrating on capital conservation and trying to extract additional efficiencies from its existing assets.
- There is an increase in the overall EBIDTA margins due to improvement in the domestic margins as well decline of the lower margin export business.



# Business Updates for the Quarter



- The impact of newly introduced IndAS 116 is reflected in the decline in the absolute amount of rental expenditure and commensurate increase in the figures of depreciation as well as finance cost.
- Going forward, the Company will restrict its export business and continue to concentrate on its domestic business.
- The Company will be unveiling its new logo and a new brand identity which is more contemporary and more attuned to customers. The Company will also continue to work on its product range and create new varieties as well as high margin jewellery items. The aim during the existing year will be to extract additional efficiencies from its existing assets and undertake fresh store expansion only on a restricted level.



# New Showroom opened in Q1 FY 2020



Sirsa, Haryana



Thank you

