



# Goldiam International Ltd

MANUFACTURERS & EXPORTERS OF DIAMONDS & JEWELLERY

CIN:L36912MH1986PLC041203

August 9, 2024

To, <b>BSE Limited</b> PhirozeJeejeebhoy Towers, Dalal Street, Mumbai- 400 001. <b>Scrip Code: 526729</b>	To, <b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Mumbai- 400 051. <b>Scrip Code: GOLDIAM EQ</b>
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Dear Sir/Madam,

**Sub: Investor Presentation**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of Investor Presentation on financial results of the Company for the quarter ended June 30, 2024.

Kindly take the above on record and oblige.

Thanking you,

Yours faithfully,

For **Goldiam International Limited**

**Pankaj Parkhiya**  
**Company Secretary & Compliance Officer**

**Registered Office**

Gems & Jewellery Complex, Santacruz Electronics Export Processing Zone, Andheri (East), Mumbai-400096. India  
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Website: [www.goldiam.com](http://www.goldiam.com)

# GOLDIAM

GOLDIAM INTERNATIONAL LIMITED



**INVESTOR PRESENTATION**  
August 2024



# **GOLDIAM**

GOLDIAM INTERNATIONAL LIMITED

**Q1 FY25 UPDATE**

**COMPANY SNAPSHOT**

**INVESTMENT RATIONALE**

**FINANCIAL SNAPSHOT**

**COMPANY STRUCTURE & BOD**

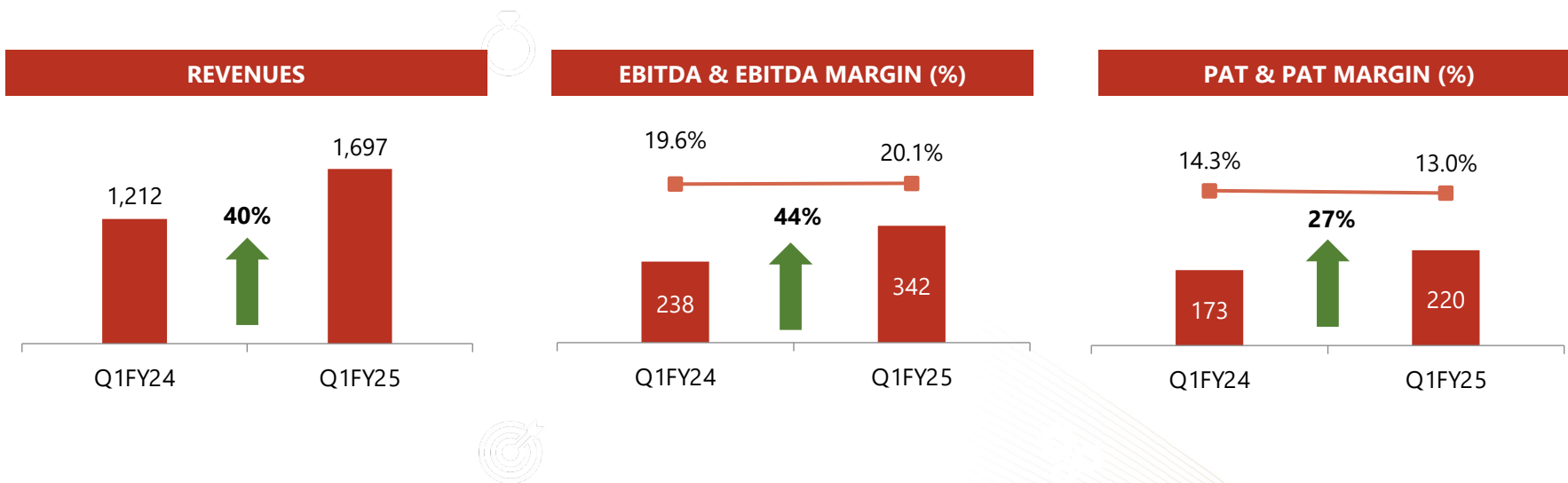


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**Q1 FY25 Update**

# Q1 FY25 : Key Highlights (Consolidated)

## Q1FY25 ANALYSIS



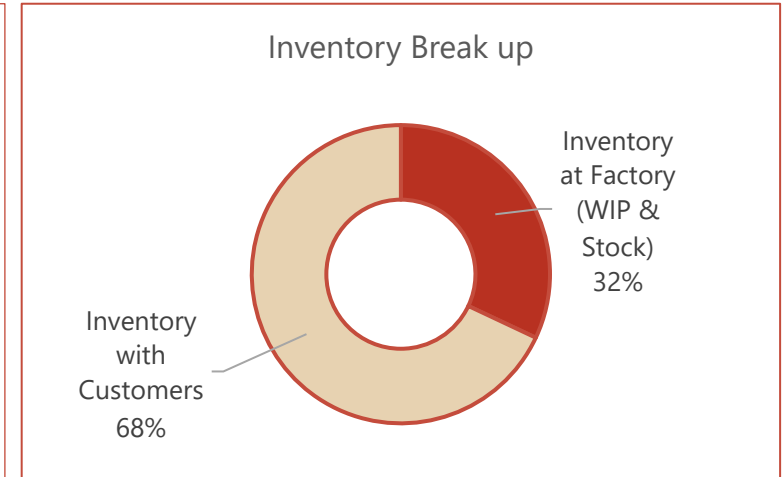
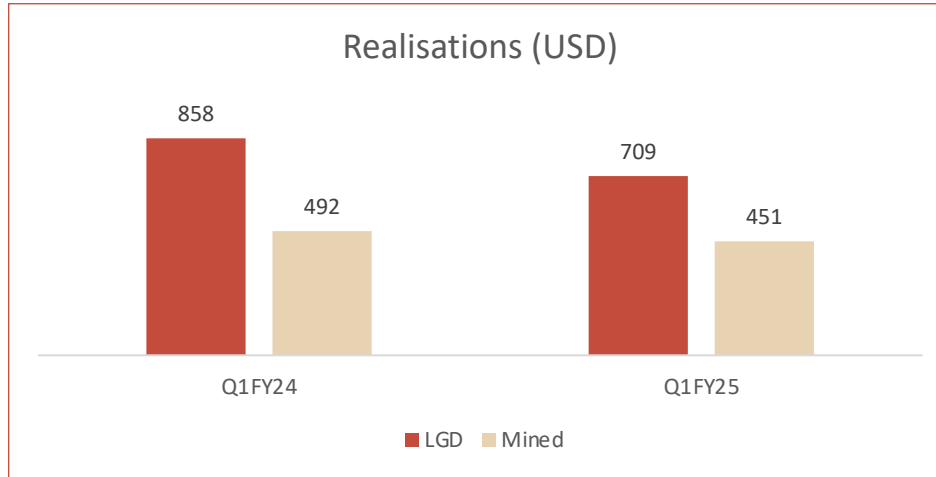
## B2B export-Q1 FY25: Key Matrices

Q1FY25					
Revenue Breakup	INSTORE		ONLINE		Value (%)
	Qty	Value	Qty	Value	Total
LAB-GROWN	51%	58%	7%	10.4%	68.4%
NATURAL	30%	22.2%	12%	9.4%	31.6%
<b>Total</b>	<b>81%</b>	<b>80.2%</b>	<b>19%</b>	<b>19.8%</b>	<b>100%</b>

Q1FY24					
Revenue Breakup	INSTORE		ONLINE		Value (%)
	Qty	Value	Qty	Value	Total
LAB-GROWN	16%	20.5%	6%	12.2%	32.7%
NATURAL	61%	51.7%	17%	15.6%	67.3%
<b>Total</b>	<b>77%</b>	<b>72.2%</b>	<b>23%</b>	<b>27.8%</b>	<b>100%</b>

- Goldiam has been transitioning from a pure natural diamond in-store jewellery company to a major supplier of Lab Grown Diamond Jewellery, with an omnichannel sales strategy
- Lab-grown Share has increased from 32.7% in Q1FY24 to 68.4% in Q1FY25. The quarter on quarter trend of increasing LGD jewellery sales reflects consistent shift in the US consumers' preference.
- Overall Online sales was 19.8% in Q1FY25.

## B2B export Q1FY25 Key Matrices



- Realisations for LGD jewellery continue to be at a premium to Mined Diamond jewellery for the company due to Goldiam's backward integration and sales of higher caratage jewellery.
- 68% of the inventory as of 30<sup>th</sup> June 2024 is with customers on consignment as finished jewellery in their stores
- Due to Goldiam's pricing initiative, inventory has further reduced, improving our cash flows

## Q1FY25: Key Performance Highlights (Consolidated)

### FINANCIAL UPDATES (CONSOLIDATED)

- **Revenues:** Goldiam's Q1 FY25 consolidated revenue at ₹ 1697 million increased by 40% Y-o-Y basis and 12% Q-o-Q basis. Goldiam's superior Q1 performance is a result of its ability to increase its wallet share amongst its existing large US retail customers.
- **EBITDA:** Q1 FY25 EBITDA at ₹ 342 million increased by 44% Y-o-Y, and 25% Q-o-Q basis. EBITDA margins at 20.1% improved by 203 basis points over the Q4 FY24 due to an increased mix of lab grown diamond business.
- **PAT:** PAT for Q1 FY25 stood at ₹ 220 million, up 27% Y-o-Y, and 24% Q-o-Q basis.
- **Order Book Status:** During Q1FY25, Goldiam received new orders worth ₹ 1400 mn. The order book size is ₹ 1500 mn as on June 30, 2024. This order book is expected to be executed in next three-four months. E-commerce sales, given their nature of being booked online (on a spot basis), are not part of the order book.
- **India Retail:** Goldiam in last few months has taken many concrete steps towards launching its India retail play of Lab Grown Diamond jewellery. These include appointing senior leadership from the retail space and locking of India retail Brand
- **Track record of rewarding shareholders:** With the equity share buyback concluded in August 2023, plus the dividend distributed during the year, Goldiam has, over the past six financial year, expended ₹ 2246 million by the way of dividend and share buybacks
- **Cash and Cash Equivalents** (including investments) at ₹ **3,332.4 mn** as on June 30, 2024



# India Retail LGD only Jewellery Brand to be called **ORIGEM**

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## India Retail Initiatives – Steps taken

- Goldiam has renamed its India initiative of branded Lab Grown Diamond Jewellery Retail as '**ORIGEM**'
- The brand reflects the more modern, studded nature of the jewellery items Goldiam will be marketing and is derived from 'Origin' leaning on the fact that the only difference between grown diamonds & mined diamonds is in its origin. All brand positioning is otherwise unchanged.
- Key senior level team for the retail initiative already joined, including Mr. Abhinav Kumar, President, India Retail
- First 3-5 stores to be opened in Q3 FY2025. Capability and blueprint already in place for rapid scale-up beyond FY25
- **ORIGEM** to be the largest LGD jewellery brand in India with Company owned, Company-operated show rooms

# Consolidated Profit & Loss Statement

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	Q1FY25	Q1FY24	YoY %	FY24
<b>Total Income</b>	<b>1,697</b>	<b>1,211</b>	<b>40%</b>	<b>6,167</b>
COGS	1,116	814	37%	4086
<b>Gross Profit</b>	<b>581</b>	<b>398</b>	<b>46%</b>	<b>2082</b>
Gross Margin %	<b>34.2%</b>	<b>32.8%</b>	141 bps	<b>33.8%</b>
Employee Expenses	68	55	24%	257
Other Expenses	172	105	63%	543
<b>EBITDA</b>	<b>342</b>	<b>238</b>	<b>44%</b>	<b>1282</b>
<b>EBITDA Margin %</b>	<b>20.1%</b>	<b>19.6%</b>	49 bps	<b>20.8%</b>
Depreciation	15	13	13%	61
Financial Cost	0.0	0.0	-31%	0.3
<b>Profit Before Tax (PBT) before exceptional items</b>	<b>327</b>	<b>225</b>	<b>45%</b>	<b>1221</b>
Exceptional Items	-	-	-	-
<b>Profit Before Tax (PBT)</b>	<b>327</b>	<b>225</b>	<b>45%</b>	<b>1221</b>
Tax	107	52	105%	312
<b>Profit After Tax (PAT)</b>	<b>220</b>	<b>173</b>	<b>27%</b>	<b>909</b>
PAT Margin %	<b>13.0%</b>	<b>14.3%</b>	(129 bps)	<b>14.7%</b>

## Consolidated Balance Sheet

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Liabilities (In ₹ Mn)	FY23	FY24
<b>Equity</b>		
Equity Share Capital	218	214
Other Equity	5,639	6,091
Non Controlling Equity	65	50
<b>Total Equity</b>	<b>5,921</b>	<b>6,355</b>
<b>Non-Current Liabilities</b>		
Deffered Tax Liabilities	45	31
Lease Liability	22	35
<b>Total Non-Current Liabilities</b>	<b>67</b>	<b>65</b>
<b>Current Liabilities</b>		
Financial Liability		
Borrowings	-	-
Trade Payables	904	669
Lease Liability	5	13
Other Financial Liabilities	104	156
Provisions	7	8
Current Tax Liabilities	41	78
<b>Total Current Liabilities</b>	<b>1,060</b>	<b>924</b>
<b>Total Liabilities</b>	<b>7048</b>	<b>7343</b>

Asset (In ₹ Mn)	FY23	FY24
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, Plant & Equipment	398	397
Capital Work in progress	-	-
Right to Use Lease Hold Property	27	48
Investment Properties	19	-
Other intangible Assets	9	6
Financial Assets		
Investments	189	61
Loans	15	53
Other Financial Assets	6	6
Deferred tax assets	25	1
<b>Total Non Current Assets</b>	<b>688</b>	<b>583</b>
<b>Current Assets</b>		
Inventories	2,483	2,226
Investments	1,190	1,625
Trade Receivables	1,473	1,427
Cash & cash equivalents	1,183	1,441
Bank balance other than cash	6	7
Loans	7	21
Other current assets	18	15
<b>Total Current Assets</b>	<b>6,361</b>	<b>6,761</b>
<b>Total Assets</b>	<b>7,048</b>	<b>7,343</b>



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**Company Snapshot**

# Goldiam International: Leading Exporter of Diamond Jewellery

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## OVERVIEW

- Established in 1986, today we are a supplier to leading global retailers, departmental stores and wholesalers with a diversified product portfolio of
  - Natural diamond jewellery
  - Lab-grown diamonds (LGD) and jewellery
- Our value added diamond jewellery business focuses on being a proxy to US consumer and retail demand.
- Soon to be India's exclusive Lab grown jewellery retailer under brand name "**ORIGEM**"

## VISION

To become the foremost vendor – -partner to the US diamond-jewellery retail industry and establish branded modern jewellery distribution for India through driving value across our portfolio

## MISSION

- Bring joyous moments for our end customers by offering our exquisite diamond jewellery Company/brand behind your every special moment
- Building Trust and transparency and providing best-in-class service to our customers
- To enhance stakeholder value



# Our Journey - A Constant Architect of Value Addition

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IDEATE



1970 - 1990

- Goldiam International started exports of cut and polished diamonds in 1986.
- First Diamond cutting and jewellery manufacturing company in SEEPZ, Mumbai.

Export of Cut & Polished Diamonds

INNOVATE



1995 - 2015

- Moving from commodity business of diamond manufacturing (cutting) to value added Diamond Jewellery Production & Wholesale.
- We leveraged our expertise and started operations in the US (New York) as Goldiam USA Inc. to directly sell to global retailers.

Export of Diamond Jewellery

IMPLEMENT



2015-2018

- Amongst the first jewellery exporting companies to grow, manufacture and distribute LG Diamonds & Jewellery.
- Strategic Acquisition of Eco-Friendly Diamonds LLP (EDL) (88%) gives us access to supply of key raw materials for manufacturing and growing LGD

Export of Natural & LGD Jewellery



2018-2024

- Further consolidation of stake in Eco-Friendly Diamonds LLP (EDL) to 88%.
- Versatile omnichannel platforms, where an online channel adheres to 7-day delivery fulfilment

# Goldiam's Edge: Building Momentum with Strength

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## Financial Strength

1

### Building Financial Resilience

- **Debt-Free Operations**
- Cash and Cash Equivalents (including investments) over ₹ 3,332.4 mn (30 June 24)
- Ability to **secure or grow Raw Material at Competitive prices**

## Operational Strengths

2

### Complete Supply Chain of LGD Jewellery

- **Complete backward integration** of manufacturing and exporting of LGD jewellery
- Acquisition of EDL enabled us to **grow Raw Materials at competitive prices**
- Use of **larger carat lab-grown diamonds** from our own growing unit of EDL

3

### Managing Extensive Infrastructure

- Sophisticated and **separate infrastructure setup** with dedicated earmarked areas for LGD, natural and dot com jewellery production
- Analytics-oriented design and new product development, leading to successful product launches
- **Low cost and efficient jewellery manufacturing** across distribution outlets

4

### Niche & Focused Distribution

- Orders **focused on a narrow range of diamond quality** with sizeable presence in this segment across retailers
- Returns are quickly recycled to **minimize inventory risk**
- Enables us to **cycle inventory faster** than competition.

Focused Design Capabilities



Creating Best-in-Class OEM Reputation



Higher Market Share



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**Investment Rationale**



# Play on Value Addition and Strong Financials

## 1. Expanding our Product Portfolio

- With the acquisition of Eco-Friendly Diamonds LLP (EDL), we are maximising the value addition in growing demand of lab-grown studded jewellery.

## 2. Best-in-Class OEM for US Jewellery Retailers

- With our extensive approach towards our retailers, we provide omnichannel services (dot-com production, fulfilment, drop-shipping, etc.) to be the best-in-class OEM.
- This has enabled us to capture **higher ROIs** compared to industry standards.

## 3. Growth Orientation

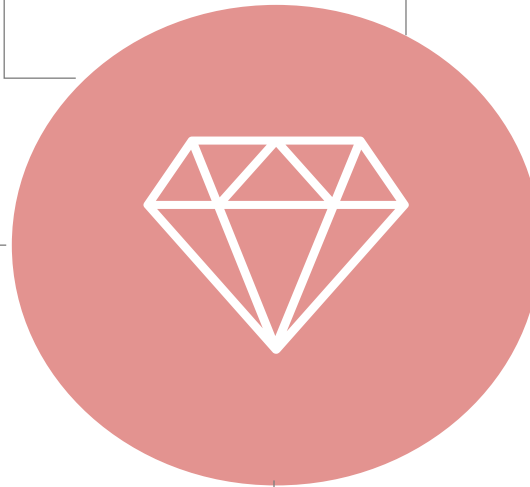
- Investing resources for new revenue streams by launching Branded India retail to capitalise on the growth of accessible Luxury in India
- **ORIGEM** Aimed to be the largest “**exclusive Lab-grown Diamond jewellery**” retail chain in India.

## 4. Strong Balance Sheet

- We place confidence in a highly prudent approach of adding strength to the balance sheet and remaining net debt-free.
- As of June 30, 2024, our consolidated cash & cash equivalents (including investments) stands at ₹ **3,332.4** mn.
- This provides us with the necessary ammunition for an inorganic growth opportunity as well as rewards stakeholders with consistent dividends.

## 5. Distribution Policy

- We are committed to maintaining a minimum payout ratio of 50% of the annual Standalone Profits after Tax (PAT) to be either used for dividends and/or Buy-back of shares.



# Expanding our Product Portfolio: Our Product Offerings

## Mined Diamond Jewellery



## Lab- Grown Diamond Jewellery



# Best-in-Class OEM for US Jewellery Retailers:

## Strengthening our Revenue Streams along with better RoE's

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By keeping our philosophy of 3I's (Ideate, Innovate and Implement) in mind, we are moving towards better margins, cost optimisation and omnichannel business models.

### Our Revenue Streams

Product Portfolio	Region	Sales Channel	Customer Breakup
Natural Diamond Jewellery, 51%	USA , 90%	Traditional Brick & Mortar, 72%	Retail, 80%
LGDs Jewellery, 49%			
		All e-commerce & Custom, 28%	Wholesale, 20%

EBITDA Margin: ~ 25%

EBITDA Margin: ~ 15%

### Evolving our business towards higher EBITDA margins, better cash flow and improved ROEs

#### Natural Diamond Jewellery Business

Export of natural diamond jewellery; focus on retail & wholesale clients; 15% EBITDA margin



#### LGD Growing Business & LGD Jewellery Business

Provide important Raw material for LGD jewellery business

Ventured into manufacturing & distribution of LGD jewellery, focus on creating an affordable luxury jewellery segment; upto ~25% EBITDA margin



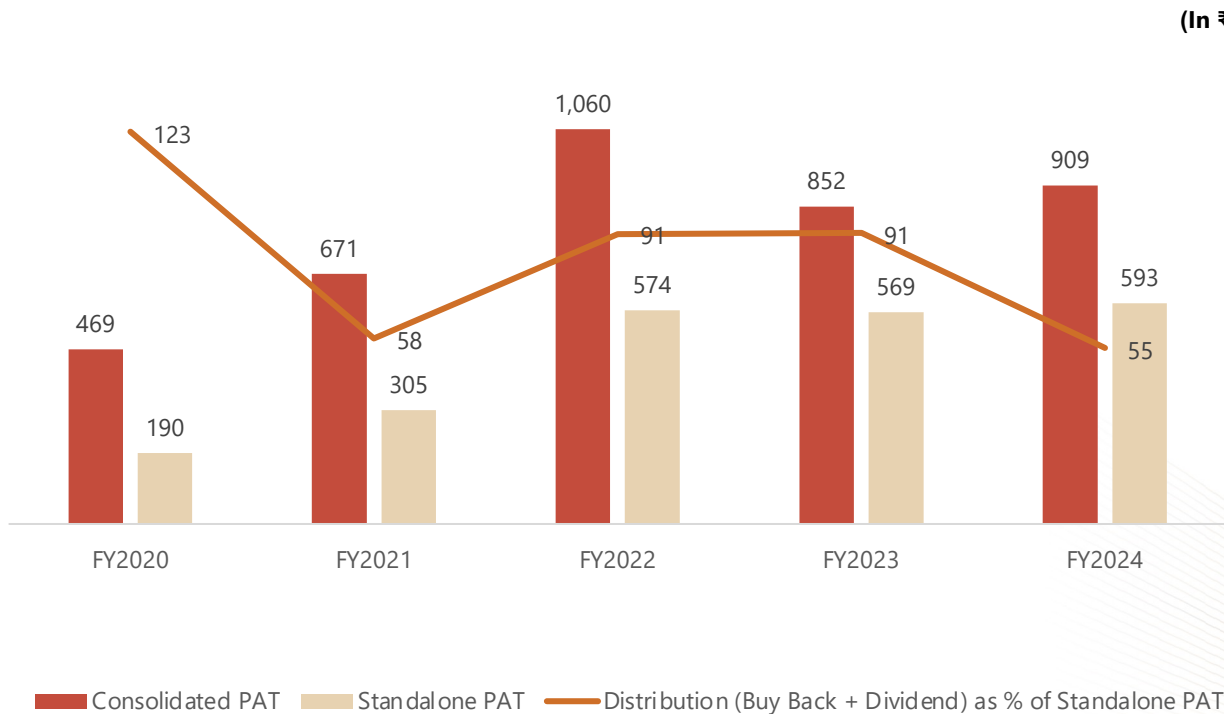
#### Omnichannel focussed RoE/ RoCE maximisation

Focussed on Retailers' e-commerce portal, allowing for efficient working capital management

## Distribution Policy: Creating Consistent Value for Stakeholders

**Our Dividend Distribution Policy ensures sustainable and consistent returns to stakeholders.**

~₹2bn distributed to shareholders via buyback and dividend over last 5 years



- Committed to wealth-creation for all our stakeholders.
- Objective of Dividend Distribution Policy: To ensure an equitable balance between the quantum of dividend paid-out and the profits preserved for future growth.
- We aim to maintain a minimum payout ratio of 50% of the annual Standalone PAT to be either used for Dividend and/or Buy-back of shares, subject to the considerations of the parameters stated in this Policy.
- Over the last five years (cumulative), we have delivered an average dividend pay-out of 50%+ of Standalone PAT

Notes: Dividend Paid excludes Corporate Tax on Dividend

# Strong Balance Sheet:

## A Balance of Efficiency, Effectiveness and Controls

### DISTRIBUTION POLICY

- Committed to wealth-creation for all its stakeholders.
- Average payout (dividend + buyback) for the last 5 years is 84% of standalone PAT

### ROBUST RETURN RATIOS

- Improving and growing profitability.
- Cash Adjusted ROCE\* – 37.1% in FY24
- ROE\* consistent RoE of 15% over Last 4 years



### DEBT FREE COMPANY

- With our prudent and conservative approach towards financial engineering, we have remained debt-free despite challenging markets.
- As on June 2024, our consolidated cash & cash equivalents along with investments are ₹ **3,332.4** mn.

### CONSISTENT GROWTH

- Consistent profit growth – 15% CAGR for the past 4 years



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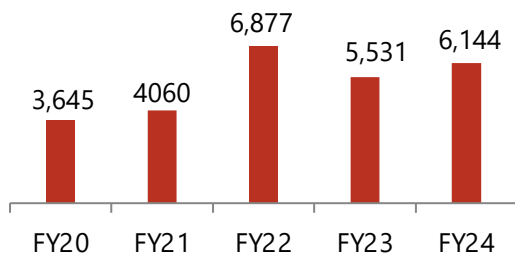
**Financial Snapshot**

# Consolidated Financial Snapshot

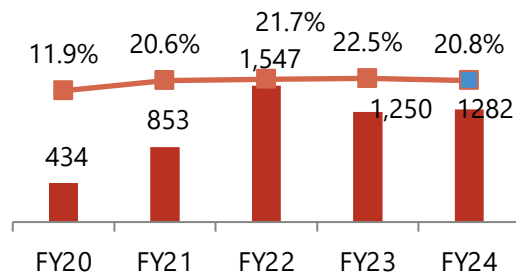
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In ₹ Mn

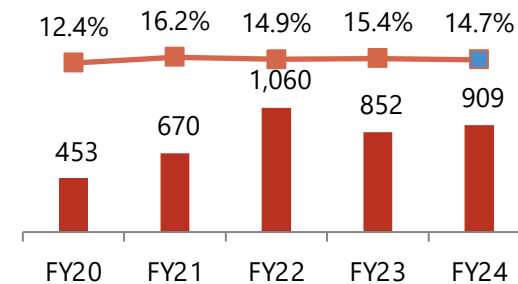
## Revenue from Operations



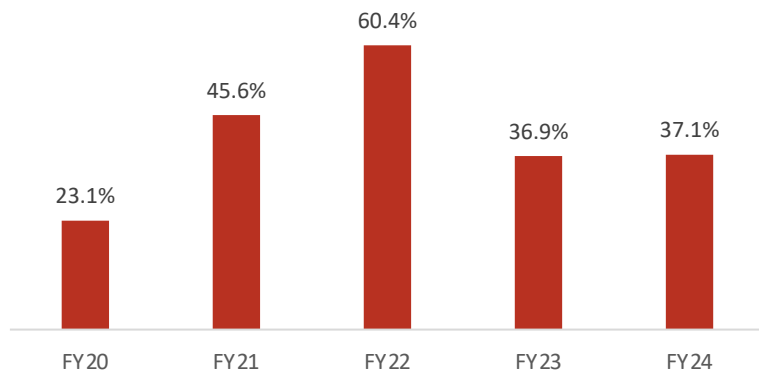
## EBITDA & EBITDA Margin



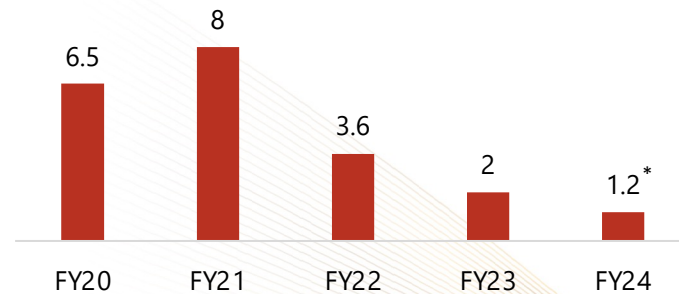
## PAT & PAT Margin



## Cash Adjusted Return on Capital (Adj RoCE)\*



## Dividend Per Share (₹)



\* Interim dividend

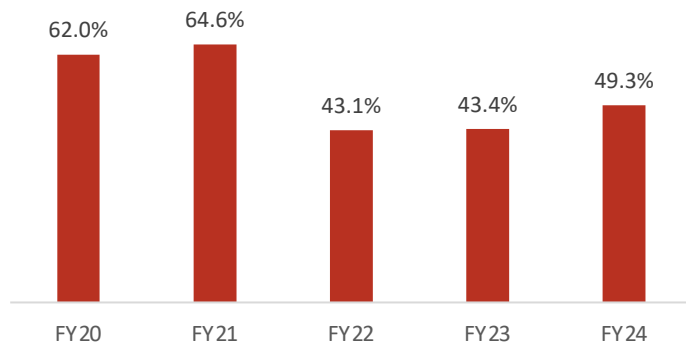
- ROCE:  $EBIT / \text{Avg. Capital Employed}$  [ $\text{Capital Employed} = \text{Equity} + \text{Total Debt} - \text{Cash \& Cash Equivalents} - \text{Investments}$ ]
- # in FY22 shares were split in the ratio of 1:5

# Consolidated Financial Snapshot

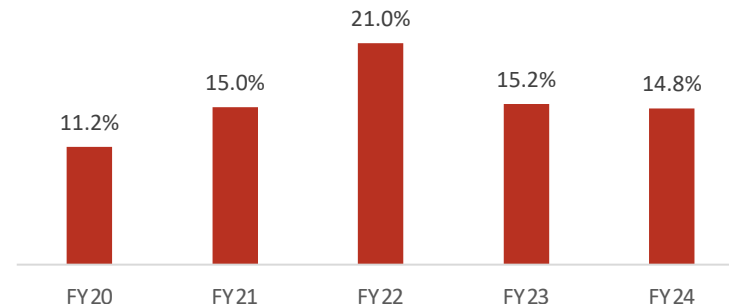
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In ₹ Mn

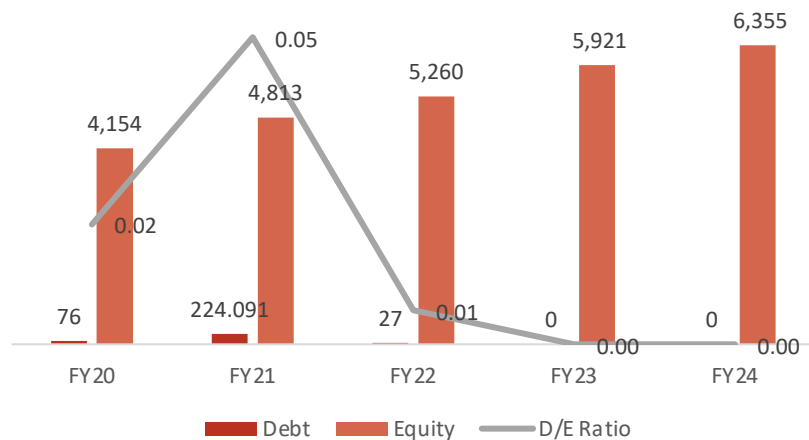
## Cash & Investments as a % of Equity



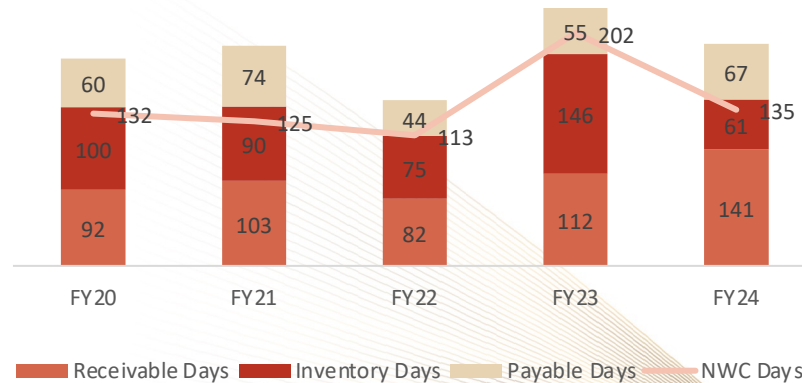
## Return on Equity (RoE)\*



## Leverage Analysis



## Working Capital Analysis



\* ROE: PAT/Avg. Equity

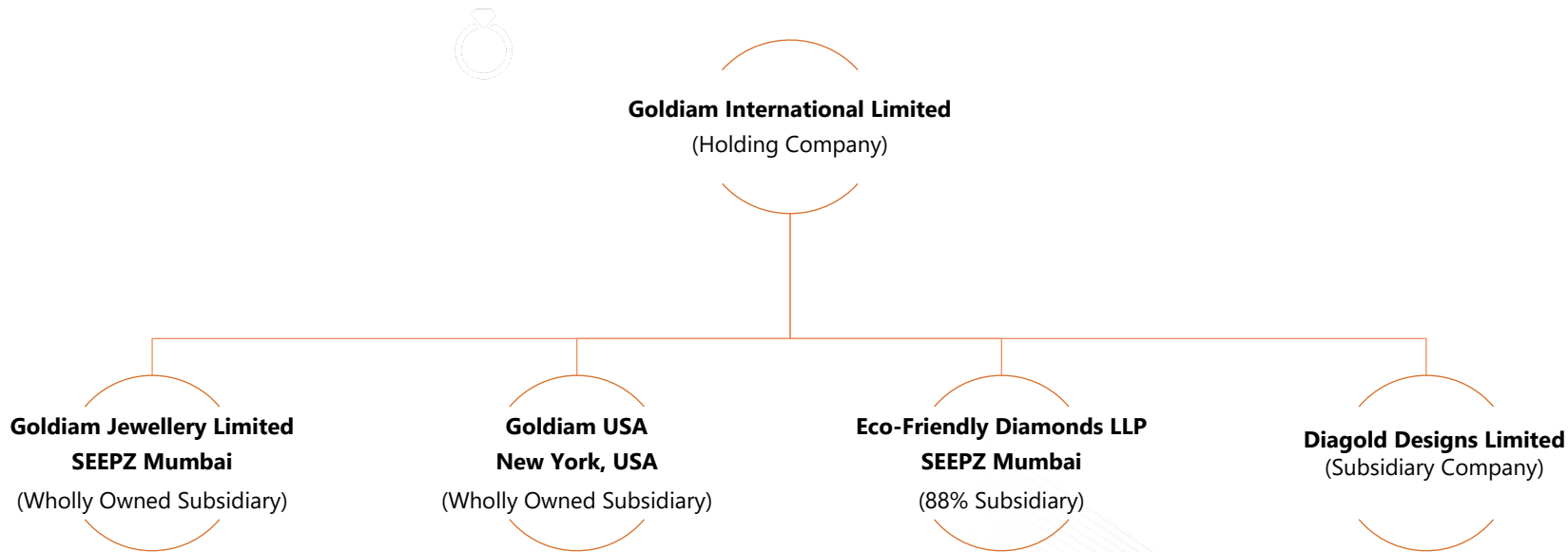




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**Company Structure &  
Board of Directors**

# Our Group Structure



**Manufacturing, Marketing & Design, Exporting**

**Marketing to Retailers**

**Growing & Manufacturing Lab Grown Diamonds**

## Our Board of Directors

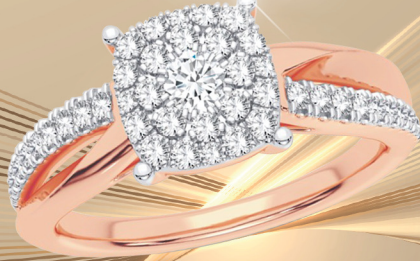
Name of the Director	Designation	Description
Rashesh Bhansali	Executive Chairman	Mr Rashesh Bhansali has over 28 years of rich and exhaustive experience in the field of diamonds & jewellery.
Anmol Rashesh Bhansali	Managing Director	Mr Anmol Bhansali has completed Bachelors of Science in Business Administration from Wharton School, University of Pennsylvania. Further, he also acquired GEM130 and GEM230 certifications, constituting two thirds of 'Diamonds and Diamond Grading' course, from Gemology Institute of America 2017. With an experience of more than 6 years, Mr Anmol Bhansali has acquired rich experience in Diamond Business and have engaged in Manufacturing, Trading and Jewellery exports.
Ruchi Shrinath Pandya	Non-Executive Independent Director	Mrs. Ruchi Shrinath Pandya is a BSL.LLB-Mumbai & Solicitor (UK & Wales) by profession. She is admitted as Advocate on the Rolls of Bar Council of Maharashtra & Goa-2005 & as Solicitor (UK & Wales)-2006. She has more than 17 years of experience. Her main areas of practice include- General Corporate law, Real Estate, Project Finance, Commercial Litigation, Arbitration and Dispute Resolution.
Pannkaj Chimanlal Ghadiali	Independent Director	Mr Ghadiali is a practicing Chartered Accountant since 1979. Presently he is Managing Partner of P C Ghadiali and Co. LLP and specializes in Direct & Indirect Tax, and Information Technology. He was also the Chairman of Western India Regional Council of The Institute of Chartered Accountants of India for the year 1988-89.
Nipa Utpal Sheth	Independent Director	Mrs. Nipa Sheth is the director and founder of Trust Group, a leading full-service financial services house and a leader in the Indian Bond Market. She has been an integral part of the fixed income market for over 20 years.
Tulsi Gupta	Non Executive, Non Independent Director	Mrs. Gupta is a certified jewellery designer from Gemmological Institute of America (GIA) and has completed Business School MSc(Hons) in Innovation, Entrepreneurship and Management from Imperial College of London. Over the years, she has acquired wide knowledge & experience in the field of diamonds & jewellery.

# GOLDIAM

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**Company Secretary**  
**Pankaj Parkhiya**

Email: [investorrelations@goldiam.com](mailto:investorrelations@goldiam.com)  
Contact Details: 022 28291893



**Mehul Mehta**  
**Director**



Email: [Dissero\\_Clients@dissero.co.in](mailto:Dissero_Clients@dissero.co.in)  
Contact Details: +91 98202 80325

**Thank You!**